



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **2**

to

Contract Number **071B6600110**

CONTRACTOR	CDW Government Inc.
	One CDW Way, 230 N. Milwaukee Ave.
	Vernon Hills, IL 60061
	Paul Somers
	(312) 705-9567
	paulsom@cdwg.com
	CV0017662

STATE	Program Manager	Mary Ladd	MULTI
		(517) 241-7561	
		LaddM@michigan.gov	
	Contract Administrator	Joshua Wilson	DTMB
		(517) 249-0444	
		wilsonj31@michigan.gov	

CONTRACT SUMMARY

MICHIGAN MASTER COMPUTING PROGRAM (MMCP) - PREQUALIFICATION PROGRAM

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
August 1, 2016	July 31, 2026	10 - 1 Year	July 31, 2026
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$80,000,000.00	\$40,000,000.00	\$120,000,000.00		

DESCRIPTION

Effective September 21, 2018, this Contract is hereby increased by \$40,000,000.00.

Please note that the Contract Administrator is hereby updated to Joshua Wilson (Standard Contract Terms, Section 9. Contract Administrator). Please also note Change Notice No. 1 erroneously reflected the Contract Term and this Change Notice No. 2 hereby corrects this error affirming the Contract Term is August 1, 2016 through July 31, 2026 with ten (10), one (1) year renewal options.

All other terms, conditions, specifications and pricing remain the same per Contractor and Agency agreement, DTMB Procurement approval and State Administrative Board approval dated June 21, 2016.



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**
Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **071B6600110**

CONTRACTOR	CDW Government Inc.
	One CDW Way, 230 N. Milwaukee Ave.
	Vernon Hills, IL 60061
	Paul Somers
	312-705-9567
	paulsom@cdwg.com
	CV0017662

STATE	Program Manager	Mary Ladd	MULTI
		517-241-7561	
		LaddM@michigan.gov	
	Contract Administrator	Garrick Paraskevin	DTMB
		(517) 284-6993	
		paraskeving@michigan.gov	

CONTRACT SUMMARY

MICHIGAN MASTER COMPUTING PROGRAM (MMCP)

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
July 15, 2016	July 31, 2026	10 - 1 Year	July 31, 2026
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		July 31, 2026
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$80,000,000.00	\$0.00	\$80,000,000.00		

DESCRIPTION

Effective 6/13/2018, the vendor's Single Point of Contact is being changed to Paul Somers (formerly Mike Musser). Paul can be reached at (312) 705-9567 or paulsom@cdwg.com.

All other terms, conditions, specifications, and pricing remain the same. Per the contractor, agency and DTMB procurement.

Form No. DTMB-3522 (Rev. 10/2015)
 AUTHORITY: Act 431 of 1984
 COMPLETION: Required
 PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

NOTICE OF CONTRACT NO. 071B6600110

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
CDW Government LLC One CDW Way, 230 N. Milwaukee Ave. Vernon Hills, IL 60061	Michael Musser	michmus@cdwg.com
	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
	866-339-3642	0110

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER	DTMB	Chad Hardin	517-241-7114	Hardinc1@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Lorri White	517-284-7088	WhiteL13@michigan.gov

CONTRACT SUMMARY

DESCRIPTION:

Michigan Master Computing Program Contract – To purchase standardized and as-needed IT commodities and services.

INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
10 years	08/1/2016	07/31/2026	1, 3, or 5 year options.
PAYMENT TERMS	F.O.B.	SHIPPED TO	
Net 45	Delivered	Per Contract	

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

Per Contract

MISCELLANEOUS INFORMATION

ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION	\$80,000,000.00
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For the Contractor:

Christina V. Rother,
President
CDW Government, LLC

Date

For the State:

William Pemble,
Director, IT Procurement
State of Michigan

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and CDW Government, LLC (“**Contractor**”), an Illinois Limited Liability Corporation. This Contract is effective on August 1, 2016 (“**Effective Date**”), and unless terminated, expires on July 31, 2026 (the “**Term**”).

This Contract may be renewed at the discretion of the State, in one-year, three-year, or five-year periods. Renewal must be by written notice from the State and will automatically extend the Term of this Contract.

The parties agree as follows:

1. **Definitions.** For the purposes of this Contract, the following terms have the following meanings:

“**Agency Business Owner**” is the individual appointed by the end-user agency procuring Services or Deliverables under an Engagement SOW to (a) act as such agency’s representative in all matters relating to such Engagement SOW, and (b) co-sign off on the State’s notice of acceptance for all Services and Deliverables. The Agency Business Owner will be identified in the Engagement SOW.

“**Authorized Users**” means all Persons authorized by the State to access and use the Products, Services and Deliverables under this Contract, subject to the maximum number of users specified in an applicable Purchaser Order or Engagement SOW.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which the State is authorized or required by Law to be closed for business.

“**Confidential Information**” has the meaning set forth in **Section 30.a**.

“**Contract**” has the meaning set forth in the preamble.

“**Contract Administrator**” is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve any Change Notices under this Contract. Each party’s Contract Administrator will be identified in **Section 9**.

“**Contract SOW**” means the statement of work entered into by the parties and attached as **Schedule A** to this Contract.

“**Contractor**” has the meaning set forth in the preamble.

“**Contractor Personnel**” means all employees of Contractor or any Subcontractors involved in the performance of Services hereunder.

“**Data Exchange Gateway**” means the State’s secure electronic file transfer solution.



“**Deliverables**” means documentation, reports, and all other materials that Contractor or any Subcontractor is required to provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Contract SOW or an individual Engagement SOW.

“**Dispute Resolution Procedure**” has the meaning set forth in **Section 40**.

“**Documentation**” means all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Products.

“**DTMB**” means the Michigan Department of Technology, Management and Budget.

“**DTMB Business Manager**” means the applicable business relationship manager or comparable identified authority.

“**DTMB IT Project Manager**” is the individual appointed by each party under an Engagement SOW to (a) monitor and coordinate the day-to-day activities of the Engagement SOW, and (b) in the case of the State, co-sign off on its notice of acceptance for all Services and Deliverables. Each party’s IT Project Manager will be identified in the Engagement SOW

“**Effective Date**” has the meaning set forth in the preamble.

“**Engagement SOW**” means a statement of work entered into by the State and Contractor for the provision of specified Services and Deliverables by the Contractor or its Subcontractor.

“**Incident**” means any interruption in Services.

“**Intellectual Property Rights**” means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the associated goodwill; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable Law in any jurisdiction throughout the world.

“**ITAM**” means the State’s Information Technology Asset Management System.

“**ITRAC**” means the State’s web application for requesting and tracking IT commodity, maintenance, and service purchases.

“**Key Personnel**” means any Contractor Personnel identified as key personnel in the Statement of Work.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree or other requirement or rule of any federal, state, local or foreign government or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.



“**Loss or Losses**” means all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

“**OEM**” Original Equipment Manufacturer

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, governmental agency, governmental department, governmental commission, governmental authority, unincorporated organization, trust, association or other entity.

“**Products**” means hardware, software, components, and accessories that are sold to or provided to the State.

“**Product Web Catalog**” mean the online list of State-approved Products.

“**Recycling**” The series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.

“**Reports**” means any and all reports that Contractor is obligated to or otherwise does provide under the Contract SOW.

“**Representatives**” means a party's employees, officers, directors, partners, shareholders, agents, attorneys, successors and permitted assigns.

“**Reuse**” means using a product or component of municipal solid waste in its original form more than once.

“**RFP**” means a Request for Proposal.

“**Services**” means any of the services Contractor, or any Subcontractor, is required to or otherwise does provide under this Contract, or an Engagement SOW, including but not limited to installation, implementation, integration, field support, and incident response. “**SIGMA**” means the Statewide Integrated Governmental Management Applications, which is the State’s future ERP system.

“**SLA**” means Service Level Agreement

“**SPOC**” means a Single Point of Contact.

“**State**” means the State of Michigan.

“**State Data**” has the meaning set forth in **Section 29.a**.

“**Stop Work Order**” has the meaning set forth in **Section 20**.

“**Subcontractor**” means any Person with whom Contractor contracts with to provide Services or Deliverables under an Engagement SOW.



“**Supplier**” means any third-party manufacturer, publisher, supplier or material provider that provides Products to the State.

“**Term**” has the meaning set forth in the preamble.

“**Transition Period**” has the meaning set forth in **Section 23**.

“**Transition Responsibilities**” has the meaning set forth in **Section 23**.

“**Unauthorized Removal**” has the meaning set forth in **Section 7.d.ii**.

“**Unauthorized Removal Credit**” has the meaning set forth in **Section 7.d.iii**.

“**User Data**” means all data, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, processed, generated or output by any device, system or network by or on behalf of the State, including any and all works, inventions, data, analyses and other information and materials resulting from any use of the Software by or on behalf of the State under this Contract, except that User Data does not include the Software or data, information or content, including any GUI, audio, visual or digital or other display or output, that is generated automatically upon executing the Software without additional user input.

“**Verifiable Price Index**” (“VPI”) mean prices recorded in a catalog, price list, schedule, or other verifiable and established record that is regularly maintained by Contractor and is published or otherwise available for customer inspections.

2. **Ordering.** Products, Services and Deliverables must be ordered by one of the following two methods:
 - a. **Engagement Statements of Work.** The State may order Services and Deliverables pursuant to an Engagement SOW. For billing purposes, all Engagement SOWs must have an associated Purchase Order issued by the State. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY ENGAGEMENT SOW ENTERED INTO BETWEEN THE PARTIES.

Engagement SOWs entered into under this Contract shall be developed and agreed to by the parties as set forth below:

- i. The State shall deliver its proposed Engagement SOW to the Contractor engaged to perform the Services, whereupon the Contractor shall review and approve, or raise any exceptions or clarifications to the State’s proposed Engagement SOW. If Contractor raises any such exceptions, the parties shall negotiate in good faith to amend the proposal, provided that:
 1. to the extent that the Contractor’s response does not comply with the requirements of this Contract and the business requirements set forth in the State’s proposed Engagement SOW, it shall be amended to so comply; and
 2. either party may terminate negotiations if the parties fail to agree on a final Engagement SOW.
- ii. Upon the parties' agreement to a final Engagement SOW, each party shall cause the same to be signed by its duly authorized representative. The only individuals authorized to sign on behalf of the State are the DTMB Business Manager and the Agency Business Owner, both of whom must sign for the final Engagement SOW to be valid. Upon its mutual execution, the final Engagement SOW shall be attached to its associated Purchase Order.



- b. **Purchase Orders.** The State may order Products, Services and Deliverables pursuant to a Purchase Order issued by the State, and signed by Contactor. The State reserves the right to cancel any Purchase Order at any time prior to shipment of the Products or delivery of the Services or Deliverables and shall not be subject to any charges or other fees whatsoever as a result of such cancellation. The State may, by written communication, make changes to any Purchase Order subject to an equitable adjustment in the price, delivery schedule, or both, where appropriate. Notwithstanding the foregoing, if Contractor’s quote contains notice of non-returnable or non-cancelable Products, the previous two sentences shall not apply. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY PURCHASE ORDERS ISSUED BY THE STATE.
- 3. **Invoicing.** Requirements for invoicing are set forth in the Contract SOW. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY INVOICES.
- 4. **Quotes.** Requirements for quotes are set forth in the Contract SOW. THE TERMS AND CONDITIONS OF THIS CONTRACT WILL APPLY AT ALL TIMES TO ANY QUOTES
- 5. **Delivery.** Delivery requirements are set forth in the Contract SOW.
- 6. **Warranty.** For orders placed under a Purchase Order, to the extent permitted by the Supplier, Contractor will assign to the State all manufacturer or publisher’s warranties on all Products. For orders placed under an Engagement SOW, the terms of the Engagement SOW will control Contractor’s and Subcontractor’s warranty obligations, if any.
- 7. **Performance of Services.** Contractor, and all Subcontractors will provide all Services and Deliverables in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and specifications set forth in this Contract, the Contract SOW, and any applicable Engagement SOW.

a. State Standards

- i. The Contractor and all Subcontractors must adhere to all existing standards as described within the comprehensive listing of the State’s existing technology standards at <http://www.michigan.gov/dmb/0,4568,7-150-56355-108233--,00.html>
- ii. To the extent that Contractor or any Subcontractor has access to the State’s computer system, Contractor or Subcontractor must comply with the State’s Acceptable Use Policy, see http://michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,00.html. All Contractor and Subcontractor personnel will be required, in writing, to agree to the State’s Acceptable Use Policy before accessing the State’s system. The State reserves the right to terminate Contractor’s or Subcontractor’s access to the State’s system if a violation occurs.

b. Contractor Personnel

- i. Contractor is solely responsible for all Contractor personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers’ compensation insurance payments and disability benefits.
- ii. Prior to any Contractor personnel performing any Services, Contractor will:
 - 1. ensure that such Contractor personnel have the legal right to work in the United States; and



2. require such Contractor personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract.
 - iii. Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.
 - iv. The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.
- c. **Background Checks.** If Contractor or its Subcontractor will have access to State systems, State facilities, or State Data, upon request, Contractor must perform background checks on all employees and Subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- d. **Contractor's Key Personnel**
- i. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Contract Administrator, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.
 - ii. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State, not to be unreasonably withheld, is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 21**.
 - iii. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 21**, Contractor will issue to the State the corresponding credits set forth below (each, an "**Unauthorized Removal Credit**"):



1. For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$25,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.
 2. If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.
- iv. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection iii** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

8. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

<p>If to State:</p> <p><i>Lorri White</i> <i>DTMB Procurement</i> <i>State of Michigan</i> <i>525 W. Allegan, 1st Floor</i> <i>Lansing, MI 48933</i> whitel13@michigan.gov 517-284-7088</p>	<p>If to Contractor:</p> <p><i>CDW Government, LLC</i> <i>Attn: Director, Program Sales</i> <i>2 Corporate Drive Suite 800</i> <i>Shelton, CT 06484</i> ContMgt@cdw.com 800-800-4239</p>
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9. **Contract Administrators.** The following individuals are each party's Contract Administrator:

<p>State:</p> <p><i>Lorri White</i> <i>DTMB Procurement</i> <i>State of Michigan</i> <i>525 W. Allegan, 1st Floor</i> <i>Lansing, MI 48933</i> whitel13@michigan.gov 517-284-7088</p>	<p>Contractor:</p> <p><i>Jumana Dihu</i> <i>120 S. Riverside</i> <i>Chicago, IL 60606</i> jumdihu@cdwg.com 312-705-9437</p>
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10. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a Subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A-" or better and a financial size of VII or better.



Insurance Type	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds – see endorsement.
Umbrella or Excess Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Coverage must follow form of underlying primary policies.
Automobile Liability & Hired and Non-Owned Vehicle Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$4,000,000 Each Occurrence \$4,000,000 Annual Aggregate	Policy must cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

If any of the required policies provide claim-made coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Services; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Services; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 30 calendar days of the expiration date of the applicable policies; and (b) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver. The insurer for each insurance policy required herein shall provide notice of cancellation subject to the notification provisions of the policy.



This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

11. **Administrative Fee and Reporting.** Contractor must pay an administrative fee of 2% on all payments made to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions), MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

**Department of Technology, Management and Budget
Financial Services – Cashier Unit
Lewis Cass Building
320 South Walnut St.
P.O. Box 30681
Lansing, MI 48909**

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

12. **Extended Purchasing Program.** This Contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this Contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Products, Services, and Deliverables at the established Contract prices and terms. The State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

13. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any Subcontractors. Prior performance does not modify Contractor's status as an independent contractor.

14. **Intellectual Property Rights.**

- a. **Reports.** As to any Reports, Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in such Reports and all associated Intellectual Property Rights, if any. Such Reports are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Reports and related Intellectual Property Rights do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Reports, including all Intellectual Property Rights therein, except however, that Contractor will retain all Intellectual Property Rights that it owned or controlled prior to the effective date of the agreement between the parties or that it develops or acquires from activities independent of the service performed under the agreement between the parties ("**Background IP**"). Contractor hereby grants to the State and its Authorized Users a perpetual, non-exclusive, world-wide, fully paid and royalty free license to use Background IP for its internal business purposes.



