

CONTRACT #4
RFS # 344.01-00462
FA # NA
Edison # Pending

**Department of Intellectual and
Developmental Disabilities**

VENDOR:
Microsoft Corporation



STATE OF TENNESSEE
DEPARTMENT OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES
FROST BUILDING
161 ROSA L. PARKS BOULEVARD
NASHVILLE, TENNESSEE 37243

June 27, 2013

Mr. Lucian Geise, Executive Director
Fiscal Review Committee
8th Floor, Rachel Jackson Building
320 Sixth Avenue, North
Nashville, Tennessee 37243

ATTENTION: Leni Chick

RE: Request for Contract Review
Microsoft Corporation
RFS # 34401-00462

Dear Mr. Geise:

The Department of Intellectual and Developmental Disabilities (DIDD) is submitting the enclosed proposed non-competitive contract with Microsoft Corporation for review in accordance with TCA, Section 12-4-109 (a)(I)(G)(i) and (a)(I)(G)(ii).

The proposed contract will provide DIDD with a resource for technical support and consultation to assist DIDD with its implementation efforts for the Microsoft Dynamics CRM platform (IT-ABC Project # DIDD-011201). Under the terms of this contract DIDD would have access to Technical Account Management from Microsoft, which offers specialized and highly skilled support and consulting services for all Microsoft products. These services will be utilized to assist in implementation and integration efforts currently being undertaken by the department, as well as for future expansions of the Dynamics CRM solution.

DIDD needs this support agreement in order to ensure successful implementation of its new technology solution, which is being built on the Microsoft Dynamics CRM framework. DIDD has contracted a third-party vendor to perform the initial implementation, but will require expertise that we do not currently have in-house in order to perform quality analysis on the work being performed by the vendor. In addition, DIDD will need this support moving forward to ensure adequate knowledge transfer as it assumes ownership of the new solution and seeks to expand on the solution to address other critical needs of the department.

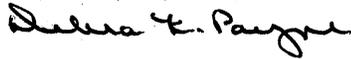
The proposed contract and Special Contract Request is enclosed along with a completed "*Supplemental Documentation Required for Fiscal Review Committee*" form, and OIR Endorsement Request.

Lucian Geise, Executive Director
page 2
6/26/2013

Please let me know if any additional information is required for review of this request.

Your assistance for review of this contract is appreciated.

Sincerely,

A handwritten signature in black ink that reads "Debra K. Payne". The signature is written in a cursive style.

Debra K. Payne
Commissioner

DKP:dd

Enclosures

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Lance Iverson, Assistant Commissioner	*Contact Phone:	253-6710
*Original Contract Number:		*Original RFS Number:	34401-00462
Edison Contract Number: <i>(if applicable)</i>	To Be Determined	Edison RFS Number: <i>(if applicable)</i>	34401-00462
*Original Contract Begin Date:	September 1, 2013	*Current End Date:	August 31, 2016
Current Request Amendment Number: <i>(if applicable)</i>		N/A	
Proposed Amendment Effective Date: <i>(if applicable)</i>		N/A	
*Department Submitting:		Department of Intellectual and Developmental Disabilities	
*Division:		Policy and Innovation	
*Date Submitted:		6/28/2013	
*Submitted Within Sixty (60) days:		Yes	
<i>If not, explain:</i>			
*Contract Vendor Name:		Microsoft Corporation	
*Current Maximum Liability:		\$323,900.00	
*Current Contract Allocation by Fiscal Year: <i>(as Shown on Most Current Fully Executed Contract Summary Sheet)</i>			
FY: 2014	FY: 2015	FY: 2016	
\$0.00	\$0.00	\$0.00	
*Current Total Expenditures by Fiscal Year of Contract: <i>(attach backup documentation from STARS or FDAS report)</i>			
FY: 2014	FY: 2015	FY: 2016	
\$0.00	\$0.00	\$0.00	
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:		N/A	
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:		N/A	

Supplemental Documentation Required for
Fiscal Review Committee

IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:		N/A	
*Contract Funding Source/Amount:	State:	\$0.00	Federal: 0.00
Interdepartmental:	\$323,900.00	Other:	0.00
If "other" please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
N/A		N/A	
Method of Original Award: <i>(if applicable)</i>			
*What were the projected costs of the service for the entire term of the contract prior to contract award?		\$323,900.00	