- b. Non-Report Deliverables. Intellectual Property Rights with respect to non-Report Deliverables will be governed by the individual license agreement or Engagement SOW that pertain to that particular Deliverable.
15. **Assignment**. Contractor may not assign this Contract to any other party without the prior written approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party.
16. **Change of Control**. Contractor will notify the State, at least 30 calendar days before the effective date, of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

17. **Acceptance**.
- a. Products, Services and Deliverables are subject to inspection and testing by the State in accordance with the Contract SOW and any applicable Purchase Order Requirements.
 - b. Unless otherwise specified in the applicable Engagement SOW, all Services and Deliverables provided under an Engagement SOW are subject to the acceptance procedures set forth below:
 - i. All Services and Deliverables are subject to inspection and testing by the State within 15 Business Days of the State's receipt of them. The Services and Deliverables must be accepted in writing by the State's IT Project Manager and its Agency Business Owner. If the State finds deficiencies in the Services and Deliverables, it may: (1) demand performance at no additional cost, in the form a written notice to cure; or (2) reject the deficient Services and Deliverables without performing any further inspections, and terminate the Engagement SOW and associated Purchase Order, in whole or in part, in accordance with Section 22. The State's failure to provide notice of acceptance or deficiencies within 5 Business Days of the expiration of the inspection or testing period will constitute acceptance of the Services and Deliverables.
 - ii. Within 15 Business Days from the date of Contractor's receipt of a notice to cure, Contractor must cure, at no additional cost, the noted deficiencies and deliver acceptable Services and Deliverables to the State.
 - iii. If Contractor is unable or refuses to correct the noted deficiencies within the time response standards set forth in subsection (b) above, the State may terminate the Engagement SOW and associated Purchase Order, in whole or in part, in accordance with Section 21. The State, or a third party identified by the State, may provide the Services and Deliverables and the State may recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

18. **Terms of Payment**. All undisputed amounts are payable within 45 days of the State's receipt of a valid invoice. Contractor may only charge for Products, Services and Deliverables provided as specified in the Purchase Order or Engagement SOW. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Products, Services and Deliverables purchased under this Contract are for the State's exclusive use. Provided the State delivers to Contractor its tax-exempt certificate, Contractor will not add any sales or use tax to the price of Products or Services.



The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Products, Services or Deliverables. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor.

19. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in the Contract Statement of Work, or an Engagement SOW if applicable.
20. **Stop Work Order.** The State may suspend any or all Services under the Contract, an individual Purchase Order or an individual Engagement SOW at any time. The State will provide Contractor, or Subcontractor if applicable, a written stop work order detailing the suspension. Contractor, or Subcontractor if applicable, must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract. Unless the work covered by the stop work order is subsequently terminated for cause, the State will pay Contractor reasonable, direct and verifiable costs resulting from the stop work order. Further, the parties will agree upon an equitable adjustment with respect to Contractor Personnel staffing requirements, if as a result of the stop work order, its staffing of the project is affected by such stop work order. For the avoidance of doubt, the State is not liable to Contractor for loss of profits because of a stop work order issued under this Section 20..
21. **Termination for Cause.** The State may terminate this Contract, an individual Purchase Order or an individual Engagement SOW for cause, in whole or in part, if Contractor or its Subcontractors, as determined by the State: (a) endangers the value, integrity, or security of any State location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) fails to perform Services under an Engagement SOW with sufficient personnel and equipment or with sufficient material to ensure adequate performance of the Services; (d) breaches any of its material duties or obligations under this Contract, an individual Purchase Order, or an individual Engagement SOW; or (e) fails to cure a breach within 30 days after a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform in accordance with **Section 23**, Transition Responsibilities. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in **Section 22**, Termination for Convenience.

The State will only pay for amounts due to Contractor for Products, Services and Deliverables accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all direct and verifiable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, and court costs.



22. **Termination for Convenience.** The State may terminate this Contract, an individual Purchase Order or an individual Engagement SOW on 30 days written notice, in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor or Subcontractor must: (a) cease performance of the Services immediately, or (b) continue to perform the Services in accordance with **Section 23**, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
23. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Services at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services, training, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and Confidential Information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed Deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
24. **General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all third-party actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, Subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any Intellectual Property Right of any third party caused by Contractor or Subcontractor; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to negligent action or inaction by Contractor (or any of Contractor's employees, agents, Subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any negligent acts or omissions of Contractor (or any of Contractor's employees, agents, Subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; and (iii) employ its own counsel. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

25. **Infringement Remedies.** If, in either party's opinion, any of the Services or Deliverables supplied by Contractor or its Subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the Services or Deliverables, or if this option is not reasonably



available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

26. **Limitation of Liability.** NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES SPECIFIED IN THE APPLICABLE PURCHASE ORDER OR ENGAGEMENT STATEMENT OF WORK GIVING RISE TO THE CLAIM.
27. **Disclosure of Litigation, or Other Proceeding.** Unless precluded by law, Contractor must notify the State within 14 calendar days of receiving notice of litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a Subcontractor, or an officer or director of Contractor or Subcontractor, that arises during the term of the Contract, that would have a material effect on Contractor's performance under this Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
28. **State Data.**
- a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) User Data; and (b) the State's data collected, used, processed, stored, or generated in connection with the Services, including but not limited to (i) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and (ii) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
- b. **Contractor Use of State Data.** Unless expressly specified in an Engagement SOW, the Services to be provided by Contractor will not require or involve access, collection, use, processing, storing, or generating any State Data. The State will not enable, and will use commercially reasonable efforts to prevent access and disclosure of State Data to Contractor. Contractor will use commercially reasonable efforts to prevent gaining access to State Data. If Contractor inadvertently receives access to State Data in the performance of Services despite the parties' efforts, then Contractor shall handle such State Data in accordance with Section 29. If the parties enter into an Engagement SOW that expressly identifies that Contractor or its Subcontractor will require access to State Data to be utilized by Contractor or its Subcontractor in the provision of Services, Contractor will be provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in



this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.

- c. Compromise of State Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than seventy-two (72) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This Section survives termination or expiration of this Contract.

29. **Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar



meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was or is: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA) by the receiving party; (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or Subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and Subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a Subcontractor is permissible where: (a) use of a Subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's responsibilities; and (c) Contractor obligates the Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any Subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
 - c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
 - d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
 - e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.
30. **Data Privacy and Information Security.** Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a)



ensure the security and confidentiality of State Data; (b) protect against any anticipated threats or hazards to the security or integrity of State Data; (c) protect against unauthorized disclosure, access to, or use of State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and Subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which shall be provided to Contractor, which shall be treated as Confidential Information.

31. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may, upon 30 days prior written notice, audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

After providing the notice specified above, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any Subcontractor that performs Services in connection with this Contract.

32. **Warranties and Representations.** Contractor represents and warrants to the State that:
- a. it will perform all Services in a professional and workmanlike manner in accordance with best industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under the applicable Statement of Work;
 - b. the Services and Deliverables provided by Contractor will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party;
 - c. it has the full right, power, and authority to enter into this Contract, to grant the rights granted under this Contract, and to perform its contractual obligations;
 - d. all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading;
 - e. it acknowledges that the State cannot indemnify any third parties, including but not limited to any Suppliers or Subcontractors. Notwithstanding anything to the contrary contained in any third-party license agreement or end user license agreement, the State will not indemnify any third-party for any reason whatsoever during the term of this Contract. EXCEPT AS EXPRESSLY STATED HEREIN CONTRACTOR, (INCLUDING ITS AFFILIATES, CONTRACTORS, AND AGENTS, AND EACH OF THEIR RESPECTIVE EMPLOYEES, DIRECTORS, AND OFFICERS), ON BEHALF OF ITSELF AND ITS SUBCONTRACTORS DISCLAIMS, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE PRODUCTS, SERVICES, AND DELIVERABLES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY (1) OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE, OR SUITABILITY; OR (2) RELATING TO THIRD-PARTY PRODUCTS OR SERVICES.



A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under **Section 21**, Termination for Cause.

33. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any Subcontractor that performs Services in connection with this Contract.
34. **Compliance with Laws.** Both parties must comply with all federal, state and local laws, rules and regulations.
35. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its Subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
36. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or Subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
37. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
38. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Products, Services, and Deliverables from other sources.
39. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster, acts of God, or supply chain disruptions not caused by Contractor that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its Subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
40. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to each party's respective Contract Administrator. Such referral must include a description of the issues and all supporting documentation. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.



41. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
42. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
43. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
44. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
45. **Entire Agreement.** This Contract, including the Statement of Work, constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any conflict between the terms of this Contract and those of the Statement of Work or other document, the following order of precedence governs: (a) first, this Contract; (b) second, the Statement of Work; (c) third, attachments and exhibits to the Statement of Work. **EXCEPT FOR LICENSE AGREEMENTS WITH SUPPLIERS AGREED TO IN WRITING BY THE STATE, NO TERMS ON ANY INVOICE, QUOTE, PURCHASE ORDER, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE PRODUCTS, SERVICES, OR DELIVERABLES (INCLUDING SOFTWARE AND HARDWARE) OR DOCUMENTATION, WHETHER BY CONTRACTOR, SUPPLIER, OR SUBCONTRACTOR, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF SUCH PRODUCT, SERVICE, DELIVERABLE (INCLUDING SOFTWARE AND HARDWARE) OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.**



Schedule A – Statement of Work
Exhibit 1 – General Overview

1.0 GENERAL OVERVIEW

1.0.1 PURPOSE

The purpose of this Contract is for the Contractor to provide as needed IT commodities and services as noted below:

1. Hardware Module (Schedule A, Exhibit 1 and 3) – Computer hardware (including OEM Software), hardware maintenance, & associated assessment, installation, integration, and implementation services purchased through the Contract(s)
2. Software Module (Schedule A, Exhibit 2 and 3) – Licensed software , software maintenance, & associated assessment, installation, integration, and installation services purchased through the Contract(s)

1.0.2 PROGRAM

The Michigan Master Computing Program (MMCP) is supported by a bid process to compete for the State’s IT purchases that are in scope for each exhibit (Hardware & supporting services; software & supporting services; or both). The MMCP prequalification program consists of multiple contractors.

1.0.3 IN SCOPE

Any IT purchase not specifically listed the Out of Scope section below. The scope and requirements related to the purchase of specific IT commodities and services are noted in each exhibit included in Schedule A. The State reserves the right to refresh the vendor pool (increase or decrease) annually as it sees fit in the best interest of the State; including increasing or decreasing the number of modules a contractor is awarded.

Contract shall be available to the State’s MiDEAL Program and other states. The MiDEAL program allows local government partners and other states to use State contracts for their procurement needs. Contractor will provide all available products and services to MIDEAL members at their option. The value of MiDEAL procurements will count toward the State’s aggregate purchase volume for purposes of calculating volume discounts.

1.0.4 OUT OF SCOPE

The following are out of the scope:

- Desktop Application commodity product training required by the State for End-users.
- Staff Augmentation Services as it relates to consultants and specific tool sets not mentioned in this Contract.
- Software Development.
- Professional services for hardware or software not purchased through this Contract.

Individual exhibits in Schedule A may identify other out-of-scope items.

1.0.5 REQUIREMENTS/DELIVERABLES FOR ALL PRODUCTS

Contractor will provide State-approved products and services; the State will approve all additions, deletions, or changes to the State-approved products. At the State’s request Contractor will source and quote new products and services, including one-time purchases and additions to the Catalog. Contractor will notify the State as specified in each Module of any changes to these products.

Contractor, upon commercial announcement of new components that can be technically and economically substituted or added for/to items listed in the current Product Web Catalog, will offer said items for addition or substitution to the Product Web Catalog. These item(s) may be accepted at the option of the State, provided at least equivalent performance with economic benefits or significantly enhanced performance at no additional cost per unit of capability accrues to the State. End of life (“sunsetted”) products frequently purchased by the State should be offered to the State at discounted rates as Contractor sells off its inventory of such items.



1.0.5.1 ERP Integration

1.0.5.1.1 ITRAC

The State currently has an Intranet web application, ITRAC, which is used for requesting, approving, reporting and tracking IT commodity and maintenance purchases. Contractor will provide a file that contains the common commodities that are ordered by the State.

The following requirements must be met for integration with ITRAC:

- 1) Catalog file is a text file (flat file) with data elements delimited by tab characters,
- 2) Contractor will provide incremental updates to the catalog received daily (Monday-Friday 6 PM EST)
- 3) A full load file will be received weekly (Friday 6 PM EST)
- 4) The file will be transferred to the State Data Exchange Gateway using FTP.
- 5) The length of "Description" field will be kept under 255 characters.
- 6) The catalog file structure/format may be changed as a new design is implemented in the ITRAC system.
- 7) The Description file must support the addition of a 4 character identification code used to match commonly purchased items. Example: "E01-"
- 8) Required data elements are:
 - OPERATION_CODE
 - ITEM_NUMBER
 - MANUFACTURER
 - VENDOR
 - BLANKET PURCHASE ORDER NUMBER
 - DESCRIPTION
 - CATEGORY
 - SKU
 - PRICE
 - AGENCY_APPROVED

1.0.5.1.2 Future ERP Integration

The State is currently engaged in a project to implement the new State-wide Integrated Governmental Management Applications (SIGMA) ERP System, which is based on the CGI Advantage suite of applications. This is expected to replace ITRAC and other legacy State systems and become the new requisition and procurement system for the State. Migration to SIGMA is tentatively targeted for 2017.

Contractor shall, at no additional cost to the State, provide a State Web Portal and integrate it with the State' ERP Solution when the State migrates purchasing operations to the new system. Contractor will work with the State's identified ERP migration project team to obtain specific integration requirements. The Contractor will supply a catalog for products available under the Contract, which will reflect real-time product inventory, pricing, and availability information.

Contractor will grant the State and the State's authorized ERP provider a non-exclusive, limited license to use, reproduce, transmit, distribute, and publicly display within the ERP Solution the Contractor's punch-out catalog-site, including all of Contractor's trademarks, service marks, logos, trade dress, or other branding designation of Contractor that identifies the products made available under the Contract.

1.0.5.2 MIDEAL WEB PORTAL

Contract shall be available to members of the State's MiDEAL Program. This program allows local governments, other states, and other authorized entities to use State contracts for their procurement needs. The State does not restrict what products and services are available through MiDEAL, so long as they meet the Contract's scope. As a result the Contractor will need to provide a separate, web-based, secure MiDEAL catalog and portal. Contractor' MiDEAL Web Portal will provide to the State on-line, searchable reports on the business conducted through the contract to MiDEAL members. Please see Sections 11 and 12 of the Terms and Conditions.



1.0.5.3 ORDER PROCESS

1.0.5.3.1 ORDER PROCESSING

Upon receipt of an approved, executed purchase order, Contractor will fully validate the order to make sure that each product is still valid and that each price is correct.

- i. If the product is valid but the catalog price is lower than the price quoted on the original order, the lower price will be invoiced.
- ii. If the catalog price is higher than an active quoted price, the quoted price will be applied to the order.

After the order is validated, Contractor will send an acknowledgement to the order submitter.

1.0.5.4 SUBSTITUTIONS

Substitutions may be made when the product is not available because the manufacturer has discontinued its production or due to a documented product constraint. Contractor must notify State of substitutions before sending the replacement product for State approval.

Contractor will offer an equivalent or better substitute at or below the original price, with the State's permission. The offering being substituted must be from the same manufacturer as the product that is discontinued or unavailable.

Contractor will provide the State with written documentation substantiating the need for substitution and that the requirements are met by the product being substituted. The State will review the information submitted and determine in its sole discretion whether substitution is acceptable.

1.0.5.5 DELIVERY

The Contractor will deliver the product(s) as listed on the State's order. Unless otherwise specified within an individual order, the following are applicable to all orders issued under this Contract. Specific delivery metrics and Service Level Agreements (SLA's) are detailed in Section 1.0.13 Contract Performance, below.

Products purchased and services performed under this Contract shall be delivered to a F.O.B. Destination specified by the State upon issuance of individual purchase orders. The location will be specified at time of delivery. The Contractor is responsible for ensuring the products are transported from the delivery vehicle to the delivery point specified.

Contractor will provide the following delivery options:

- Standard Delivery, meaning where the product is delivered to a fixed delivery point (such as a State Warehouse) and State employees perform the unloading of the truck for the logistics company. Loading dock is available.
- Inside Delivery, meaning where the product is delivered to a location inside of a State building location. Contractor's logistics company is responsible to unload the delivery vehicle. Loading dock may or may not be available.
- Deskside Delivery, meaning where the Contractor's logistics company delivers the product directly to the end users' desk location within a State building. Loading dock may or may not be available.

Items shall not be considered delivered if they are refused due to damage or otherwise considered not to meet original order specifications.

Contractor will provide options to the State for Overnight and Second Day delivery.

1.0.5.6 SHIPMENT NOTIFICATION

For each order submitted, the Contractor will send e-mail notifications to the order's submitter by the next business day, concerning shipment and expected delivery dates.

1.0.5.7 ACCEPTANCE CRITERIA FOR DELIVERY

The State will consider products accepted when delivery of product is made to the specified delivery address, complete packing slips with applicable serial numbers are provided to the State, and equipment passes inspection. Equipment discovered to be damaged, defective or failing to conform to the specifications may be



rejected upon initial inspection or at any later time if the defects contained in the equipment or non-compliance with the specifications was not reasonably ascertainable upon initial inspection.

Contractor will not invoice for equipment, and the State will not authorize payment of invoices, until both of the above conditions have been met.

Contractor is responsible to ensure that a copy of the signed receiving documents are forwarded to the State before payment will be authorized.

1.0.5.8 PACKAGE LABELS AND PACKING SLIPS

1.0.5.8.1 BAR-CODING

Bar-Coded Information – The following information will be required on the vertical face of packages containing IT assets in a standard bar code format:

- a. State of Michigan Purchase Order Number
- b. Model Number(s)
- c. Serial Number(s)

The data for each field must be in standard print beside/above/below each bar code.

1.0.5.8.2 PACKING SLIPS

Contractor shall provide a packing slip for each physical shipment. The packing slip shall display:

- a. Purchaser's Name (Procurement Liaisons name)
- b. Ship to address
- c. Order Date
- d. Shipped from (Vendor) information
- e. Shipping Carriers Name
- f. Carriers Tracking Number
- g. Date Shipped
- h. Total Number of Packages
- i. State Purchase Order (PO) Number (or MiDEAL P.O.)
- j. Item / Part Number
- k. Line item description
- l. Quantity ordered
- m. Quantity included in shipment (of total quantity ordered)
- n. Any back order items and date they will be filled
- o. Equipment serial number

1.0.5.9 RETURNED PRODUCTS

Delivery Errors

Contractor will provide a product return process that protects the State from any financial obligation and/or costs arising from the delivery of incorrect or wrong and damaged products. This must cover Dead on Arrivals (DOA), damaged products, duplicate deliveries, and incorrect product deliveries.

Returns or Amendments at State's Request

Contractor will provide an order cancellation and amendment process that will allow the State to return products up to 20 business days from the date of receipt. The State may cancel an order prior to shipment at no cost.

1.0.5.10 PRODUCT RECALL NOTIFICATIONS

Contractor must provide prompt notice to the DTMB Program Manager in writing of any product recall within three business days. Contractor will also inform the DTMB Program Manager of any potential recalls that Contractor is aware of that could or would impact State purchasing of such products.

1.0.5.11 PROCESS FOR OBTAINING QUOTES



Contractor will provide a quoting service for products and services ("Quote Desk"). The Quote Desk must also be available in the event an emergency situation. The Quote Desk will facilitate the State's communication with OEM's and Publishers so that the State may uniquely configure hardware and software solutions, obtain technical guidance or expertise, and any other information needed for the basis of quotes.

All quotes, except quotes for servers and or server components from the major manufacturers, will be valid for a period of thirty (30) business days from the date the quote is received by the State.

Quotes for servers and server components from the major manufacturers will be valid for a period of sixty (60) business days from the date the quote is received. Quotes will be subject to change if any quoted component becomes unavailable. Contractor will notify the State of this occurrence. Contractor will then submit a revised quote to the State to satisfy the request, along with explanation.

For any Software quote request where the manufacturer requires the State to sign or agree to a licensing agreement, the Contractor will furnish the licensing agreement as an attachment to the quote.

1.0.6 ENGAGEMENT STATEMENT OF WORK PROCESS

Unless where otherwise specified, Engagement Statements of Work (SOW) shall be used to define engagement-specific services. Please refer to Modules 1 and 2 for specific services allowable for each Module. Services purchased from this Contract must comply with the Contract's allowable scope. See Exhibit E for the Service Engagement Statement of Work Template.

At the State's request, the Contractor will develop and propose in writing a solution, including price that shall be valid for 30 business days. The proposed solution will be submitted to the requestor within 10 business days from the request. Cost structures for all SOW's shall be based on: a) defined milestones or deliverables; or b) per-device fees.

DTMB will execute a Statement of Work through a purchase order.

1.0.7 LEASING (Optional)

Contractor will provide options to lease products to the State, which will include acquisition, installation, maintenance, removal and disposal. Lease options may be either capital or operational. Lease options will be consistent with Governmental Accounting Standards Board (GASB) standards.

1.0.8 REPORTS

Contractor shall publish the following reports in a Web portal for authorized users, and make available as identified below, and update at minimum according to the frequencies listed below. All reports must be exportable to common formats from the Web portal.

1.0.8.1 DAILY REPORTS

1.0.8.1.1 Shipping Report

The Contractor will provide a daily shipping report that details the following information on an individual PO line item basis. Items with serial numbers must be on individual lines of the report.

- Ship To Location
- Address
- City
- Zip
- Shipper Tracking Number
- Service Tag
- State PO Number
- Agency
- Category (Server, Desktop, Laptop, Tablet, Software)
- Model / Title
- Quantity
- Unit Price



- Ship Date
- Manufacturer Part#
- Contractor PO Number
- Shipment Carrier
- Agency Code
- Manufacturer/Publisher Name
- Manufacturer Order#
- Expected Delivery Date
- Warranty Start Date
- Warranty End Date

1.0.8.1.2 Open Order Report

Contractor will provide a daily report of all open orders that details the following information on an individual PO basis. The report will include:

- State PO#
- Contractor PO#
- Product Description
- Quantity
- OEM Part#/SKU#

1.0.8.2 MONTHLY REPORTS

Contractor will provide the following reporting solutions:

1.0.8.2.1 Monthly Contract Updates on Prices/Products

Contractor will provide a monthly Contract update to the State as prices and products change. Any update will state:

Changes (product additions/deletions, State price changes, manufacturer’s part numbers changes, etc.) that have occurred since the last monthly Contract update and must include the following items:

1. Publisher or Manufacturer’s part number, description, State price, type of change, and explanation.
2. Manufacturer/Contractor web address for more detailed product information,
3. Price for added products

Vendor Activity Report

Contractor will provide a monthly report of all activities transacted under the contract, which will include:

- Purchase Orders Processed
- Purchase Orders Fulfilled, including days to delivery
- New OEM’s Provided
- Invoices Issues
- Invoices Paid
- Quotes Requested and Provided, including days to provide

Aged Receivable Report

Contractor will provide a monthly report of all past-due State invoices for payment under the contract, which will include:

- Invoice Number
- Purchase Order Number
- Invoice Issue Date
- Invoice Due Date
- Days Past Due
- Invoice Status

DOA Report/Warranty Report



Contractor will provide a monthly report of all products noted as Dead On Arrival (DOA), whose delivery was refused.

- SOM PO Number
- Product Description
- Manufacturer Name (Dell, HP, Lenovo, APC, Oracle, etc.)
- Model Number
- Product Category (Desktop, Laptop, Tablet, Server, etc)
- Serial Number (Vendor Unique Service Tag Number) from Replaced PC
- Warranty End Date
- New Serial Number
- Incident Date
- New Order Ship Date
- Problem Description

1.0.8.3 Asset Report

The Contractor will transmit a file that interfaces with the State's asset management system, Information Technology Asset Management (ITAM), and the State Data Center's Configuration Management Data Base process, for asset reporting at no additional cost to the State.

1.0.8.3.1 Hardware Asset Report

- Ship To Location
- Address
- Service Tag
- State PO Number
- Agency
- Model
- Category (ex: Server, PC)
- Ship Date
- Agency Code
- Warranty/Maintenance Start Date
- Warranty/Maintenance End Date

1.0.8.3.2 Software Asset Report

- Ship To Location
- Address
- State PO Number
- Agency
- Title
- Category (ex: Perpetual, Subscription, Maintenance)
- License Metric (ex: User, Device, Processor)
- Quantity
- Software Key
- Ship Date
- Agency Code
- Term Start Date
- Term End Date
- License Cost

1.0.8.4 QUARTERLY AND ANNUAL REPORTS

Contractor will report, within ten (10) days of the end of each quarter the following summary reports:

- Metrics and SLA Summary, showing all SLA's (for each unmet SLA, detailed explanation must be provided)
- Warranty and Maintenance Services Summary, including % of services that met SLA



- Quarterly Purchases Volume, including breakdown by Top 20 OEM's
- MiDEAL Members Purchase Volumes
- Lease Report, detailing initiation and expiration
- Warranty, Maintenance, & Subscription Expiration Report, up to six months in advance.
- State administrative fees collected and payable

The State may require new or different reports over the Contract's term. Contractor will work with the State to revise reports.

Contractor will provide the following annual reports

- SLA Report
- Active Service Engagements
- Annual Purchase Volumes
- Annual Lease Volumes
- MiDEAL members Purchase Volumes

1.0.8.5 AD-HOC REPORTS

Contractor will provide the ability to generate ad-hoc electronic reports using a report template or other easy to use query tool. Reports must be electronic in the State-requested format. These reports will be made available free of charge as often as needed by the State.

1.0.8.6: REPORT DASHBOARD

Contractor will provide an online dashboard through their Portal that will show the following reports, which shall be updated monthly:

- Metrics and SLA's
- Volume of End-user Devices ordered by category
- Volume of Servers ordered by manufacturer
- Program Activity Volume:
 - Number of orders
 - Number of quotes
 - Number of SOW's
 - Dollars Spent
 - Savings realized in relation to the proposed cost model

1.0.9 CONTRACTOR STAFF, ROLES & RESPONSIBILITIES

The Contractor is responsible for:

- Monitoring and proactively resolving issues with delivery dates, quality of products/services, mean time between failure after repairs, billing/invoicing, and other service level agreements.
- Notify the MMCC Program Manager within one business day when products are constrained or otherwise unavailable so that the Program Manager can work with the Contractor to find an appropriate means to resolve these issues.
- The Contractor, its subcontractors and subcontracted staff shall comply with all security standards and the security access requirements for individual State facilities.

The State may, at its sole discretion and expense, conduct a background check of any Contractor resource who is proposed to perform services under this Agreement at a State site, provided that the background check complies with all applicable local, state and federal laws. The State will notify Contractor whether the Resource has or has not passed the background check. No other information, including any detail about the checks performed or results obtained, will be provided to the Contractor. If the State notifies Contractor that the resource has not passed, Contractor will not assign that resource to perform the services. The State will treat any such information provided by, and/or obtained about, a resource as part the background check process as Confidential Information.

1.0.9.1 Technical Support



The State reserves the right to obtain OEM/Publisher technical support for all products and services on this contract.

1.0.9.2 Key Personnel:

The State has identified the following as **key personnel** for this project:

1. Single Point of Contact (SPOC)
2. Contract Program Manager (CPM)
3. Contract Transition Manager

- **Single Point of Contact (SPOC)**

The Contractor will identify a SPOC for State and MIDEAL authorized personnel to call to obtain order and delivery statuses and to resolve issues (such as configurations, price, returns, inquiries, delivery status questions, etc.), billing/invoicing issues, warranty work, technical advice and remedial maintenance. Access to the SPOC will be provided through a toll free line to the State and MiDEAL Members. This SPOC will be available after business hours for issue escalation.

The State reserves the right to require a change in the current SPOC if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

- **Contract Program Manager (CPM)**

The Contractor will identify a **Contract Program Manager (CPM)** to oversee all aspects of the Contract including the management of all vendor personnel. The CPM will work closely with the designated personnel from the State. The CPM will coordinate all of the activities of the Contractor personnel assigned to the project and create all reports required by State. The CPM to oversee all aspects of the statewide Contract for the commodity awarded, including the management of all customer representatives and personnel identified in Contractor's proposal. The CPM's responsibilities include, at a minimum:

- Manage Contractor's subcontractors
- Develop the initial project plan and schedule, and update as needed for the Contract implementation and administration of the Contract.
- Serve as the point person for all project issues
- Coordinate and oversee the day-to-day activities of the Contract team
- Assess and report project feedback and status
- Escalate issues, risks, and other concerns
- Review all deliverables and provide feedback
- Proactively propose/suggest options and alternatives for consideration
- Utilize change control procedures
- Prepare documents and materials

Contract Transition Manager

Contractor will identify a Contract Transition Manager to oversee all aspects of transition and implementation of the Contract as described in Section 1.0.12. The Contract Transition Manager will remain Key Personnel until successful transition to operations of all Contract activities. Likewise, Contractor will identify a Contract Transition Manager as Key Personnel to oversee all aspects of transition at Contract's end, as described in 1.0.12.

Organizational Chart

The Contractor will provide, and update when changed, an organizational chart indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work. When changes occur to the organizational structure an updated organizational chart must be sent to the DTMB Buyer and the DTMB Program Manager within 2 weeks.

Contractor Identified Key Personnel



Single Point of Contact	Contract Program Manager	Contract Transition Manager
<p><i>Mike Musser</i> 120 S. Riverside Chicago, IL 60606 MMCC@cdwg.com 866-339-6942</p>	<p><i>Jumana DiHu</i> 120 S. Riverside Chicago, IL 60606 jumdiHu@cdwg.com 312-705-9437</p>	<p><i>Joseph Old</i> 300 S. Washington Square, Suite 200 Lansing, MI 48933 Joe.Old@dewpoint.com 810-625-6873</p>

1.0.10 ROLES & RESPONSIBILITIES OF THE STATE

State will assign a Program Manager or designee as a single point of contact for all communications. The Program Manager or designee will:

- Serve as the State’s Point of Contact between the Contractor and all other individuals participating in this Contract.
- Review and approve Contract product and support offerings including service levels, delivery times, performance metrics, cost basis and price.
- Act as the authority for determining compliance with SLA’s.

State Michigan Master Computing Program Manager:

Chad Hardin
 517-241-7114
 Hardinc1@michigan.gov

1.0.11 CONTRACT PROGRAM IMPLEMENTATION

The Contractor will provide sufficient staff that will have explicit responsibility for the administration of this Contract along with responsibility for planning all Contract transition start up activities, day-to-day Contract processes, and the subsequent transitional activities at the end of this Contract.

1.0.12 TRANSITION PLAN AT THE END OF THE CONTRACT

Along with all requirements and responsibilities specified in Section 24 of the Contract Terms and Conditions, Contractor will provide:

- **Transition Plan.** The Contractor will work together with the State and/or a Third Party Provider to develop a transition plan (the “Transition Plan”) setting forth the respective tasks to be accomplished by each Party in connection with the Transition and a schedule pursuant to which such tasks are to be completed. The Contractor will also participate in the execution of the Transition Plan by performing tasks mutually agreed upon in the development of the Transition Plan.
- **Knowledgeable Personnel.** The Contractor will make available to the State or the Third Party Provider knowledgeable personnel familiar with the operational processes and procedures used to develop products and services to the State.
- **Single Point of Contact.** The Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the Contract until all product and service obligations have expired.

1.0.13 CONTRACT PERFORMANCE

1.0.13.1 METRICS

The Contractor and the State of Michigan will establish procedures to manage all the service providers to be used under this contract. The State and the Contractor will monitor performance throughout the course of this Contract.

The contractor will monitor the performance and coverage of all warranty and maintenance services. In addition to monitoring of repair cases, the Contractor will meet regularly with service providers to discuss



performance metrics, issues affecting the industry or clients, new initiatives, and new innovations in technology. The primary focus is on making sure service commitments are met or exceeded.

Contractor will provide the Services according to the metrics detailed below; based on the awarded module(s). Metrics will be completed with the following operational considerations:

I: Service Metric #	II: Service	III: State Minimum Metric
A1	PC Delivery, No installation (hardware module)	10 business days, aggregate of all line item units delivered
A2	PC Delivery, with installation (hardware module)	15 business days, aggregate of all line item units delivered
A3	Commodity Server Delivery (hardware module)	15 business days, aggregate of all line item units delivered
A4	Custom-configured Server Delivery (hardware module)	20 business days, aggregate of all line item units delivered
A5	Software Delivery (software module)	10 business days, inclusive of all line item units delivered
A6	Non-Server Quote Delivery (all modules)	3 business days from request
A7	Server Quote Delivery (hardware module)	5 business days from request
A8	Engagement Statement of Work (all modules)	10 business days from request
A9	PC Warranty & Maintenance (hardware module)	Next business-day response
A10	Server Onsite Warranty & Maintenance: critical (hardware module)	2-hour response
A11	Server Onsite Warranty & Maintenance: high (hardware module)	4-hour response
A12	Server Onsite Warranty & Maintenance: standard (hardware module)	Next business-day response

1.0.13.2 SERVICE LEVEL AGREEMENTS AND LIQUIDATED DAMAGES

Contractor will report on a quarterly basis on all SLA’s calculated from service metrics based on the awarded module(s), which are defined below.