Special Contract Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

APPROVED

Chief Procurement Officer

Request Tracking #	34401-00462
1. Contracting Agency	Department of Intellectual and Developmental Disabilities (DIDD)
2. Type of Contract	<input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> No Cost <input type="checkbox"/> Revenue
3. Requestor Contact Information	Russell Nicoll, Chief Information Officer DIDD Frost Building, 4th Floor 161 Rosa L. Parks Blvd. Nashville, TN 37243 Phone: (615) 975-3897
4. Date Requested	6/24/2013
5. Brief Service Caption	Microsoft Premier Support Services and Dedicated Support Engineering
6. Proposed Contractor	Microsoft Corporation
7. Proposed Contract Period – with ALL options to extend exercised The proposed contract start date shall follow the approval date of this request.	36 months
8. Maximum Contract Cost – with ALL options to extend exercised	\$ 323,900.00
9. Office for Information Resources Endorsement – information technology (N/A to THDA)	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Attached
10. eHealth Initiative Support – health-related professional, pharmaceutical, laboratory, or imaging	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
11. Human Resources Support – state employee training	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
12. Has the contracting agency procured the subject service before?	
<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES, it was procured by... <input type="checkbox"/> <i>RFP</i> <input type="checkbox"/> <i>Non-Competitive Negotiation</i> <input type="checkbox"/> <i>Another Competitive Method</i>	

Request Tracking #	34401-00462
13. Will the State incur any substantial cost as a result of the subject agreement? (For No Cost or Revenue Contracts <u>only</u>)	<input type="checkbox"/> NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> Not Applicable
14. Will the State also contract with other parties interested in entering substantially the same agreement?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES
<p>15. Description of Product/Services Contractor Will Provide</p> <p>Microsoft Premier Support Services and Dedicated Support Engineering</p> <p>This contract will provide DIDD with a resource for technical support and consulting to assist with its implementation efforts for the Microsoft Dynamics CRM platform (IT-ABC Project # DIDD-011201). Under the terms of this contract DIDD would have access to Technical Account Management from Microsoft, which offers specialized and highly skilled support and consulting services for all Microsoft products. These services will be utilized to assist in implementation and integration efforts currently being undertaken by the department, as well as for future expansions of the Dynamics CRM solution.</p>	
<p>16. Is this product/service currently available on a statewide contract? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES</p> <p>If YES, please explain why the current statewide contract is not being used for this procurement.</p>	
<p>17. Summary of State Responsibilities Under Proposed Contract (For No Cost and Revenue Contracts <u>only</u>)</p>	
<p>18. Explanation of Need for or Requirement Placed on the State to Acquire the Service</p> <p>DIDD needs this support agreement in order to ensure successful implementation of its new technology solution, which is being built on the Microsoft Dynamics CRM framework. DIDD has contracted a third-party vendor to perform the initial implementation, but will require expertise that we do not currently have in-house in order to perform quality analysis on the work being performed by the vendor. In addition DIDD will need this support moving forward to ensure adequate knowledge transfer as it assumes ownership of the new solution and seeks to expand on the solution to address other critical needs of the department.</p>	
<p>19. Proposed Contract Impact on Current State Operations</p> <p>These contracted services will provide DIDD with a much needed resource to ensure the successful implementation of its Dynamics CRM solution, which is critical to the support of its business operations. Other State Agencies are currently utilizing Microsoft Consulting Services and Premier Support Agreements in similar fashion in order to support their IT efforts.</p>	
<p>20. Justification – Specifically explain why the procurement method being requested is required.</p> <p>This is a service offering unique to Microsoft, and the specific products DIDD has procured from them. Therefore, DIDD is seeking a non-competitive procurement of these services.</p>	
<p>21. Contractor Selection Process and Efforts to Identify Reasonable, Competitive, Procurement Alternatives</p> <p>No other procurement sources exist for this service.</p>	
<p>22. Name & Address of the Contractor's Principal Owner(s) – NOT required for a TN state education institution</p> <p>Gunner Podlesak, Services Executive State and Local Government, and Education Microsoft Corporation 200 E Randolph, Suite 200 Chicago, IL 60601 gunnar@microsoft.com Cell: 773-860-0205 Tel: 312-920-5702 Fax: 425-936-7329</p>	