The Contractor acknowledges that late or improper completion of the Services will cause loss and damage to the State, and that it would be impracticable and extremely difficult to determine the actual damage sustained by the State as a result. If there is late or improper completion of the Services, the State is entitled to collect liquidated damages in the amounts designated for the following cases:

- Missed Service Level Agreements will be assessed the amounts detailed in Table 1.0.13.2-A below.
- Unauthorized Removal of Key Personnel will be assessed as detailed in the Contract Terms and Conditions Section 7: Performance of Services.

In the event the Contract is terminated, the State will be entitled to collect liquidated damages. These amounts are not intended to be a penalty.

I: Service Metric#	II: Service	III: Quarterly SLA (% of purchase orders)	IV: Assessed LD
A1	PC Delivery, No installation (hardware module)	95%	10% of order's late line item cost
A2	PC Delivery, with installation (hardware module)	95%	10% of order's late line item cost
A3	Commodity Server Delivery (hardware module)	95%	10% of order's late line item cost
A4	Custom-configured Server Delivery (hardware module)	95%	10% of order's late line item cost



I: Service Metric#	II: Service	III: Quarterly SLA (% of purchase orders)	IV: Assessed LD
A5	Software Delivery (software module)	95%	10% of order's late line item cost
A9	PC Warranty & Maintenance (hardware module)	95%	\$25 per late response
A10	Server Warranty & Maintenance: critical (hardware module)	95%	\$1,000 per late response
A11	Server Warranty & Maintenance: high (hardware module)	95%	\$100 per late response
A12	Server Warranty & Maintenance: standard (hardware module)	95%	\$25 per late response

1.0.14 PRICING AND INVOICING REQUIREMENTS

Attached as Schedule B is Contractor product pricing to the State, based on a minimum percentage discount off a verifiable price index (VPI) which will be used to establish a product's not-to-exceed price to the State. Contractor may (and is encouraged) to provide additional discounts. Contractor must notify the MMCC Program Manager of any price increases before the change is made. The State reserves the right to negotiate individual transaction and agreement pricing, as it deems in its best interests. The State reserves the right to establish and use other contracts, as it deems in its best interests.

Contractor will be paid for services as identified in the State's issued Purchase Order. Payments for installation, integration, and implementation services will be set according to an approved Engagement Statement of Work.

Contractor shall invoice the State in order to receive payment. Invoices will be sent to the State address or email account as noted on the purchase order. The State will pay Contractor by EFT.

Contractor will provide the following data as part of all invoices, the absence whereof shall qualify as grounds for the State to reject the invoice for correction and resubmission:

- Invoice Number (unique)
- Invoice Date
- State Purchase Order Number
- Bill-To Address
- Ship-To Address
- Payment Terms
- Commodity/Service Name
- Description
- Unit/Deliverable Price
- Total Price
- Invoice Subtotal
- Shipping and Handling (if applicable)
- Total
- Invoice Payment Due Date
- Period of Service, if applicable



Schedule A
Exhibit 2 – Hardware Module

1.1 HARDWARE

1.1.1 PURPOSE

Contractor has been selected to provide the State a broad range of Hardware products and services as listed in this module. These include core hardware and optional hardware, as defined below.

The State does not guarantee it will buy any specific item or any total amount.

1.1.2 BACKGROUND

Currently, the State has standardized on specific devices for End-user hardware and servers. The State reviews manufacturer and product standards on an annual basis.

1.1.3 IN SCOPE

Contractor, at the State's request, will provide:

- End-User Devices, servers, racking infrastructure, storage, back-up and associated peripherals including any bundled software.
- Assessment, integration, installation, and implementation services in support of the commodities purchased through the resulting Contract.

Warranty and maintenance services will be provided on all equipment that is offered and purchased or leased through this Contract. Delivery, support, warranty and maintenance may be provided by the Contractor using subcontractors. The Contractor will be responsible for the timeliness and quality of all services provided by individual subcontractors.

The Contractor will deliver to locations requested by the State.

Warranty and Maintenance purchased prior to the effective date of this Contract will remain in force with the manufacturer until the end of the service period. Only new services will be purchased through this Contract.

1.1.4 RESERVATION OF RIGHTS

The State reserves the right to purchase products outside of the Contract based on its sole determination of best value.

1.1.5 REQUIREMENTS/DELIVERABLES

If installation services are required, all equipment delivered will be fully configured, bootable and ready to operate.

1.1.5.1 END-USER DEVICES

The State identifies standards for desktop, laptop and tablet systems bundles/solutions. These are typically reviewed on a yearly basis or as market conditions dictate. The State intends to have End-User Device solutions in place for a minimum of six months with a maximum of 2 configuration changes per year.

Contractor will meet the following requirements:

1. Equipment that has not yet entered the production phase of the manufacturer may not be included in the Contractor portal.
2. The equipment must include associated hardware and OEM software that will allow the operation of the product as a stand-alone unit, a networked unit in a local area network (LAN), a networked unit in a wide area network (WAN), wireless applications or any combination of the four.
3. Where the State does not require an OEM operating system software license, the State expects a decrease in the packaged unit price of the END-USER DEVICE.



4. Contractor will furnish the models, configurations and price on the following desktop, laptop, and tablet products provided in the Hardware Pricing, Schedule B, Exhibit 1; Standard products and pricing for Standard products will be updated periodically through the Program as requested by the Program Manager.
 - a. Contractor should provide any additional discounts available if the equipment is bundled such as a desktop purchased with a standard monitor.
 - b. Contractor should provide any additional discounts available for quantities obtained.
5. Non-Standard Products - In addition to the desktop and laptop models listed in Hardware Pricing, Schedule B, Exhibit 1, Contractor will be required to furnish the complete product line of End-user devices.
6. As part of on-going product refresh, Contractor will provide new product models of equivalent or superior function relevant to end of life models. Contractor will inform the MMCP Program Manager of any product refresh in advance. The Program Manager will advise Contractor of the State's decision on configuration and pricing.
7. Contractor will provide warranty coverage for all End-user devices purchased, or leased, per the following requirements:
 - a. Desktops, laptops, and tablets shall be a minimum of onsite, four (4)-years parts and labor and expense warranty, with next business day repair, and must be included in the purchase price of all equipment. All repairs and component replacements shall be performed by the Warranty Provider.
 - b. The Contractor will provide manufacturer-certified systems engineers, in adequate numbers, to provide support for the State's infrastructure for warranty service and any support required. These engineers must be able to be reached by phone via the toll-free number for problem resolution, and should be able to be onsite within the time frame indicated under the warranty or maintenance service purchased.
 - c. It will be the responsibility of the Contractor to complete warranty requests and to notify the State of service completion, either directly or through a third party provider. Contractor or a designated subcontractor must be a manufacturer's authorized service representative for all equipment on the Contract.
 - d. The Contractor will serve as an agent for the State in obtaining the best (in terms of coverage, pricing, and duration) warranties available and work with manufacturers so that warranty commitments are met.
 - e. All standard warranty costs, excluding any upgrades or extensions, are to be included with the equipment prices.
 - f. State offices are dispersed geographically throughout Michigan. Contractor will provide warranty and/or maintenance services at all State locations, including the Upper Peninsula and State Correctional Facilities.
 - g. Principle Period of Maintenance (PPM) will be the same hours as the State's normal working hours (currently Monday through Friday, 8:00 a.m. to 5:00 p.m., excepting State-observed holidays). The principle period of maintenance hours may be changed upon 20 business days written notice by mutual agreement (between the individual State agency and the Contractor), except that the Contractor shall make every reasonable effort to change its schedule in a shorter period of time, if requested by the State.
 - h. All defective items must be replaced at no additional cost to the State. All equipment dead on arrivals (DOAs) will be replaced with new equipment and treated as a Second Day Rush order delivery at no additional cost to the State or, at the State's option, Contractor will repair the equipment per the terms of the equipment warranty.

The DTMB Client Service Center (CSC) will determine to their best ability the root cause of the failure. The CSC will then notify the Contractor, who will then take ownership of the cases and provide the CSC with a tracking number. The Contractor will include the DTMB tracking number in its information. The Contractor



will maintain status information within its case log and notify the CSC using the DTMB tracking number when repair is completed.

Equipment that cannot be repaired within the response time frame shall be replaced. Replacement equipment provided by Contractor must be from the same manufacturer (unless the device is no longer manufactured) and equal to or better than the original equipment being replaced (e.g. higher resolution monitor, or larger hard drive) at no additional cost to the State.

Defective hard drives that have been in use by the State, regardless of warranty or maintenance status, will not be returned to the manufacturer or the Contractor at completion of replacement due to security issues. DTMB will provide, at Contract signing, the procedure for handling defective drives.

MIDEAL End-User Device Purchases

Contractor will be required to furnish models available to the State as well as other desktop manufacturers to MiDEAL members as long as those manufacturers are appropriate to this Contract.

1.1.5.2 PERIPHERALS

Peripherals include but are not limited to monitors, storage, keyboards, uninterruptible power supplies (UPS), optical drives, mice, keyboards, multi-media projectors, memory, speakers, hard drives, GPS receivers, digital cameras, CAD equipment, and Adaptive/Assistive technology devices.

Contractor will furnish peripherals to support the desktop, laptop, and tablet manufacturer models that are offered throughout the Contract’s term.

Peripherals will be covered under the manufacturer’s warranty.

1.1.5.3 END-USER DEVICE ASSET TAGGING

Each END-USER DEVICE delivered to the State, will be tagged with the following information:

	State of Michigan	
Bar Code		“Service Tag”
Service Tag #		Serial Number
Model #		Model No. per manufacturer
Client Service Center #		(517) 241-9700
Toll Free #		(800) 968-2644
Warranty End Date		mm/dd/yyyy
MAC Address		Device’s MAC Address

Service Tag # = Serial Number

Model = Model number per manufacturer.

Phone Numbers furnished by State and constant on all tags.

An example of an existing State asset tag follows here:





1.1.5.4 STATE HARD DRIVE IMAGE

Contractor or their original equipment manufacturer (OEM) will load State-approved images to any requested system hard drive during the factory build process. Contractor will provide the following services:

- Receive, install and manage State-supplied images
- Provide technical resources to support DTMB, test, identify and resolve problems.

Contractor will furnish a device drivers and utilities as needed to perform image development.

System images will be created and maintained by DTMB and uploaded to manufacturer. These images shall not be changed or altered in any fashion except in instances of DTMB approval.

1.1.5.5 EVALUATIONS UNITS

Contractor will provide DTMB evaluation units of new computer models as they come into existence, without initial cost, for analysis and image adjustment, for a time frame not less than 60 business days. DTMB will return or take an option to purchase the device at the end of the evaluation period.

1.1.5.6 SERVERS

The State determines standard Server brands and technologies it uses according to its Technology Roadmap.

1.1.5.6.1 CORE SERVER BRANDS

The State has defined its Core Server Brands. Contractor will provide applicable hardware, maintenance, and onsite field engineer support for Dell, HP, or IBM servers. Additionally, Contractor will provide hardware, maintenance, and support for APC racks.

Contractor will provide the following server warranty options:

- Onsite 2 hour response; 7x24 coverage with 6-hour resolution
- Onsite 4-hour response; 7X24 coverage
- Onsite 8-hour response; 7x24 coverage
- Next Business Day Onsite

At the State's request, the Contractor must furnish manufacturer extended warranties (beyond the originally purchased warranty), warranty upgrades, and time and materials warranty support through the equipment manufacturers or third party providers. Manufacturer's extended warranty service may be purchased in conjunction with or separately at any time. Only Contractors authorized by the manufacturer or distributor of the equipment may provide manufacturer's warranty Services. Extended warranties shall be inclusive of the services provided under the State's normal warranty process.

Defective hard drives that have been in use by the State, regardless of warranty or maintenance status, will not be returned to the manufacturer or the Contractor at completion of replacement due to security issues. DTMB will provide, at Contract signing, the procedure for handling defective drives.

1.1.5.6.2 OPTIONAL SERVER BRANDS

The State has existing contracts for Cisco and Oracle Servers and Network Storage. The State is interested in options Contractor may provide to procure these solutions.

1.1.5.6.2.1 CISCO SERVERS

The State may procure Cisco servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services.

1.1.5.6.2.2 ORACLE SERVERS

The State may procure Oracle servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services.



1.1.5.6.2.3 LENOVO SERVERS

The State may procure Lenovo servers, along with maintenance, access to onsite field engineer support, and installation, integration, and implementation services..

1.1.5.6.2.4 STORAGE SOLUTIONS

The State may procure storage solutions including but not limited to hardware, software, maintenance, support, and services; including but not limited to orchestration, fabric, storage, and backup/continuity.

1.1.5.6.2.5 CUSTOMER-PREMISE TELECOMMUNICATIONS AND SECURITY SOLUTIONS

The State may procure customer-premise telecommunications and security solutions including maintenance, support, and services. Customer-premise telecommunications, security hardware and software, and associated services include but are not limited to; network routers and switches, network management hardware and software, warranty maintenance, pre-sales support, and installation, integration, and implementation services. IP video, IP telephony, and unified communications hardware and software are considered network components.

1.1.6 DISCRETIONARY HARDWARE

The State at its option and based on its determination of best value may procure other Hardware through the Contract. This will be effected through a quote process with final decision based on best value. Contractor will provide requested hardware, hardware maintenance, and support, if requested.

Hardware components or peripherals must also be available and may include, additional processors, server rack rails, memory, cables and power cords in varying lengths, extra hard drive units, tape storage backups drives, Network Attached Storage (NAS), direct attached storage (DAS) etc.

The State will have a need to acquire parts for server-based computing platforms already in place at the State, through this Contract. The Contractor must be able to provide these parts as needed during the term of the Contract at the percent off of list, or markup percentage as denoted on the cost model.

1.1.7 PRODUCT TECHNOLOGY ROADMAPS

Contractor will provide quarterly technology roadmap updates relevant to changes in products in use by the State. In particular, Contractor will provide six months' advance notice to the State on chipset changes or Product scheduled to go end of life (EOL).

1.1.8 HARDWARE ASSESSMENT, INSTALLATION, IMPLEMENTATION, AND INTEGRATION SERVICES

At the option of the State, through a Statement of Work, the State may purchase Installation, Implementation, and Integration service on fixed per-unit basis or as fixed deliverable price. Reimbursement for travel and expenses shall be factored into the cost.

Services will vary, based on the type of equipment being installed. Contractor will ensure the equipment will operate properly in the State's environment at the end of installation. Installation Services may include, but are not limited to:

A. End-User Computing Device Installation - Installation capabilities may include, but not be limited to:

1. Site Hardware Set-Up, which may include
 - a. Desk-side delivery
 - b. Unpack system
 - c. Save files from old systems by copying to server or media
 - d. Removal of old system
 - e. Wipe or remove hard drive for data destruction, as defined
 - f. Pack old system for Asset Recovery
 - g. Install system unit and any previously attached peripherals
 - h. Connect to network and test connection
 - i. Complete User login



- j. Set up and test printer connection
 - k. Initiate Software push
 - l. Confirm successful completion of all activities
- B. Solution training for State administrators and operators

1.1.9 DATA RECOVERY (OPTIONAL)

Contractor will provide data recovery services on end-user computing devices and servers.

1.1.10 ENVIRONMENTAL (GREEN) REQUIREMENTS

In compliance with the State's directive for energy efficiency, recycling, environmentally-sound disposal and low-toxicity materials. (See Executive Directive 2007-22 at http://www.michigan.gov/formergovernors/0,4584,7-212-57648_36898-180298--,00.html). Contractor shall, wherever applicable, provide products that comply with industry-wide standards.