Request Tracking #	34401-00462
23. Evidence of Contractor's Experience & Length Of Experience Providing the Service Microsoft is recognized as a world leader in software development and technical consulting services.	
24. Was there an initial government estimate?	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES
25. Cost Determination Used- How did agency arrive at the price? Professional quote provided by the Contractor	
26. Documentation of Discussions with Contractor- How did agency document discussions with Contractor? DIDD has communicated with the vendor through our Account Representatives via email and face-to-face meetings, resulting in the attached proposed contract supplied by the vendor.	
27. Explanation of Fair and Reasonable Price- Explain why price is fair and reasonable under the circumstances The quote supplied by the vendor is based on the current market value for these services and the contracted rates for the State of TN.	
Agency Head Signature and Date – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</i> <div style="display: flex; justify-content: space-between;"> <div data-bbox="305 840 738 898">  </div> <div data-bbox="1031 835 1185 865"> 4.27.13 </div> </div>	

up 13-2333

Rule Exception Request

Route completed request, as one file in PDF format, via e-mail attachment sent to: AgSprs.Agsprs@state.tn.us

<p>APPROVED</p> <p><i>Michael J. Perry</i> / <i>MS</i></p> <p>COMMISSIONER OF FINANCE & ADMINISTRATION <i>CPO</i></p>
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Request Tracking #	34401-00462	
1. Contract #	To Be Determined	
2. Service Caption	Microsoft Premier Support Services and Dedicated Support Engineering	
3. Contractor	Microsoft Corporation	
4. Contract Period (with ALL options to extend exercised)	36 months	
5. Contract Maximum Liability (with ALL options to extend exercised)	\$ 323,900.00	
6. Rule (for which the exception is requested)	<input type="checkbox"/> 0620-3-3-.03(2)(a) OR 0620-3-3-.05 requiring compliance with relevant model guidelines (only if required by oversight authorities) <input type="checkbox"/> 0620-3-3-.05(5) requiring the prescribed Nondiscrimination contract provision <input type="checkbox"/> 0620-3-3-.07(5) prohibiting a contract term greater than five (5) years <input type="checkbox"/> 0620-3-3-.07(8) prohibiting a contract with a former state employee in within six (6) months of termination <input type="checkbox"/> 0620-3-3-.07(22) requiring contractor travel reimbursement in accordance with state travel regulations <input checked="" type="checkbox"/> OTHER (cite the relevant rule below) 0620-3-.07(15)(a)	
7. Explanation of Rule Exception Requested	<p>The department seeks a rule exception to permit advance payment.</p> <p>Rule 0620-3-.07(15)(a) states:</p> <p>(a) All contracts, in which the state is to make payment(s) to the contractor, shall provide that payments are to be made upon submittal of invoices by the contractor, after performance of the portion of the service which each payment represents, except that, grants may provide for advance payments in accordance with Department of Finance and Administration Office of Contracts Review Policy Guidelines.</p>	

Request Tracking #	34401-00462
8. Justification	Advance payment is the industry standard for payment of Microsoft Premier Support Services and Dedicated Support Engineering.
Agency Head Signature and Date <i>(contracting agency head or authorized signatory)</i>	
Diana K. Payne 6-27-13	



OIR Pre-Approval Endorsement Request E-Mail Transmittal

TO : Jane Chittenden, OIR Procurement & Contract Management Director
Department of Finance & Administration
E-mail : Jane.Chittenden@tn.gov

FROM : Debbie Dunn, Director of Contract Services
Department of Intellectual and Developmental Disabilities
E-mail : debra.dunn@tn.gov

DATE : 6/20/2013

RE : Request for OIR Pre-Approval Endorsement

Applicable RFS # 34401-00462

OIR Endorsement Signature & Date:

Chief Information Officer

NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.

Office for Information Resources (OIR) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with information technology as a component of the scope of service. This request seeks to ensure that OIR is aware of and has an opportunity to review the procurement detailed below and in the attached documents.

Please document OIR endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

Contracting Agency	Department of Intellectual and Developmental Disabilities
Agency Contact (name, phone, e-mail)	Debbie Dunn, 253-6812, debra.dunn@tn.gov
Subject Procurement Document (mark one)	
<input type="checkbox"/> RFP	<input type="checkbox"/> Contract
<input type="checkbox"/> Competitive Negotiation Request	<input type="checkbox"/> Contract Amendment
<input type="checkbox"/> Alternative Procurement Method Request	<input type="checkbox"/> Grant
<input checked="" type="checkbox"/> Non-Competitive Contract Request	<input type="checkbox"/> Grant Amendment
<input type="checkbox"/> Non-Competitive Amendment Request	
Information Systems Plan (ISP) Project Applicability	
<input type="checkbox"/> Not Applicable to this Request	
<input checked="" type="checkbox"/> Applicable- ISP Project# DIDD-011201	

Applicable RFS # 34401-00462

Response Confirmed by IT Director/Staff (name):

Required Attachments (as applicable – copies without signatures acceptable)

- RFP, Competitive Negotiation Request, Alternative Procurement Method Request, Non-Competitive Contract Request, Non-Competitive Amendment Request
- Original Contract/Grant or Amendment
- Proposed Contract/Grant or Amendment

Subject Information Technology Service Description

(Brief summary of information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, etc. As applicable, identify the contract & solicitation sections related to the IT services.)