The State requires that the devices be Energy Star compliant, be so labeled, and the Contractor will document, when required, the energy savings the State can expect to realize per year by implementing suggested devices. The devices must also be EPEAT rated, and the vendor must show that the devices they are suggesting for State of Michigan use are in the EPEAT registry. The devices must also minimize the amount of overhead needed during operation. This includes power consumption, heat, and air conditioning

1. Contractor will identify and offer power-state management tools.
2. Contractor will identify and offer a disposal program that ensures value is obtained for old equipment. Such programs may include recycling of the devices through refurbishment, redeploying the equipment in another jurisdiction and/or recycling of parts or materials of the equipment. This program must meet zero landfill requirements and provide for the secure disposal of computer data-storage components at either DoD-standard erasure level, or approved physical destruction of said components.
3. Contractor will offer products whose manufacturer offers a free packaging take-back program where the packaging material can be collected/returned to manufacturer or recycler for reuse or recycling at the State's option. As an option, Contractor may propose bulk packaging such as shipping an order in one pallet or container without individual packaging of equipment.

Contractor will provide products whose manufacturers provide a publicly available written corporate environmental policy consistent with the aspects of the policy requirements laid out in the ISO 14001 standard.

"ISO 14001" is the conformance standard within the family of ISO 14000 documents developed by the International Organization for Standardization (ISO) in Geneva, Switzerland. Similar in structure to the ISO 9000 quality management system standard, ISO 14001 outlines key requirements companies should comply with in order to operate in an environmentally responsible manner. Utilizing ISO 14001, companies can merge environmental programs into one coherent system to efficiently manage all environmental activities. In short, ISO 14001 provides organizations with a way to demonstrate to their customers that their environmental processes and impact are effectively managed, continually improving, and part of the corporate management system. For more information, please refer to www.iso.org.

1.1.11 CONTRACTOR VALUE ADDED SERVICES

Contractor proposed value added services are captured in Schedule C, Exhibit 1- Value Added Services for use by the Michigan Master Computer Program upon the request of the State's Program Manager so support the program activities and goals.



Schedule A
Exhibit 3 – Software Module

1.2 LICENSED SOFTWARE

1.2.1 PURPOSE

Contractor will provide a broad range of Software products and services as listed in this module. These include Core Software, Discretionary Software, and Optional Software, as defined below

The total quantity of purchase of any individual item on a contract is not known. The State does not guarantee it will buy any specific item or any total amount.

1.2.2 BACKGROUND

The State of Michigan purchases Software licenses and renewable maintenance and support as needed. The State establishes the best portfolio of contracts to provide Software.

1.2.3 IN SCOPE

Contractor, at the State's request, will provide Licensed Software to the State. Licensed Software is hereby defined as:

- Commercial off the Shelf (COTS), pre-packaged software , which may be installed on end-user devices, servers, or other computing equipment
- Software maintenance, which is defined herein as related standard commercial Software Publisher's software support services, which may come bundled with the software license or sold separately. Software support services are dictated by the Software Publisher, and may often include bug fixes, error-corrective services, update, and new versions that are improvements, extensions, or other changes that are logical improvements or extensions of the original product. It may also include software documentation or access to remote technical support.
- Pre-configured, pre-integrated Software appliances.

Contractor's services to be provided to the State will include:

- Quote Licensed Software
- Assistance with renewal of Licensed Software subscriptions and software maintenance

Contractor will provide the following services

- Onsite software field technical support and security incident response services at the State's discretion
- Assessment, Installation, Integration, and Implementation services (see Section 1.2.6) at the State's discretion for specific Software engagements, which will be paid based on defined deliverables found on the State's Engagement Statement of Work as agreed to between the State and Contractor/Subcontractor to support software purchased through the Contract.

1.2.4 OUT OF SCOPE

- Software services for development, customization, modifications, and/or creation of enhancements are not within the scope of this Contract.
- Enhancements altering the functionality, and/or adding new functions not related to a maintenance modification or a commercial, generally available Software release are not within the scope of the Contract.

The State reserves the right to purchase Licensed Software outside of the Contract when it determines that an items' pricing is not competitive with the open market.

New products and services may be added to the Contract as requested by the DTMB Program Manager.

1.2.5 SOFTWARE REQUIREMENTS



1.2.5.1 SOFTWARE DELIVERY AND LICENSING

The Contractor will supply the State with the Publisher's Licensed Software in any media the Publisher makes available and will provide the media requested by the State. If Contractor is unable to obtain the commitment to deliver the software within the applicable delivery metric after receipt of order, Contractor will advise DTMB of the non-delivery. DTMB will determine, in consultation with Contractor, the method of resolution of the request.

The Contractor will ensure that the State shall be the designated Licensee and owner of all entitlements for all purchases made.

1.2.5.2 PUBLISHER SOFTWARE LICENSE AGREEMENTS

The State will enter into software license agreements with specific publishers when those programs are in the best interest of the State. Contractor will facilitate and support both existing and new Software license agreements.

Contractor will assist the State in identifying software publishers that may be receptive to volume purchasing agreements, and recommend additional such programs that may be advantageous to the State.

The State will be contractually responsible for the agreements, while the Contractor will administer the Agreement programs and serve as the program reseller under the requirements of the specific program.

1.2.5.3 CORE SOFTWARE

Core software are those State-standard brands for which this Contract will become the State's primary procurement vehicle. The State-standard brands will change over time as the State sets new standards. Contractor will work vendors identified to provide new State-standard brands. The State has designated the following Core Software brands as critical to operations and data security:

1. Adobe
2. BMC
3. Citrix
4. HP
5. Microsoft
6. Symantec
7. VMWare

Specific requirements for providing Core Software are detailed in the sub-sections below.

1.2.5.3.1 ADOBE SOFTWARE

Contractor will provide access to and support the State's existing Adobe agreements for Licensed Software, and, at the State's option, assist in the establishment and renewal of new agreements.

1.2.5.3.2 BMC SOFTWARE

Contractor will provide access to licensing and support of BMC Software, and, at the State's option, assist in the establishment and renewal of new agreements.

1.2.5.3.3 CITRIX SOFTWARE

Contractor will provide access to and support the State's existing Citrix agreements for Licensed Software, and, at the State's option, assist in the establishment and renewal of new agreements.

1.2.5.3.4 Hewlett Packard Solutions Software

Contractor will provide access to licensing support for Hewlett Packard Solutions Software, and, at the State's option, assist in the establishment and renewal of new agreements.

1.2.5.3.5 MICROSOFT SOFTWARE

Contractor will provide access to and support the State's existing Microsoft Agreements, and, at the State's option, assist in the establishment and renewal of new agreements.

**1.2.5.3.6 SYMANTEC SOFTWARE**

Contractor will provide access to and support the State's existing Symantec agreement for Licensed Software, and, at the State's option, assist in the establishment and renewal of new agreements.

1.2.5.3.7 VMWARE SOFTWARE

Contractor will provide access to Software license, including federal sku# products, and support for VMWare Software, and, at the State's options, assist in the establishment and renewal of new agreements.

1.2.5.4 DISCRETIONARY SOFTWARE

The State at its option and based on its determination of best value may procure other Licensed Software titles through the Contract. Contractor will provide requested software with value-add, including renewals of software maintenance and support.

1.2.5.5 OPTIONAL SOFTWARE

The State has certain core software brands that are currently procured through direct contracts with the Software Publishers. The State wishes to determine whether a VAR contract vehicle may provide cost-competitive pricing for these products, relative to the direct contracts. The State reserves the right to include Optional Software, either in award of this Contract or as result of future negotiations, on a brand-by-brand basis.

1.2.5.5.1 CA SOFTWARE

Contractor may provide access to CA software licenses, maintenance, support services, and training to perform server operation monitoring.

1.2.5.5.2 COMPUWARE/DYNATRACE

Contractor may provide access to Compuware/Dynatrace software licenses, maintenance, support services, and training.

1.2.5.5.3 IBM SOFTWARE

Contractor may provide access to IBM software licenses, maintenance, support services, and training.

1.2.5.5.4 NOVELL SOFTWARE

Contractor may provide access to Novell software licenses, maintenance, support services, and training.

1.2.5.5.5 ORACLE SOFTWARE

Contractor may provide access to Oracle software licenses, maintenance, support services, and training.

1.2.5.5.6 SAP SOFTWARE

Contractor may provide access to SAP software licenses, maintenance, support services, and training.

1.2.6 SOFTWARE ASSESSMENT, IMPLEMENTATION, INTEGRATION, INSTALLATION SERVICES

Contractor will provide assessment, implementation, integration, and installation services at the State's option, for specific, deliverable-based service engagements, including solution training for State administrators and operators. Contractor will supply trained, qualified personnel on a case-by-case basis, who will provide these services, based on the State's needs. The State will provide an Engagement Statement of Work to the Contract which will be managed, provided to Contractor, and updated by the DTMB Program Manager.



Schedule B - Pricing
Exhibit 1 - Hardware Price Tables

1. Core End-User Device Configurations

- a. Pricing will be determined by the annual competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. If the primary vendor selected during the annual competitive bidding process cannot provide all products a secondary vendor will be selected to provide the remaining products. This will be added as a change notice to each contract in the year awarded.
- b. Not to Exceed Prices based on Contractor's verifiable price index (VPI) for remainder of calendar 2016 and into calendar year 2017 until bidding process is opened for next annual sourcing (anticipated to be January 2017).
- c. The price lists and products listed are subject to change over time; standard products will be changed in accordance with the State standards kept and updated by DTMB.
 - i. Hardware

Line Item	MFR	Hardware Item	Contractor's Minimum % Discount to VPI Cost
1	Dell	Dell-SFF-wo-Monitor	14.0%
2	Dell	Dell-SFF-w-Monitor	13.9%
3	Dell	Dell Micro-wo-Monitor	14.1%
4	Dell	Dell Micro-w-Monitor	14.0%
5	Dell	Dell CAD-GIS	19.1%
6	Dell	14" Laptop wo Port Rep	19.1%
7	Dell	14" Laptop w Port Rep	19.0%
8	Dell	15" Laptop wo Port Rep	19.1%
9	Dell	15" Laptop w Port Rep	19.1%
10	Dell	CAD GIS Laptop	16.5%
11	Dell	Dell Rugged Extreme	7.6%
12	Dell	Dell Latitude 14 Rugged	19.1%
13	Dell	Dell Latitude 14 Rugged w Port Rep	19.1%
14	Dell	Dell Rugged Tablet	7.6%
15	Dell	Dell Rugged Tablet w Dock	7.6%
16	Dell	Dell 2 in 1 (7275)	7.6%
17	Dell	Dell 7370 Laptop	7.6%
18	Dell	Dell Ultrabook 7250	19.1%
19	Microsoft	Surface Pro 4	4.9%
20	Lenovo	Lenovo X1 Yoga	0.5%
21	Lenovo	Lenovo X1 Tablet	1.0%



ii. Accessories

Part Number	Commodity Description and Part Number	Contractor's Minimum % Discount to VPI Cost*	Comments
469-4546	DELL 90W AUTO/AIR DC TRAVEL ADAPTER (469-4546)	12%	
331-6304	Dell E-series E/port Plus Advanced Port Replicator (331-6304)	2%	
331-6307	Dell E-series E/port Simple Port Replicator (331-6307)	2%	
330-0875	Dell CRT Monitor Stand (330-0875)	6%	
A0390912	Targus Rolling Laptop backpack style carrying case - fits laptops of screen sizes up to 15.4" (A0390912)	10%	
330-9456	Dell MS111 USB Optical Mouse OptiPlex and Fixed Precision (330-9456)	22%	
570-AANS	Dell Wireless Mouse - WM324 (570-AANS)	22%	
331-9653	Dell Business Multimedia Keyboard (331-9653)	22%	
429-AAUX	Dell External DVD/RW (429-AAUX)	5%	
A4051230	Dell Wireless Desktop MK320 Keyboard/Mouse Bundle(A4051230)	21%	
A1586557	Dell Dual-Monitor Stand Flat-Panels Only (A1586557)	6%	
12000 mAh)(451-BBLZ	Dell Power Companion (12000 mAh)(451-BBLZ)	3%	
18000 mAh)(451-BBKV	Dell Power Companion (18000 mAh)(451-BBKV)	2%	
450-AEVM	Dell Thunderbolt Dock-240W (Required for 7370 & 7510)	2%	
390 Watt BE650G Back UPS	APC 390 Watt BE650G Back UPS	12%	
C920	Logitech Web Camera HD Pro C920	6%	
460-BBLR	Nylon Carrying Case	17%	
537-BBCC	Dell Rugged Desk Dock, Customer-Install (537-BBCC)	2%	
A8007905	Vehicle Dock DEVMT,DOCKST,DELL,LAT12-14,SP, (A8007905)	2%	
859-BBBC	Dell 23" Touch Monitor P2314T	3%	
320-9794	320-9794 Dell 24 Monitor - P2414H	2%	
983-7873	983-7873 4th Year Limited Warranty Extension, Monitor, Advanced Exchange	0%	included in part# 320-9794
B00E7W1UFQ	Satechi 3-Port Portable USB 3.0 Hub and Ethernet LAN Network Adapter for Windows Mac and Linux		Not Available in Distribution
4XA0E97775	ULTRASLIM USB DVD BURNER THINKPAD	6%	



45J7915	DISPLAYPORT TO SINGLE-LINK DVI-D MONITOR CABLE	33%	
4X40E77324	PROFESSIONAL BACKPACK	17%	
470-ABQN	Dell Adapter - USB-C to HDMI/VGA/Ethernet/USB 3.0	12%	
4X90E51405	THINKPAD USB3.0 TO ETHERNET ADAPT	12%	
4X50L08495	BATT_BO TP X1 PRODUCTIVITY MODULE	0%	Included in X1 Tablet not sold separately b/c federal law
40A40090US	Lenovo ThinkPad OneLink+ Dock - Port replicator - 90 Watt - for ThinkPad Yoga 260 20FD, 20FE, 20GS	2%	
R9Q-00001	Microsoft Surface Pro 4 Type Cover - Keyboard - English - North American layout - black - commercial	17%	
Q5N-00001	Microsoft Surface 65W Power Supply - Power adapter - 65 Watt - commercial - for Surface Book	17%	
320-9704	Dell P2213 22" Monitor with HAS 22.0 Inch VIS Widescreen VGA/DVI/DC/DP	2%	
983-7873	983-7873 4th Year Limited Warranty Extension, Monitor, Advanced Exchange	0%	included in part# 320-9704
4X40E77325	Case_BO Professional Slim Top Load	17%	
4X40E48910	ThinkPad 14" Sleeve SBR Neoprene	18%	
4X80K32539	Lenovo ThinkPad Pen Pro-X1 Yoga	18%	
0B46994	ThinkPad 90W AC Adapter	4%	
4X20E75131	Lenovo USB-C 45W AC Adapter	12%	

2. Server Configurations - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Line Item	MFR	Hardware Item	Contractor's Minimum % Discount to VPI Cost	Comments
1	IBM	P750 (or equivalent)	10.8%	CDW-G recommends the replacement model: IBM S8284-22a.
2	HP	DL380 (or equivalent)	10.0%	
3	Dell	PowerEdge R820 (or equivalent)	10.0%	
4	APC	APC NetShelter Rack (or equivalent)	8.75%	
* Bidders VPI cost is CDWG Advertised which is publically available at www.cdwg.com				
** Equivalent products are the newest models or an updated product line that replaced a current product line used by the State.				



3. Discretionary Hardware - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Transaction Cost Band	Contractor's Minimum % Discount to VPI Cost	Comments
Less than \$10,000	5%	CDW-G will provide our entire hardware catalog based on this minimum discount.
\$10,000 - less than \$25,000	5%	CDW-G will provide our entire hardware catalog based on this minimum discount.
\$25,000 - less than \$250,000	5%	CDW-G will provide our entire hardware catalog based on this minimum discount.
\$250,000 - less than \$2.5 million	5%	CDW-G will provide our entire hardware catalog based on this minimum discount.

4. Optional Server Brands - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Publisher	Minimum % Discount to Bidder's VPI Price on Purchases less than \$500,000	Minimum % Discount to Bidder's VPI Price on Purchases \$500,000 or greater	Estimated Cost to renew FY2017 Hardware Maintenance/Support	Additional % Discount to Other Titles for Inclusion in Contract	Comments
Cisco	58% off hardware, 17% off 3yr Smartnet	58% off hardware, 17% off 3yr Smartnet	Cost will depend on Specific BOMs	0%	Applies to Cisco UCS line only
Oracle	25.0%	25.0%	Cost will depend on Specific BOMs	0%	
Lenovo	5.0%	5.0%	Cost will depend on Specific BOMs	0%	

5. Storage Solutions - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program or through other State contracts specifically to storage solutions. Below are guaranteed minimum discounts available to the State:

- a. EMC

EMC Price Offer*		
Category	Product Categories	Contract Discount
A	Enterprise Hardware: Symmetrix, Celerra, Vplex	60%
B	Mid Tier Hardware: Clariion, Celerra, Centera, Disk Library, Appliances, Atmos	41%
C	Enterprise HW: Connectrix Family	53%
D1	Enterprise Platform Software: Symmetrix, Celerra, Connectrix Family	41%
D2	Mid Tier Platform Software: Clariion, Centera, Recoverpoint	41%
D3	Multi Platform SW : Xtender, Ionix, Avamar Networker Families	41%
DE	Enterprise Hardware/Software Data Domain	23%



DH	Mid-Tier Hardware/Software Data Domain	32%
DM	Entry Level Hardware/Software Data Domain	32%
E	EMC 3rd party Hardware and Software Switches	41%
I	Education Services/ Training	10%
F1	PS - Applied to EMC Professional Services Packaged Solutions	10%
UE	VNX HW & SW (Entry Level)	23%
UM-S & UM-H	Unified Mid Tier, VNX HW & SW	25%
PH	High-End Systems (BRS: Data Domain, Disk Library)	32%
PM	Midrange Systems (BRS: Data Domain, Avamar, Atmos, Disk Library)	32%
PE	Entry Systems (BRS: Data Domain)	23%
EN-H	Hardware VMAX - VMAX 10K/20K/40K	41%
EN-S	Software VMAX - VMAX 10K/20K/40K	41%
F2	Services - Residencies	10%
J	Server Flash, VFCache, AX/NX, Insignia	22%

* CDW•G's Price offer for EMC will be based as a discount by product category from EMC's Retail Pricelist, which is publically available at www.EMC.com

b. NetApp

NetAPP Price offer*		
NetApp Pricing Category	Description	MINIMUM PERCENT DISCOUNT FROM MSRP
A	HW Controllers	17.1%
B	HW Disk/Misc.	17.1%
C	Third Party OEM Switches	3%
D	FAS HW	9%
E	ON Command SW	17%
J	SW	17%
K	FAS SW	9%
L	HW Controllers	17%
M	HW Disk/Misc	15%
N	SW	15%
P	PS	16%
S	Maint @POS	16%
T	Maint @POS	15%
V	Maint Renewal	15%
W	Maint Renewal	15%

* CDW•G's Price offer for NetApp will be the minimum discount by product category indicated above calculated from NetApp's Retail pricelist, which is publically available at www.Netapp.com



c. Other Storage Solutions

Additional Storage Brands available from CDW•G	Minimum discount from CDW-G VPI: www.cdwg.com
3WARE	10%
ADAPTEC	10%
ADDONICS	10%
ADVANCED MEDIA SERVICES	10%
ALERA TECHNOLOGIES	10%
ALURATEK	10%
AMC OPTICS	10%
APPLE	10%
APRICORN	10%
ARECA	10%
ASUS	10%
ATTO TECHNOLOGY	10%
AVOCENT	10%
AXIOM	10%
AXIS COMMUNICATIONS	10%
BARRACUDA NETWORKS	10%
BELKIN	10%
BLACK BOX	10%
BROCADE	10%
BUFFALO TECHNOLOGIES	10%
BUSLINK	10%
BYTECC	10%
CHENBRO	10%
CMS PERIPHERALS	10%
Compellent	10%
CORSAIR	10%
CRU	10%
CRUCIAL TECHNOLOGY	10%
DATALOCKER	10%
Dell	10%
D-LINK	10%
DOT HILL SYSTEMS	10%
DROBO	10%
EDGE TECH	10%
EDP	10%
EL GATO	10%
EMULEX NETWORK SYSTEMS	10%
ENHANCE-TECH	10%
ENVOY DATA	10%
EPSON	10%
EVGA	10%
EXAGRID	10%
EXTREME NETWORKS	10%
FANTOM MICRONET	10%
FIREEYE	10%
FUJIFILM	10%
FUJITSU	10%
FUSION IO	10%
GETAC	10%
G-TECH	10%



HIGHPOINT TECHNOLOGIES	10%
HITACHI	10%
HITACHI DATA SYSTEMS	10%
IMATION	10%
INFORTREND	10%
INNOVERA	10%
INTEL	10%
INTELLIGENT COMPUTER SOLUTIONS	10%
IOGEAR	10%
IOMAGIC	10%
IOSAFE	10%
JVC	10%
KANGURU	10%
KINGSTON	10%
LANTRONIX	10%
LENOVO	10%
LG ELECTRONICS	10%
LITE-ON	10%
LOGICUBE	10%
LSI LOGIC	10%
MACALLY	10%
MAXELL	10%
MICROBOARD RIMAGE	10%
MIDDLEATLANTIC	10%
MITSUI ADVANCED MEDIA	10%
MONSTER CABLE	10%
NETGEAR	10%
NEW PARTNER EXCEPTION PURCHASE	10%
NIMBLE STORAGE	10%
NUTANIX	10%
OCZ	10%
ORACLE	10%
OVERLAND	10%
PANASONIC	10%
PANDUIT	10%
PHILIPS	10%
PI ENGINEERING	10%
PINNACLE SYSTEMS	10%
PIONEER NEW MEDIA TECHNOLOGY	10%
PLASMON	10%
PNY TECHNOLOGIES	10%
POLYCOM	10%
PRIMERA	10%
PROLINE	10%
PROMISE TECHNOLOGY	10%
QLOGIC	10%
QNAP	10%
QUANTUM	10%
RETAIL SERVICE PARTS	10%
SAMSUNG	10%
SANDISK	10%
SEAGATE TECHNOLOGY	10%
SIIG	10%
SILEX	10%
SONNET TECHNOLOGIES	10%



SONY	10%
SORNA	10%
SPECTRA LOGIC	10%
STARTECH COM	10%
SUPER MICRO COMPUTER	10%
SYMANTEC	10%
SYNOLOGY	10%
TAIYO YUDEN	10%
TANDBERG DATA	10%
TEAC AMERICA	10%
TEGILE	10%
TEXEL-PLEXTOR	10%
THERMALTAKE TECHNOLOGY	10%
TINTRI	10%
TOSHIBA	10%
TOTAL MICRO TECHNOLOGIES	10%
TP-LINK	10%
TRANSCEND	10%
TRENDWARE INTERNATIONAL	10%
TRIPP LITE	10%
UNIDEN	10%
UNITRENDS	10%
VCE	10%
VERBATIM	10%
VISIONTEK	10%
WESTERN DIGITAL	10%
WIEBETECH	10%
XEROX	10%

6. Customer-Premise Telecommunications and Security Solutions - Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State:

Brand	Minimum % Discount to Bidder's VPI Price on Purchases less than \$500,000	Minimum % Discount to Bidder's VPI Price on Purchases \$500,000 or greater	Additional % Discount to Other Titles for Inclusion in Contract	Comments
Cisco	40% off hardware, 17% off 3yr Smartnet	40% off hardware, 17% off 3yr Smartnet	0%	Cisco Pricing will be derived as a discount from Cisco Global Price List.
All other Telecommunications and Security Solutions	10%	10%	0%	All other Telecommunications and Security Solutions pricing will be derived as a discount from CDW-G's VPI available at www.cdwg.com



Schedule B - Pricing
Exhibit 2 - Software Price Tables

1. The price lists and products listed are subject to change over time; standard products will be changed in accordance with the State standards kept and updated by DTMB.
2. Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source software to the State through the Michigan Master Computing Program. Below are guaranteed minimum discounts available to the State.
3. Core Software Titles
 - a. Microsoft -

la1: Microsoft Enterprise Agreement, runs through 5.31.2018			
Description		Quantity	Minimum % Discount from VPI Cost
CX2-00093	WINENTFORSAWMDOP ALNG SA MVL PLTFRM	55000	19.3%
U3J-00004	CORECALBRIDGEOFF365 ALNG SA MVL PLTFRM USRCAL	59000	22.4%
D87-01159	VISIOPRO ALNG SA MVL	2	18.0%
D86-01253	VISIOSTD ALNG SA MVL	10	18.1%
9ED-00073	VSPREMWMSDN ALNG SA MVL	28	17.8%
77D-00110	VSPROWMSDN ALNG LICSA PK MVL	10	-1.5%
77D-00111	VSPROWMSDN ALNG SA MVL	100	17.8%
L5D-00162	VSTSTPROWMSDN ALNG SA MVL	4	17.8%
9JD-00053	VSULTWMSDN ALNG SA MVL	44	17.8%
ZFA-00229	DYNCRMPROCAL ALNG SA MVL DVCCAL	18	17.7%
ZFA-00221	DYNCRMPROCAL ALNG SA MVL USRCAL	141	17.9%
N9J-00524	DYNCRMSVR ALNG SA MVL	5	17.7%
395-02504	EXCHGSVRENT ALNG SA MVL	1	17.7%
H04-00268	SHAREPOINTS VR ALNG SA MVL	2	17.7%
359-00792	SQLCAL ALNG SA MVL DVCCAL	6	17.8%
7JQ-00343	SQLSVRENTCORE ALNG SA MVL 2LIC CORELIC	194	17.7%



228-04433	SQLSVRSTD ALNG SA MVL	12	17.7%
7NQ-00292	SQLSVRSTDCORE ALNG SA MVL 2LIC CORELIC	36	17.8%
T9L-00223	SYSCTRSTD ALNG SA MVL 2PROC	912	18.1%
125-00124	VSTEAMFNDTNSVR ALNG SA MVL	1	17.7%
126-00196	VSTEAMFNDTNSVRCAL ALNG SA MVL USRCAL	40	18.2%
6VC-01254	WINRMTDSKTPSRVCSCAL ALNG SA MVL USRCAL	3200	18.1%
P71-07282	WINSVRDATACTR ALNG SA MVL 2PROC	237	17.8%
R39-00396	WINSVREXTCONN ALNG SA MVL	2	17.9%
P73-05898	WINSVRSTD ALNG SA MVL 2PROC	538	18.1%
7R2-00001	O365GOVE3FROMSA SHRDSVR ALNG SUBSVL MVL PERUSR 12 MONTHS	59000	37.9%
J5U-00001	AZUREMNTRYCMMTMNTG SHRDSVR ALNG SUBSVL	34	20.0%
U2V-00007	BINGMAPSENTPLATFORM ALNG SUBSVL MVL SRVCS	1	18.1%
T9V-00014	BINGMAPSPUBLICWBST ALNG SUBSVL MVL	2	17.7%
DSD-00030	DYNCRMONLNPRO SHRDSVR ALNG SUBSVL MVL	40	20.1%
V9W-00001	DYNCRMONLNPRODINST SHRDSVR ALNG SUBSVL MVL RESTRICTED SRVCS 12 MONTHS	1	19.9%
V6W-00001	DYNCRMONLNTSTINST SHRDSVR ALNG SUBSVL MVL RESTRICTED SRVCS 12 MONTHS	1	20.0%

1a2: Microsoft Premier Support, runs 6.1.2016 - 5.31.2017, equivalent to one year				
	Quantity	Bidder's VPI Cost	Minimum % Discount from VPI Cost	Evaluation Comments
Application Development and Infrastructure Consulting Services	300 hours	238	0%	
Support Account Management	420 hours	227	0%	
Service Delivery Management	80 hours	227	0%	
Support Assistance	750 hours	232	0%	
Problem Resolution Support	450 hours	220	0%	
Onsite Services Resource Site Visits	18 visits	75	0%	
Senior Consultant	2300 hours	263	0%	



Engagement Manager	150 hours	263	0%	
Unlimited Access to Premier Online Services	1 year	0	0%	
Third Tier Support for Exchange	1 year	27944	0%	
Third Tier Support for System Center	1 year	13974	0%	

1a3: Microsoft Select Plus Agreement, Level D Discount Level									
							Minimum % Discount from VPI Cost	Evaluation Comments	
							15%		

b. Symantec

1b: Symantec True-Up Agreement, Software Maintenance 10/1/2016-9/30/2017				
Description		Quantity	Minimum % Discount from VPI Cost	Evaluation Comments
NHT0XZZ0-ER1GS	SYMC CONTROL COMPLIANCE SUITE STANDARDS MANAGER 11.0 XPLAT PER MANAGED SERVER RENEWAL ESSENTIAL 12 MONTHS GOV BAND S 10/1/16 - 9/30/17	102	17%	
6ZKLOZZ0-ER1GH	SYMC CRITICAL SYSTEM PROTECTION CLIENT EDITION 6.0 PER NODE RENEWAL ESSENTIAL 12 MONTHS GOV BAND H 10/1/16 - 9/30/17	100	17%	
RU1QOZZ0-ER1GS	SYMC DATA CENTER SECURITY SERVER ADVANCED 6.0 PER MANAGED SERVER RENEWAL ESSENTIAL 12 MONTHS GOV BAND S 10/1/16 - 9/30/17	5	17%	
0E7IOZZ0-ER1GH	SYMC ENDPOINT PROTECTION 12.1 PER USER RENEWAL ESSENTIAL 12 MONTHS GOV BAND H 10/1/16 - 9/30/17	305	17%	
14055203	SYMC GHOST SOLUTION SUITE 2.5 WIN DEVICE RENEWAL ESSENTIAL 12 MONTHS GOV BAND H 10/1/16 - 9/30/17	53,967	17%	
4GMSOZZ0-ER1GH	SYMC PROTECTION SUITE ENTERPRISE EDITION 4.0 PER USER RENEWAL ESSENTIAL 12 MONTHS GOV BAND H 10/3/16 - 10/2/17	56,160	17%	
21236908	SYMC BUSINESS CRITICAL SERVICES PREMIER FOR ENDPOINT PROTECTION FAMILY 10/1/16 - 9/30/17	1	17%	
21170448	SYMC DEEPSIGHT EARLY WARNING SERVICES SILVER PACK 8.0 1000-4999 PER NODE SUB LIC GOV BAND S ESSENTIAL 12 MONTHS 10/1/16 - 9/30/17	1	17%	
11642046	Third Year Expert Residency Services	1	17%	



1c: BMC Software Maintenance, 10/1/2016-9/30/2017

Description		Quantity	Minimum % Discount from VPI Cost	Comments
LP#1825367	BMC Remedy IT Service Management Suite - per enterprise	1		We understand the State of Michigan recently renewed all of their BMC support contracts through Dec 31, 2018. At this time CDW does not anticipate anything to quote per the term 10/1/2016 – 9/30/2017; however, we can honor the existing discount of record which we reflected in our offer.
LP#1825375	BMC Remedy IT Service Management Suite - Floating User License Add-on - per concurrent user	330		
LP#1825386	BMC Remedy IT Service Management Suite - User License Add-on - per named user	260		
LP#1825407	BMC Remedy Knowledge Management Specialist - Floating User Add-On License - per concurrent user	10		
LP#1825408	BMC Remedy Knowledge Management Specialist - User Add - On License - per named user	10		
LP#1825441	BMC Remedy Self Service - Floating User Add - On License 25-Pk Lsn - per concurrent user	1		
LP#1863612	BMC Service Desk - Floating User License Addon - per concurrent user	25		
LP#1863619	BMC Service Desk - User License Add-on - per named user	15		
LP#1825437	BMC Service Management Specialist - Floating User License Add-on - per concurrent user	34		
LP#1825440	BMC Service Management Specialist - User License Add-on - per named user	10		
LP#18254402	BMC Premier Advanced Support - Shared Engineer - Remedy IT Service Management - per License Add-on - Original	1		
LP#2142357	BMC Atrium Dashboards and Analytics - User License Add-on - per named user	10		
LP#2347532	BMC Atrium Discovery and Dependency Mapping - per managed asset - server endpoint	3500		
LP#2347542	BMC Atrium Discovery and Dependency Mapping Extended Data Pack - License Add-on - per managed asset - server endpoint	3500		
LP#2564645	BMC Atrium Discovery for Storage - per managed asset - server endpoint	3500		
LP#2564646	BMC Atrium Orchestrator - Development Pack License Addon - per enterprise	1		
LP#2142355	BMC BladeLogic Automation Suite - Base License - per enterprise	1		
LP#2347540	BMC Cloud Lifecycle Management - Core License Add-on - per managed asset - server endpoint	50		
LP#2142356	BMC Server Automation - License Add-on - per managed asset - server endpoint	5		
				Comments



c. BMC

d. Adobe

1d: Adobe Enterprise Term License Agreement, 11/1/2016-10/31/2017				
Description		Quantity	Minimum % Discount from VPI Cost	Comments
210-3280-1	Adobe Acrobat Standard - Term License & Maintenance & Support 1 User - 12 Month - FLP	53	10.8%	
210-3280-1	Adobe Acrobat Professional - Term License & Maintenance & Support 1 User - 12 Month - FLP	238	10.8%	
210-3280-1	Adobe After Effects - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe Audition - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe Dreamweaver - Term License & Maintenance & Support 1 User - 12 Month - FLP	14	10.8%	
210-3280-1	Adobe Flash Professional - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe Illustrator - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe InCopy - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe InDesign - Term License & Maintenance & Support 1 User - 12 Month - FLP	3	10.8%	
210-3280-1	Adobe Photoshop - Term License & Maintenance & Support 1 User - 12 Month - FLP	16	10.8%	
210-3280-1	Adobe Premiere Pro - Term License & Maintenance & Support 1 User - 12 Month - FLP	3	10.8%	
210-3280-1	Adobe Design Standard - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe Design & Web Premium - Term License & Maintenance & Support 1 User - 12 Month - FLP	12	10.8%	
210-3280-1	Adobe Production Premium - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210-3280-1	Adobe Creative Cloud Enterprise - Term License & Maintenance & Support 1 User - 12 Month - FLP	4	10.8%	