Microsoft Premier Support Services and Dedicated Support Engineering

This service is part of the TITAN Project.



CONTRACT

(fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

Begin Date 9/1/2013	End Date 8/31/2016	Agency Tracking # 34401-00462	Edison Record ID
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Contractor Legal Entity Name Microsoft Corporation	Edison Vendor ID
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Service Caption (one line only)
Microsoft Premier Support Services and Dedicated Support Engineering

Subrecipient or Vendor <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #
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Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2014			\$323,900.00		\$323,900.00
2015			0.00		0.00
2016			0.00		0.00
TOTAL:			\$323,900.00		\$323,900.00

American Recovery and Reinvestment Act (ARRA) Funding: YES NO

Ownership/Control

African American
 Asian
 Hispanic
 Native American
 Female
 Person w/Disability
 Small Business
 Government
 NOT Minority/Disadvantaged
 Other:

Selection Method & Process Summary (mark the correct response to confirm the associated summary)	
<input type="checkbox"/> RFP	The procurement process was completed in accordance with the approved RFP document and associated regulations.
<input type="checkbox"/> Competitive Negotiation	The predefined, competitive, impartial, negotiation process was completed in accordance with the associated, approved procedures and evaluation criteria.
<input type="checkbox"/> Alternative Competitive Method	The predefined, competitive, impartial, procurement process was completed in accordance with the associated, approved procedures and evaluation criteria.
<input checked="" type="checkbox"/> Non-Competitive Negotiation	The non-competitive contractor selection was completed as approved, and the procurement process included a negotiation of best possible terms & price.
<input type="checkbox"/> Other	The contractor selection was directed by law, court order, settlement agreement, or resulted from the state making the same agreement with <u>all</u> interested parties or <u>all</u> parties in a predetermined "class."

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Melinda Lanza 6/21/13
Melinda Lanza 253-3166

OCR USE - FA

Speed Chart (optional)	Account Code (optional)
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Dept ID 3440100001	Account 70803000	Location CF 19049	Program 344169	User Code 700043
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**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES
AND
MICROSOFT CORPORATION**

This Contract, by and between the State of Tennessee Department of Intellectual and Developmental Disabilities, hereinafter referred to as the "State" or "DIDD" and Microsoft Corporation, hereinafter referred to as the "Contractor," is for the provision of Microsoft Premier Support Services and Dedicated Support Engineering, as further defined in the "SCOPE OF SERVICES."

The Contractor is a for-profit corporation.
Contractor Place of Incorporation or Organization: IL
Contractor Edison Registration ID #

A. SCOPE OF SERVICES:

- A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract.
- A.2. The Contractor shall provide Microsoft Premier Support Services and Dedicated Support Engineering (DSE) as indicated below and as further defined in Attachment 1, Microsoft Premier Support Service Description, of this Contract as may be amended as mutually agreed between DIDD and the Contractor.
- a. Support Account Management from an assigned Microsoft resource ("Services Resource") helps to build and maintain relationships with DIDD management and service delivery staff and helps DIDD arrange each element of the Premier Support to meet DIDD business requirements. (Estimated at 360 hours)
 - b. Workshops help DIDD to prevent problems, increase system availability and assist with creating products and solutions based on Microsoft technologies.
 - c. Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problem is caused by Microsoft products. (Estimated at 100 hours)
 - d. Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Service as well as requests for consultative assistance for design, development and deployment issues. (Estimated at 100 hours)
 - e. Information Services provide DIDD staff with the latest knowledge on Microsoft technologies to enhance DIDD in-house support capabilities.
 - f. Dedicated Support Engineering: Dedicated Support Engineering is available during normal business hours and supports the specific Microsoft products/technologies with a focus on delivering engaged, hands-on preventative support. Normal business hours are defined as 8AM to 5PM in the local time where the DSE resources are located, Monday through Friday excluding holidays. After normal business hours, DIDD should follow existing Premier Support procedures for initiating and escalating incidents. DIDD will engage DIDD Dedicated Support Engineering resource(s) after normal business hours for critical situations as needed.