210-3280-1	Adobe Lightroom - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
210T-3238	Adobe FrameMaker Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210T-3251	Adobe RoboHelp Office Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210T-3251-S	Adobe RoboHelp Server Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210T-3225	Adobe Captivate Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210T-6178	Adobe Presenter Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210T-3230	Adobe eLearning Suite Enterprise Term License with Maintenance & Gold Support - 12 Months	1	10.8%	
210-3280-1	Adobe Photoshop Elements - Term License & Maintenance & Support 1 User - 12 Month - FLP	1	10.8%	
				Comments



e. Citrix

1e: Citrix Software Maintenance, 10/1/2016 - 9/30/2017			
Description and Quantity	Quantity	Minimum % Discount from VPI Cost	Evaluation Comments
XenApp Platinum Edition 4.5 with Feature Pack 1 from XenApp Enterprise Upgrade - User Count 410 - Coverage dates: 10/1/14 - 7/1/17	1	10.8%	
XenApp Platinum Edition 4.5 with Feature Pack 1 from XenApp Enterprise Upgrade - User Count 390 - Coverage dates: 10/1/14 - 7/1/17	1	10.8%	
XenApp Platinum Edition 4.5 with Feature Pack 1 from XenApp Enterprise Upgrade - User Count 25 - Coverage dates: 10/1/14 - 7/1/17	1	10.8%	
XenApp Platinum Edition 4.5 with Feature Pack 1 from XenApp Enterprise Upgrade - User Count 70 - Coverage dates: 3/29/15 - 7/1/17	1	10.8%	
UPG XENAPP PLAT ED F/ ENT - X1 CONC U CONN LICS W/ SUB ADV ELP-3	1	10.8%	
ELA-3 XENDESKTOP PLAT ED TRADE UP FROM XENAPP ADV X1 CCU	1	10.8%	
NETSCALER MPX 12500 FIPS PLAT ED 2X10GX SFP+ 8X1000BX SFP+ ELA-3	1	10.8%	
NETSCALER MPX 9700 FIPS PLAT ED 2X10GX SFP+ 8X1000BASE-X SFP+ ELA-3	1	10.8%	
ELA3 3YR GOLD MNT NETSCALER MPX 12500 FIPS 10GE PLAT ED	1	10.8%	
ELA3 3YR GOLD MNT NETSCALER MPX 9700 FIPS 10GE PLAT ED	1	10.8%	
300M NETSCALER SFP+ 10GB ENET SHORT RANGE SINGLE ELA-3	1	10.8%	
NETSCALER APP SWITCH SFP PACK 4GFB	1	10.8%	
PREFERRED EXT HOURS SUPPORT SOFTWARE	1	10.8%	
SOFTWARE PREFERRED 200HRS TRM ADD-ON	1	10.8%	
2YR SUB XENAPP PLAT ED ADV ADD-ON ELP-3	1	10.8%	
ELA-3 2YR XENDESKTOP PLAT ED SUB ADV ADD ON X1 CCU	1	10.8%	
			Comments



f. HP

1f: HP Software Maintenance, 10/1/2016 - 9/30/2017			
Description		Quantity	Minimum % Discount from VPI Cost
T6489AAE	HP Enterprise Std Unlimited Support for QC Add'l Defects Site CC Usr SW LTU	7	10%
T6471AAE	HP Enterprise Std Unlimited Support for QC Ent Area 5 CC Usr Pk SW LTU	1	10%
T6481AAE	HP Enterprise Std Unlimited Support for QC Ent Area CC Usr SW E-LTU	5	10%
T6821AA	HP Enterprise Std Unlimited Support for QTP Siebel Add-in Site CC Usr SW LTU	5	10%
T6822AA	HP Enterprise Std Unlimited Support for QTP Site CC Usr SW LTU	5	10%
A8F90AAE	HP Enterprise SW maintenance for HP LR Foundation Entitlement SW E-LTU	1	10%
A8F57AAE	HP Enterprise SW maintenance for HP LR Oracle EB 1-499 VU+C SW E-LTU	200	10%
TF063AAE	HP FT Seat to UFT Seat Upgrade SW E-LTU / HP SW Tech Unlimited Sppt & HP SW Updts Svc	5	10%
TA332AAE	HP FT Seat Usr SW E-LTU	5	10%
TF060AAE	HP FT Site to UFT CC User UPG SW E-LTU	15	10%
TD028AAE	HP LR Database 100-499 VU SW E-LTU	100	10%
TD010AAE	HP LR Oracle EB 500-4999 VU SW E-LTU	2000	10%
TC969AAE	HP LR Web 2.0 500-4999 VU SW E-LTU	2000	10%
TC967AAE	HP LR Web/Mmed 100-499 VU SW E-LTU	200	10%
TC964AAE	HP LR Web/Mmed 500-4999 VU SW E-LTU	2400	10%
TC964AAE	HP LR Web/Mmed 500-4999 VU SW E-LTU	500	10%
TB141AAE	HP LR/PC Diag for Comp Applnst SW E-LTU	17	10%
T6234AAE	HP LRner Cntrl & Monitors SW E-LTU	4	10%
T6482AAE	HP QC ENT Global CC User SW E-LTU	30	10%
T6470AAE	HP QC Ent Site 5 CC Usr Pk SW E-LTU	1	10%
T6480AAE	HP QC Ent Site CC Usr SW E-LTU	57	10%
T6480AAE	HP QC Ent Site CC Usr SW E-LTU - HP SW Technical Unlimited Support & SW Updates Svc	15	10%
T6822AA	HP QTP Site CC Usr SW LTU	10	10%
T9871AAE	HP Software Enterprise Basic Support for HP ALM Area CC Usr SW E-LTU	5	10%
TF008AAE	HP Software Enterprise Basic Support for HP UFT CC User SW E-LTU	15	10%



T7373AAE	HP SW Enterprise Basic Support - HP PPM DM Oracle Ext Named Usr SW E-LTU	1	10%
TA333AAE	HP SW Enterprise Basic Support for HP Functional Test Site CC Usr SW E-LTU	15	10%
TD038AAE	HP SW Technical Unlimited Support & Updates Svc for HP LR .NET 100-499 VU SW E-LTU	100	10%
TC997AAE	HP SW Technical Unlimited Support & Updates Svc for HP LR RIA 100-499 VU SW E-LTU	100	10%
T6481AAE	HP SW Technical Unlimited Support & Updates Svc for HP QC Ent Area CC Usr SW E-LTU	15	10%
T9500AAE	HP Tech Sppt & Updates Svc for AM Srv SW LTU	1	10%
T9503AAE	HP Tech Sppt & Updates Svc forAM Asset Portfolio CC Usr SW LTU	5	10%
T9502AAE	HP Tech Sppt & Updates Svc forAM Asset Portfolio Nmd Usr SW LTU	5	10%
T9513AAE	HP Tech Sppt & Updates Svc forAM Contract Mgmt Flt Usr SW LTU	5	10%
T9512AAE	HP Tech Sppt & Updates Svc forAM Contract Mgmt Nmd Usr SW LTU	5	10%
T9509AAE	HP Tech Sppt & Updates Svc forAM Financial Mgmt Flt Usr SW LTU	5	10%
T9508AAE	HP Tech Sppt & Updates Svc forAM Financial Mgmt Nmd Usr SW LTU	5	10%
T9520AAE	HP Tech Sppt & Updates Svc forAM Procurement Flt Usr SW LTU	5	10%
T9519AAE	HP Tech Sppt & Updates Svc forAM Procurement Nmd Usr SW LTU	5	10%
T4247AAE	HP Tech Sppt & Updates Svc forCnct Base Connectors SW E-LTU	1	10%
TF235AAE	HP Tech Sppt & Updates Svc forUCMDB 10.00+ FndFedTpl Entitlement SW E-LTU	1	10%
T4247AAE	HP Tech Support and Updates Svc for HP Cnct Base Connectors SW E-LTU	1	10%
T4503AAE	HP Tech Support and Updates Svc for HP Cnct Database Usr SW E-LTU	10	10%
T4505AAE	HP Tech Support and Updates Svc for HP Cnct Email Usr SW E-LTU	10	10%
T4511AAE	HP Tech Support and Updates Svc for HP Cnct LDAP Usr SW E-LTU	10	10%
T9768AAE	HP Tech Support and Updates Svc for HP IT Change Mgmt Suite Nmd Usr SW E-LTU	10	10%
T5015AAE	HP Tech Support and Updates Svc for HP SM Foundation Nmd Usr SW E-LTU	10	10%
T5017AAE	HP Tech Support and Updates Svc for HP SM Help Desk Nmd Usr SW E-LTU	10	10%
T5000AAE	HP Tech Support and Updates Svc for HP SM Server SW E-LTU	1	10%
T5025AAE	HP Tech Support and Updates Svc for HP SM SLM Nmd Usr SW E-LTU	10	10%
TF235AAE	HP Tech Support and Updates Svc for HP UCMDB 10.00+ FndFedTpl Entitlement SW E-LTU	1	10%
TF008AAE	HP UFT CC User SW E-LTU - HP SW Enterprise Standard Support	10	10%



g. VMWare

1g: VMWare Enterprise License Agreement, 1/1/2016-12/31/2019			
Description	Quantity	Minimum % Discount from VPI Cost	Comments
vCenter Server Standard	2	8.0%	
vCenter Site Recovery Manager	1	8.0%	
vCloud Suite Enterprise	40	8.0%	
vSphere with Operations Management Standard for 1 Processor	4	8.0%	
Horizon Suite 10 Pack	3	8.0%	
vCenter Ops Management Suite Standard (25 VM Pack)	1	8.0%	
Workstation for Linux and Windows	5	8.0%	
Workstation for Linux and Windows (volume pricing for 10-99 licenses)	15	8.0%	
Fusion Professional Edition	10	8.0%	
			Comments

4. Discretionary Software

II: Discretionary Software		
For each Transaction Cost Band in the table below, please provide the % discount from VPI, which shall be used to calculate the maximum, not-to-exceed price of software products to be purchased.		
Transaction Cost Band	Minimum % Discount from VPI Cost	Comments
Less than \$10,000	5%	Discount will apply to all software titles not referenced above using the VPI displayed at www.cdwg.com
\$10,000 - less than \$25,000	5%	
\$25,000 - less than \$250,000	5%	
\$250,000 - less than \$2.5 million	5%	



5. Optional Software Titles

III: Optional Software Titles					
1. For each Publisher in the table below, please provide the Minimum % Discount to Bidder VPI Cost for transaction valued at less than \$500,000 and for transactions valued at \$500,000 or greater.					
2. For each Publisher in the table below, please provide the estimate cost to renew the State's FY2017 Software Maintenance or Support under your Contract.					
3. For each Publisher in the table below, please provide the additional discount to other Title you will provide, if the State includes the Publisher under your Contract.					
Publisher	Maximum (not-to-exceed) % Markup to Bidder cost on Purchases less than \$500,000	Minimum % Discount to Bidder VPI cost on Purchases \$500,000 or greater	Estimated Cost to renew FY2017 Software Maintenance/Support	Additional % Discount to Other Titles for Inclusion in Contract	Comments
CA		5%	CDW•G understands the State's CA legacy deployment and will work with CA Technologies to establish the most cost effective Enterprise Agreement upon award. Baseline discounts will be at least 30% for licenses and 20% for SaaS*. *Certain discount restrictions may apply contingent upon final approval by CA.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as additional discounts CDW-G can offer.
Compuware		5%	CDW-G is not currently authorized to provide an accurate quote for this publisher. However, we are actively involved in an onboarding process with our distributors so that we can provide all budgetary information and custom quotes in the near future.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as additional discounts CDW-G can offer.
IBM		5%	CDW•G is working with IBM on this contract renewal and will facilitate the IBM maintenance renewal process.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as



					additional discounts CDW-G can offer.
Novell		5%	CDW•G is working with Novell on this contract renewal and will facilitate the Novell maintenance renewal process.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as additional discounts CDW-G can offer.
Oracle		39%*	CDW•G is working with Oracle on this contract renewal and will facilitate the Oracle maintenance renewal process.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as additional discounts CDW-G can offer.
SAP		5%	CDW•G is working with SAP on this contract renewal and will facilitate the SAP maintenance renewal process.	0%	If the state can provide a BOM for these titles, we can make an informed decision on costs to renew as well as additional discounts CDW-G can offer.

6. Installation, integration and implementation hourly rates – see Schedule B, Exhibit 3 – Services Price Tables



Schedule B - Pricing
Exhibit 3 -Services Price Tables

- Hardware Services- Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed not to exceed hourly rates available to the State (services are not limited to the individual positions below):

Hardware Installation, Integration, and Implementation Hourly Rates (not to exceed).			
Not to be used for billing, but for calculation of deliverable costs.			
Please list all applicable rates. Individual rates may be specified for specific brands.			
Description	Hourly Rate		
Bidder's Badged Resources			
Digital Forensics Analyst	\$ 142.36		
Field Services Technician - Junior	\$ 72.22		
Field Services Technician - Senior	\$ 94.44		
Network Analyst	\$ 86.58		
Network Analyst Sr.	\$ 132.67		
Network Administrator	\$ 97.40		
Network Administrator Sr.	\$ 140.96		
Support Engineer	\$ 97.40		
Support Engineer Sr	\$ 127.31		
Support Engineer, Level 3	\$ 140.69		
System Technician	\$ 83.33		
System Technician Sr.	\$ 105.56		
Security Analyst	\$ 134.92		
Security Specialist	\$ 183.69		
OEM Badged Resources - End-User Hardware			
Dell -	\$ 145.56	CDW•G and our Partners are fully certified to deliver Dell End-User Professional Services	
Lenovo -	\$ 145.56	CDW•G and our Partners are fully certified to deliver Lenovo End-User Professional Services	
OEM Badged Resources - Server Hardware			
Dell	\$ 162.22	CDW•G and our Partners are fully certified to deliver Dell Server Professional Services	
HP	\$ 273.61	CDW•G and our Partners are fully certified to deliver HP Server Professional Services	S1 Technician; 8 hour minimum
IBM	\$300 - \$395	CDW•G and our Partners are fully certified to deliver IBM Server (AIX) Professional Services	Hardware Engineer Services



APC	\$185-\$290	CDW•G and our Partners are fully certified to deliver APC Professional Services	
OEM Badged Resources -Optional Server Hardware			
Cisco	\$210-\$235	CDW•G and our Partners are fully certified to deliver Cisco UCS Professional Services	
Oracle	\$325-\$450	CDW•G and our Partners are fully certified to deliver Oracle Server Professional Services	
Lenovo	\$ 162.22	CDW•G and our Partners are fully certified to deliver Lenovo Server Professional Services	
OEM Badged Resources - Optional Storage Solutions			
EMC	\$ 233.33	CDW•G and our Partners are fully certified to deliver EMC Professional Services	8 hour minimum / VNX, VNXe, Avamar, Data Domain, Isilon
NetApp	\$210-225	CDW•G and our Partners are fully certified to deliver NetApp Professional Services	8 hour minimum/Engineer - Consultant
Brocade	\$235-\$295	CDW•G and our Partners are fully certified to deliver Brocade Professional Services	
Dell Storage	\$250-\$345	CDW•G and our Partners are fully certified to deliver Dell Storage Professional Services	
Nimble	\$ 233.33	CDW•G and our Partners are fully certified to deliver Nimble Storage Professional Services	8 hour minimum / CSXXX Storage Arrays, SmartStack Arrays, HFS, AFS
OEM Badged Resources - Customer-Premise Telecommunications and Security Solutions			
Cisco UC or Cisco Security	\$220-\$285	CDW•G and our Partners are fully certified to deliver Cisco UC & Security Professional Services	
Avaya UC	\$ 183.33	CDW•G and our Partners are fully certified to deliver Avaya UC Professional Services	Plan, Design, Configure, Install
Avaya UC	\$ 145.56		Smart Hands Only (no engineering)