B. CONTRACT PERIOD:

This Contract shall be effective for the period beginning September 1, 2013, and ending on or no later than August 31, 2016. The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed three hundred twenty three thousand, nine hundred dollars and no cents (\$323,900.00). The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. Compensation Firm. The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology described in Attachment 1 of this Contract in a total amount not to exceed the Contract Maximum Liability established in section C.1.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

In the event of a discrepancy regarding travel compensation between this Contract Document and Attachment 1 of this Contract Document Contract Section C.4. of this Contract shall control.

C.6. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in section C.3, above, and present said invoices no more often than monthly, with all necessary supporting documentation, to:

Russell Nicoll, Chief Information Officer
Department of Intellectual and Developmental Disabilities
Frost Building
161 Rosa L. Parks Boulevard
Nashville, Tennessee 37243

a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

- (1) Invoice Number (assigned by the Contractor)
- (2) Invoice Date
- (3) Contract Number (assigned by the State)
- (4) Customer Account Name: Department of Intellectual and Developmental Disabilities
- (5) Customer Account Number (assigned by the Contractor to the above-referenced Customer)
- (6) Contractor Name
- (7) Contractor Tennessee Edison Registration ID Number Referenced in Preamble of this Contract
- (8) Contractor Contact for Invoice Questions (name, phone, and/or fax)
- (9) Contractor Remittance Address
- (10) Description of Delivered Service
- (11) Complete Itemization of Charges, which shall detail the following:

- i. Service or Milestone Description (including name & title as applicable) of each service invoiced
- ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced
- iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced
- iv. Amount Due by Service
- v. Total Amount Due for the invoice period

b. The Contractor understands and agrees that an invoice under this Contract shall:

- (1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
- (2) only be submitted for completed service and shall not include any charge for future work;
- (3) not include sales tax or shipping charges; and
- (4) initiate the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.6.

C.7. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount invoiced.

C.8. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.

C.9. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Contractor.

C.10. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following documentation properly completed.

- a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once said form is received by the State, all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH).
- b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Contract.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the

Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Prohibition of Illegal Immigrants. The requirements of *Tennessee Code Annotated*, Section 12-4-124, *et seq.*, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment 2., hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.

- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of *Tennessee Code Annotated*, Section 12-4-124, *et seq.* for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.
- D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.10. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.11. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.12. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.13. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public

liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

- D.14. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.15. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.16. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.17. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.18. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.19. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.20. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Russell Nicoll, Chief Information Officer
Department of Intellectual and Developmental Disabilities
Frost Building
161 Rosa L. Parks Boulevard
Nashville, Tennessee 37243
Russell.Nicoll@tn.gov
Telephone (615) 975-3897
FAX # (615) 391-9841

The Contractor:

Gunner Podlesak, Services Executive
State and Local Government, and Education
Microsoft Corporation
200 E. Randolph, Suite 200
Chicago, Illinois 60601
gunnar@microsoft.com
Telephone 312-920-5702
Fax # 425-936-7329
Cell #: 773-860-0205

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, et. seq., the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.
- E.5. Tennessee Department of Revenue Registration. The Contractor shall be registered with the Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Contract.
- E.6. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or

inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.7. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.
- a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.
 - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.
- E.8. State Ownership of Work Products. The State shall have ownership, right, title, and interest, including ownership of copyright, in all work products, including computer source code, created, designed, developed, derived, documented, installed, or delivered under this Contract subject to the next subsection and full and final payment for each "Work Product." The State shall have royalty-free and unlimited rights and license to use, disclose, reproduce, publish, distribute, modify, maintain, or create derivative works from, for any purpose whatsoever, all said Work Products.
- a. To the extent that the Contractor uses any of its pre-existing, proprietary or independently developed tools, materials or information ("Contractor Materials"), the Contractor shall retain all right, title and interest in and to such Contractor Materials, and the State shall acquire no right, title or interest in or to such Contractor Materials EXCEPT the Contractor grants to the State an unlimited, non-transferable license to use, copy and distribute internally, solely for the State's internal purposes, any Contractor Materials reasonably associated with any Work Product provided under the Contract.
 - b. The Contractor shall furnish such information and data as the State may request, including but not limited to computer code, that is applicable, essential, fundamental, or intrinsic to any Work Product and Contractor Materials reasonably associated with any Work Product, in accordance with this Contract and applicable state law.
 - c. Nothing in this Contract shall prohibit the Contractor's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.
 - d. Nothing in the Contract shall prohibit the Contractor from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.
- E.9. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal,

amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- c. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

E.9. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

IN WITNESS WHEREOF,

MICROSOFT CORPORATION:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES:

DEBRA K. PAYNE, COMMISSIONER

DATE

State and Local Government – Microsoft Premier Support Services Description

(Microsoft Affiliate to complete)
Services Description Number.
 (For Microsoft Internal Purposes Only)
 MSL Number

This services description (“**Services Description**”) is made pursuant to the Microsoft Master Services Agreement, (the “**Agreement**”) # effective as of _____, which is incorporated herein by this reference. In this Services Description “**You**”, “**Your**” or “**Customer**” means the undersigned customer and “**We**,” “**Us**,” or “**Our**” means the undersigned Microsoft affiliate. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement. This Services Description is comprised of this cover page and the Services Description terms below, which are incorporated herein by this reference.

<i>Customer Invoice Information</i>		
Name of Customer Tennessee Department of Intellectual and Developmental Disabilities		Contact Name (This person receives invoices under this Services Description unless otherwise specified on Your purchase order.) Russell Nicoll
Name of Customer or Affiliate that executed the Agreement if different than the undersigned		
Street Address		Contact E-mail Address Russell.Nicoll.@tn.gov
City	State/Province TN	Phone
Country USA	Postal Code	Fax
<i>Invoicing</i>		
Premier Support is a prepaid service and all fees and any applicable taxes are due upon acceptance of this Services Description. We must be in receipt of a purchase order, check, or other acceptable form of payment before We will begin providing Services. We will invoice You for additional Services performed and expenses incurred. Our invoices are payable in full within 30 days of receipt by You and will be directed to Your representative for payment at the address shown above unless otherwise provided in a purchase order. Notwithstanding the foregoing, multi-year Service Descriptions will be invoiced upon Our acceptance of this Services Description for year one and the remaining installments will be invoiced at the subsequent anniversaries of the Commencement Date as defined on the Fee and Named Contacts Schedule(s). We reserve the right to adjust Our fees prior to entering into any new Fee and Named Contacts Schedule(s).		
<i>Term</i>		
This Services Description will commence on <u>January 1, 2013</u> and will expire on <u>December 31, 2015</u> (the “Expiration Date”) unless otherwise extended by a subsequent FNC(s).		

By signing below the parties acknowledge and agree to be bound to the terms of the Agreement and this Services Description.

<i>Customer</i>	<i>Microsoft Affiliate</i>
Name of Customer (please print) Tennessee Department of Intellectual and Developmental Disabilities	Name Microsoft Corporation
Signature	Signature
Name of person signing (please print)	Name of person signing (please print)
Title of person signing (please print)	Title of person signing (please print)

Date	Date
------	------

1. OVERVIEW. This Services Description describes the various types of services that may be obtained (the “Services”). In addition, it sets forth the parties’ respective responsibilities, prerequisites and assumptions that underlie the provision of the Services, applicable fees, and additional terms and conditions. The Services focus on the following key areas:

Support Account Management from an assigned Microsoft resource (“Services Resource”) helps to build and maintain relationships with Your management and service delivery staff and helps You arrange each element of the Premier Support to meet Your business requirements.

Workshops help You to prevent problems, increase system availability and assist with creating products and solutions based on Microsoft technologies.

Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problem is caused by Microsoft products.

Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Service as well as requests for consultative assistance for design, development and deployment issues.

Information Services provide Your staff with the latest knowledge on Microsoft technologies to enhance Your in-house support capabilities.

2. AVAILABLE SERVICES. You may utilize any combination of the following Services. Unless We specify otherwise, the Services are charged on an hourly basis and will be deducted from the total number of hours You have purchased as set forth in the attached Fee and Named Contacts Schedule(s). The complete list of Services below may not be available in all countries. For a detailed list of Services available outside the US, please contact Your Services Resource.

2.1 Support Account Management. Support Account Management services are intended to help coordinate the support and services relationship. The Services Resource is Your advocate within Microsoft and facilitates a team that can provide Workshops, Problem Resolution Support, and Support Assistance. The Services Resource also serves as the point of information delivery and provides Your feedback regarding the Services to other Microsoft groups. The Services Resource will engage with You in the following activities which will be deducted from the pre-paid hours listed in the “Premier Support Fees” section below:

- a. Planning and Resource Facilitation. At the commencement of this Service Description, an orientation and planning session can be conducted with Your management and staff via teleconference or onsite if an onsite visit has been purchased. The purpose of this meeting is to discuss the Services available, gather input regarding Your support needs, and jointly plan Your use of the Services.
- b. Status Meetings and Reporting. A standard status report can be prepared on a regular basis, to summarize the Services delivered during the previous reporting period. Status meetings will be conducted to discuss Service activities, monitor Your satisfaction levels, and discuss actions or adjustments that may be required. Customized reporting can be provided at Your request and any additional related labor will be deducted from Your Support Assistance hours.
- c. Escalation Management. Support issues that require escalation to other resources within Microsoft can be closely managed by the Services Resource to expedite resolution.