2. Software Services – Pricing will be determined on a per-purchase competitive bidding process between vendors who have been selected to source hardware to the State through the Michigan Master Computing Program. Below are guaranteed not to exceed hourly rates available to the State (services are not limited to the individual positions below):

Software Installation, Integration, and Implementation Hourly Rates (not to exceed).		
Not to be used for billing, but for calculation of deliverable costs.		
Please list all applicable rates. Individual rates may be specified for specific brands.		
Description	Hourly Rate	Comments
Bidder's Badged Resources		
Application/Software Engineer	\$ 108.02	
Application/Software Engineer Sr	\$ 129.63	
Application/Software Engineer, Level 3	\$ 154.32	
Systems Analyst	\$ 101.01	
Systems Analyst Sr	\$ 131.17	
Database Administrator	\$ 108.23	
Database Administrator Sr.	\$ 138.89	
Database Analyst	\$ 92.59	
Database Analyst Sr.	\$ 147.85	
Technical Writer	\$ 82.97	
Technical Writer Sr.	\$ 111.11	
Testing Technician	\$ 84.88	
Testing Technician Sr.	\$ 111.11	
Quality Assurance Analyst	\$ 100.31	
Quality Assurance Analyst Sr.	\$ 128.82	
Security Analyst	\$ 134.92	
Security Specialist	\$ 183.69	
Field Services Technician - Junior	\$ 56.33	
Field Services Technician - Senior	\$ 79.37	
Microsoft Resources (if not included already)		
CDW•G Project Manager	\$ 220.00	CDW•G is fully certified to deliver Microsoft Professional Services
CDW•G Architect	\$ 235.00	
CDW•G Senior Consultant	\$ 220.00	
CDW•G Consultant	\$ 210.00	
CDW•G Development	\$ 133.00	Visual Studio, .Net, C++
Symantec & Veritas Badged Resources		
CDW•G Application Engineer Level 3	\$ 154.32	CDW•G is fully certified to deliver Symantec & Veritas Professional Services
BMC Badged Resources		



CDW•G Senior Remedy Integrations Consultant	\$ 252.78	CDW•G and our Partners are fully certified to deliver BMC professional services
CDW•G Remedy Solutions Architect	\$ 247.22	
CDW•G Senior Remedy Consultant	\$ 238.89	
CDW•G Mid-Level Remedy Consultant	\$ 225.00	
CDW•G Senior BI Consultant	\$ 238.89	
CDW•G Service Automation Architect	\$ 261.11	
CDW•G Service Automation Consultant	\$ 238.89	
CDW•G Project Manager - Level 1	\$ 194.44	
CDW•G Project Manager - Level 2	\$ 180.56	
Adobe Badged Resources		
CDW•G Adobe	\$ 194.44	CDW•G and our Partners are fully certified to deliver Adobe professional services
Citrix Badged Resources		
CDW•G Project Manager	\$ 220.00	CDW•G and our Partners are fully certified to deliver Citrix professional services
CDW•G Architect	\$ 250.00	
CDW•G Senior Consultant	\$ 235.00	
CDW•G Consultant	\$ 215.00	
HP Software Badged Resources		
CDW•G	\$ 194.44	CDW•G and our Partners are fully certified to deliver HP professional services
VMWare Badged Resources		
CDW•G Project Manager	\$ 220.00	CDW•G and our Partners are fully certified to deliver VMware professional services
CDW•G Architect	\$ 250.00	
CDW•G Senior Consultant	\$ 235.00	
CDW•G Consultant	\$ 215.00	
CA Badged Resources (Optional)		
CA Consulting Various Roles	\$290 - \$575	CDW•G and our Partners are fully certified to deliver CA professional services



Compuware Badged Resources (Optional)		
Compuware Consulting various roles	\$310 - \$465	CDW•G and our Partners are fully certified to deliver Compuware professional services
IBM Badged Resources (Optional)		
IBM Consulting for Software Deployment various roles	\$330 - \$575	CDW•G and our Partners are fully certified to deliver IBM professional services
Novell Badged Resources (Optional)		
CDW•G Consulting various roles	\$210 - \$375	CDW•G and our Partners are fully certified to deliver Novell professional services
Oracle Badged Resources (Optional)		
Oracle Consulting various roles	\$345 - \$675	CDW•G and our Partners are fully certified to deliver Oracle professional services
SAP Badged Resources (Optional)		
CDW•G Consulting		CDW•G and our Partners are fully certified to deliver Oracle professional services
CDW•G SAP Developer	\$ 177.78	K1 Level
CDW•G SAP Analyst	\$ 200.00	K1 & K2 Level
CDW•G SAP Basis Consultant	\$ 250.00	K2 & K3 Level
CDW•G SAP Senior Consultant	\$ 277.78	K3 & K4 Level



Schedule C
Exhibit 1 – Value Added Services

CDW•G Value Added Services

For ease of review, CDW•G has laid out our value added services in the charts below. In addition to the hardware and software value added services, we provide significant value to the State for both hardware and software in the final chart.

Based on the typical rate for the Hardware and Software value added services below, we offer an **estimated value for the State in excess of \$2 million over the contract duration.**

Hardware		
Value Add	Description	Cost to Michigan and Estimated Value
New Product Roadshow	CDW•G plans to host an annual “New Product Roadshow” for the State of Michigan and MiDEAL members, to raise awareness of current and upcoming products available in the market, At this Michigan-based, open-house style event, the State and MiDeal members will have the opportunity to meet with several key resources including the CDW•G account team, manufacturers, services providers, and the CDW•G contracts team. The event provides an opportunity to explore IT needs and receive immediate answers to questions.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth:</i> \$7,500
CDW•G provided 30 day warranty	CDW•G funds a 30 day warranty for all products we sell, including products that have no manufacturer warranty. Once the 30 days have expired, CDW•G’s technical support or the State’s dedicated SPOC facilitates the manufacturer warranty service, as needed.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth:</i> <i>0.25% of items purchased. If the State purchases \$30 million worth of product per year the value is \$75,000 or \$300,000 over four years</i>
Certified Technician Support	We provide toll-free, email, and on-line chat technical support on all hardware and operating systems for up to <u>two years</u> after purchase from CDW•G. Our technical support technicians are US-based. All of our technicians are US-based, CompTIA certified, and hold, at minimum, A+ and Network+ certifications. The State can monitor this support, including the frequency and type of request, via the CDW•G Account Center.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth:</i> <i>Estimated usage 500 hours annually,</i> <i>value \$50,000 over four years</i>
Extensive Pre-Sales Engineering Support	As of this writing, we have over 1,060 service-dedicated coworkers, nationwide , aiding in pre- and post-sale questions. As with the technical support above, a key to our engineer support is that many are “vendor neutral.” This allows them to support the interoperability of the State’s entire solution, not promote a single brand. We know certain solutions also call for OEM-specific expertise, such as Cisco UC or Microsoft SharePoint, so our engineer total also includes such experts. All of CDW•G’s experienced and certificated engineers provide support with configurations and infrastructure shifts.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth:</i> <i>Estimated usage 2,000 hours annually,</i> <i>Value \$1,600,000 over four years</i>



Software		
Value Add	Description	Estimated Value
Software License Review	Through the Software License Review, the State can recognize over- or under-licensing situations, giving you the tools to consolidate licenses and fill in gaps. This review provides a report of all the software assets and licenses purchased throughout the organization, no matter what vendor the State purchased its licenses through. A CDW•G licensing specialist then leads the State to potential savings in over-licensing situations and possibly avoiding large fines by ensuring all software being used has the appropriate licensing. Our licensing strategy consultations include analysis of current usage and gaps; procurement preferences; and side by side comparisons of potential solutions. Our licensing experts then use the gathered information to predict future needs.	CDW•G-Funded: No Charge to State of Michigan <i>Estimated Value Added Worth: 0.5% of the software purchased. If the State purchases \$30 million worth of software the value is \$150,000 annually or \$600,000 over four years</i>
Citrix Health Check	CDW•G offers the State a two week engagement with our Citrix engineering team . The particular focus of this engagement can vary, but typically the recommended first step is a XenApp health check. At the conclusion of the engagement, CDW•G discusses the health check findings and recommendations to ensure the system is functioning to industry best practices and provides the State a PDF report of our findings	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth: \$19,800</i>
Active Directory Health Check	CDW•G offers the State an Active Directory Health Check (or similar service) four week engagement . This engagement provides tremendous value to the State to understand the current state of its Active Directory to industry best practice. If desired, CDW•G will also discuss a future roadmap to ensure the State can maintain its directory structure.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth: \$39,600</i>
VMWare Health Check	CDW•G offers highly experienced and certified specialists to assist the State's team with technical issues and architecture to leverage the exciting, virtual capabilities of the VMware solution set. We offer the State a four week Health Check of your vSphere environment, conducted by CDW•G experts . The scope of the effort analyzes up to 30 ESX/ESXi hosts and one vCenter and provides a written report and conference call discussion as follow-up. The target audience for this engagement includes infrastructure and IT managers and the implementers/administrators of the ESX/ESXi system.	CDW•G-Funded: No Charge to State of Michigan <i>Value Added Worth: \$39,600</i>

Additional Value Added Services		
Value Add	Description	
Local Team		
CDW•G and Dewpoint – A National and Local Team	Through our strategic partnership the State receives technology products, expertise, customer support, and competitive pricing tailored to your needs. We provide this assistance via a team of 300 Michigan-based coworkers with a proven record supporting some of the most critical solutions of the State. These individuals help to bring the State's procurement of IT solutions to the next level. In one interaction, the SPOC can deliver to the State complementary quotes for notebooks/mobile devices (including tablets), network communications, converged infrastructure, video monitors, printers, desktop computers, and servers because they understand the State's IT infrastructure as a whole, rather than a single purchase.	
Vendor Neutral		
Vendor Neutral Solutions – A Win for Michigan	We offer over 1,000 leading OEMs partnerships to the State and access to additional OEMs through our distribution partners, ensuring that we always consider the best value outcome for your purchases. As, CDW•G has no ownership ties to specific manufacturers or vendors, we are free to act in the best interest of the State of Michigan .	



Additional Value Added Services	
Value Add	Description
	Our vested OEM partnerships and product management team provides the State additional benefits such as advance product notifications, consistent checks on pricing, and extended warranty options. Should a frequently product be no longer available or the State is looking for a cost-effective alternative, you can be sure your SPOC will provide recommendations based solely on your specific needs.
eProcurement	
Cutting-Edge eProcurement Capabilities	Our tools allow customers to flip quotes to orders on the website as well as create and flip a quote to an order via a Punchout tool. We offer same day turnaround with Punchout credentials.
Dedicated eProcurement Team Keeps Ecommerce Reliable	CDW•G has over 140 coworkers dedicated to improving our ecommerce capabilities. Our in-house, highly experience e-procurement team provides assistance for any integration the State or MiDeal members seek. Fourteen of those ecommerce coworkers are dedicated to integrations, such as for ITRAC and future CGI integration for the State. Additionally, we work with three third-party services partners to ensure the product data remains current. They have performed no-cost integrations with over 72 eProcurement vendors. Our resources and partnerships allow us to provide early notice for when products will be discontinued.
Bundled Purchases Allow End Users Convenient Access to State Standards	CDW•G offers the State the ability to create bundled peripherals to form a complete desktop solution, all in one package. The peripheral bundles can be designed to complement the State's predetermined device standards. For example, bundles are common for a headset that needs a particular cable every time that is ordered, or a user set-up that might include a mixture of products such as a notebook, docking station, external keyboard/mouse, and cables. These commonly bundled items can be created in your shopping cart in the Account Center, and they viewed on the Premium Page dedicated to MMCC. Users can then quickly find the correct product mix to create an order.
Distribution Model	
Distribution Model Provides Quick Access to the Products Michigan Needs	Our own distribution centers have a million square feet of storage space and stock over \$200 million in inventory at any given time. This combination of stock and shipping infrastructure allows us to ship on average 37,000 boxes per day. We utilize a blended distribution model, so we are not rely solely on these two facilities to support our customers. With roughly 50% of our orders drop shipped, our model leverages an extensive partner network for competitively priced products and quick delivery. This in turn, allows approximately 90% of our orders to be available for shipping the same day the order is place.
Extensive Shipping Options to Meet Purchasing and Project Requirements	We understand that our logistical capabilities have to match the diverse needs of the State and offer a variety of options for shipping from a packaging, carrier service, and speed perspective. We provide the option to receive products in single shipments or partial shipment. We utilize our shipping partnerships with carriers such as UPS, FedEx, AIT, CEVA, Dynamex, and Veterans Messenger service to allow shipment anywhere within the State via same day (where available), overnight, 2nd day, 3rd day, or ground commitments. Custom Shipping Solutions If the State requires deliveries to be palletized, we can do that too. Our custom shipping solutions include pre-assembling kits for remote employees or offices, palletizing large orders, and shipping equipment inside customized rugged containers, as examples. This benefits the State by lowering the cost of shipping for large deliveries and can reduce implementation time upon delivery as equipment arrives ready to "plug and play".
Configuration Center	
Asset Tracking via the State's Web Portal Account Center	The asset tag reference number is captured along with the serial number of the product into CDW's Order Processing system. This automatically syncs to the Asset Management page of the MMCC Account Center on your web portal. The State can use this Asset Management Tool to track their packages or import the information via a comma delimited file to the State's asset management tool. For any products not purchased through CDW•G, users can upload device information to track alongside CDW•G purchases.
Contract Management and Contract Promotion	



Additional Value Added Services	
Value Add	Description
Maximizing the value of the State's Licensing Agreements	As a part of our total software management methodology, our team conducts regular business reviews and examines the contract to help manage the State's licenses over the lifetime of MMCC. Prior to software purchase and any renewals, we evaluate total spend, assets, usage, and purchase history. Our recommendations may include any potential options that would optimize investment through vendor and contract consolidation; including volume transactional purchasing options or contractual volume agreements. Additionally, our team is educated in the nuances of software contracts and informs the State of any aggregate purchase opportunities specific to the contract or related entities that may be available to leverage.
Reporting Capabilities – Best in Class and Specific to the State's Needs	While the State has the option to receive daily reports from our Program Management team, authorized users from both the State and MiDEAL member community can pull reports directly from their CDW•G Web Portal. As a rich source of detail on purchase history, license agreements, and asset tracking, CDW•G lightens the burden of generating reports. The reporting options in the Web Portal give authorized users the exact detail they require, whenever they need it.
Resources	
MiDEAL Focus – Supporting the State's Partnerships	Combined, CDW•G and Dewpoint currently does business with approximately 33% of the 1049 members of MiDEAL. Since MiDEAL members are already familiar with either CDW•G or Dewpoint in most cases, this allows for smooth transitions and for us to focus on expanding the number of entities that take advantage of the program. To demonstrate the impact of these relationships, CDW•G's current business with 1,376 current potential MiDEAL members totals \$30 million annually.
Dynamic Pricing – We Have It Covered	We have a team dedicated to monitoring our Nationally Advertised Pricing (NAP) to ensure it remains aligned with market trends. Different than a stagnant price point of an MSRP list, our NAP is a dynamic list; providing the greatest value in a fast moving industry like IT. Because our price offer is based on our NAP it allows the State to take advantage of price reductions in the timeliest manner possible. Through MMCC, the State has access to CDW•G's Verifiable Price Index 24/7 via cdwg.com. You can feel confident that your pricing is both up-to-date and competitive.
OEM Resources Partnering with CDW•G Ensure Michigan's Success	Many of our OEM partners have staff dedicated to supporting CDW•G customers exclusively. As of this writing, over 900 OEM resources from over 164 of our partners were collocated with CDW•G, collaborating with our account team and engineers to quickly provide expert help to the State. The variety of partners that are on-site more easily facilitates our ability to help the State analyze the best value among the products under consideration and provide the right product the first time.