2.2 Workshops and Events. The goal of Workshops and Events is to provide You proactive technical information to assist in the design, development or deployment of Microsoft technologies. ***All registration requirements for Workshops and Events must be completed by You 60 days prior to the expiration date of the applicable Fee and Named Contacts Schedule(s).*** Additional benefits may include instruction to help reduce the number and minimize the impact of problems related to Microsoft Products that You experience. Workshops and Events can include the following:

- a. Workshops. We can conduct instructor-led training sessions that emphasize Microsoft technologies at Your facility or on location at Microsoft. If You elect to have a Workshop conducted at Your facility, We will provide You with specifications for configuring Your environment prior to the delivery of the Workshops. Workshops are individually scoped and priced depending upon the length, delivery location and material presented. Your Services Resource can provide You with a current list of available Workshops.

- b. **Events.** We can provide broad and deep technical development-focused presentations, combined with hands-on labs that provide training and facilitate Your implementations of Microsoft technologies. These Events provide the opportunity to interact with Microsoft product groups, Premier support development resources and marketing contacts. Your Services Resource can provide You with notification of scheduled Events.

2.3 Problem Resolution Support. Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problems are caused by Microsoft products. Problem Resolution Support is available 24 hours a day, 7 days a week. Requests for support may be submitted via telephone or electronically through the Premier online website by Your designated contacts, except for Severity 1 and A which must be submitted via telephone as set forth below in Section 2.3(a). Problem Resolution Support can include any combination of the following:

- a. **Problem Request (Break-Fix).** An assisted break-fix support request, also known as an incident, is defined as a single support issue and the reasonable effort needed to resolve it. A single support issue is a problem that cannot be broken down into subordinate issues. If a problem consists of subordinate issues, each shall be considered a separate incident. Incidents requiring an onsite visit will be charged on an hourly basis and will include charges for reasonable travel and living expenses. In certain situations, We may provide You with a modification to the commercially available Microsoft product software code to address specific critical problems (“Hotfix(es)”) in response to an assisted break-fix support request. Hotfixes are designed to address Your specific problems and are not regression tested. Except as otherwise provided herein or in an Exhibit, Hotfixes may not be distributed to unaffiliated third parties without Our express written consent.

Problem resolution support is charged on an hourly basis and includes the commercially reasonable amount of hours of Services necessary to troubleshoot and help resolve the support issue. Hours-based incidents are deducted from the pre-paid hours set forth in the attached Fee and Named Contacts Schedule(s) or charged to You in arrears if all pre-paid hours have been exhausted.

You are responsible for setting the initial severity level in consultation with Us and You can request a change in severity level at any time. The incident severity will determine the response levels within Microsoft and estimated response times and Your responsibilities are defined in the following table:

Severity	Situation	Our Expected Response	Your Expected Response
1 Submission via phone only	<ul style="list-style-type: none"> Catastrophic business impact: Complete loss of a core (mission critical) business process and work cannot reasonably continue Needs immediate attention 	<ul style="list-style-type: none"> 1st call response in 1 hour or less Our Resources at Your site as soon as possible. Continuous effort on a 24x7 basis Rapid Escalation within Microsoft to Product teams Notification of Our Senior Executives 	<ul style="list-style-type: none"> Notification of Your Senior executives Allocation of appropriate resources to sustain continuous effort on a 24x7 basis² Rapid access and response from change control authority
A Submission via phone only	<ul style="list-style-type: none"> Critical business impact: Significant loss or degradation of services Needs attention within 1hour 	<ul style="list-style-type: none"> 1st call response in 1 hour or less Our Resources at Your site as required. Continuous effort on a 24x7 basis Notification of Our Senior Managers 	<ul style="list-style-type: none"> Allocation of appropriate resources to sustain continuous effort on a 24x7 basis² Rapid access and response from change control authority Management notification
B Submission via phone or web	<ul style="list-style-type: none"> Moderate business impact: Moderate loss or degradation of services but work can reasonably continue in an impaired manner. Needs attention within 2 Business Hours¹ 	<ul style="list-style-type: none"> 1st call response in 2 hours or less Effort during Business Hours¹ only 	<ul style="list-style-type: none"> Allocation of appropriate resources to sustain Business Hours¹ continuous effort Access and response from change control authority within 4 Business Hours¹
C Submission via phone or web	<ul style="list-style-type: none"> Minimum business impact: Substantially functioning with minor or no impediments of services. Needs attention within 4 Business Hours¹ 	<ul style="list-style-type: none"> 1st call response in 4 hours or less Effort during Business Hours¹ only 	<ul style="list-style-type: none"> Accurate contact information on case owner Responsive within 24 hours.

¹Business Hours are defined as 6AM to 6PM Pacific Time, Monday through Friday excluding holidays.

² We may need to downgrade the severity level if You are not able to provide adequate resources or responses to enable Us to continue with problem resolution efforts.

You may be required to perform problem determination and resolution activities as requested by Us. Problem determination and resolution activities may include performing network traces, capturing error messages, collecting configuration information, changing product configurations, installing new versions of software or new components, or modifying processes.

You are responsible for implementing the procedures necessary to safeguard the integrity and security of Your software and data from unauthorized access and to reconstruct lost or altered files resulting from catastrophic failures.

- b. Rapid Onsite Support Services. You can request on-site support as an additional billable service. Our ability to provide onsite support is subject to Our resource availability, and the tasks performed will vary depending on the situation, environment, and business impact of the issue.
- c. Software Assurance Benefits. You may elect to convert Your Software Assurance 24x7 Problem Resolution Support Incidents (SA PRS Incidents) to Premier Problem Resolution Support (PPRS) hours or incidents for use consistent with Your Premier service plan at the time of transfer. This conversion is based on a local rate calculation that will be provided by your Services Resource. You may be required to purchase additional Support Account Management hours before converting SA PRS incidents/hours. All SA PRS Incidents You transfer are subject to this Services Description.

2.4 Support Assistance. Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Support as well as requests for consultative assistance for design, development and deployment issues. Your Services Resource will work with You to determine Your specific Support Assistance needs.

The following are types of Support Assistance that can be utilized under this Services Description:

- a. Infrastructure Support Assistance. Infrastructure Support Assistance includes informal advice, guidance and knowledge transfer intended to help You implement Microsoft technologies in ways that avoid common support issues and decrease the likelihood of system outages.

These services also help You to resolve problems that are not attributed to Microsoft Products including:

- Errors caused by Your networking infrastructure, hardware, non-Microsoft software, operational procedures, architecture, IT service management process, system configuration or human error.
- Multi-vendor coordination interoperability problems. Upon Your request, We will collaborate with third-party software suppliers to help resolve complex multi-vendor product interoperability issues.

- b. Reviews. A review is an assessment of a specific system, application or architecture to address design, development, deployment, and supportability issues for current or planned implementations of Microsoft technologies. Each review is individually scoped and estimated prior to scheduling resources, and a written report is produced to document findings and recommendations. **All requests for reviews and the applicable data must be submitted to Us no later than 60 days prior to expiration date of the applicable Fee and Named Contacts Schedule(s).**
- c. Development Support Assistance. Development Support Assistance helps You in Your creation and development of internal applications on the Microsoft platform that integrate Microsoft technologies. Development Support Assistance specializes in Microsoft development tools and technologies.
- d. Lab Access. Microsoft can provide You with access to a lab facility to assist You with product development, benchmarking and testing, prototyping and migration activities on Microsoft products. These facilities must be scheduled in advance and are subject to availability.

2.5 Information Services. Information Services provide You with technical information about Microsoft products and support tools that help You to implement and operate Microsoft products in a more efficient and effective manner. Information Services can include any combination of the following:

- a. Premier online website. The Premier online website provides access to the following information resources at no additional charge:
 - Regularly updated product news flashes documenting key support and operational information about Microsoft products.
 - Critical problem alerts notifying You of potentially high-impact problems.

- Web response tool for submitting and checking the status of support incidents.
 - Microsoft Knowledgebase of technical articles and troubleshooting tools and guides.
- b. Support Webcasts. Support webcasts are regularly scheduled webcast discussions led by Our program managers, developers and professionals covering key areas of Microsoft technology. These are provided at no additional charge and require high speed internet access to participate.

2.6 Additional Services. You may request changes or additions to this Services Description at any time. Additional Services that are available for purchase, and the specific terms and conditions applicable to those Services, may be set forth in this Services Description, an attached Exhibit and/or Fee and Named Contacts Schedule(s). Additional Services will be invoiced at the prevailing price at the time the Services are rendered or upon acceptance of an Exhibit and/or Fee and Named Contacts Schedule(s) referencing this Services Description. If you purchase additional Problem Resolution Support hours or convert Software Assurance hours to Problem Resolution Support hours, you may also be required to purchase additional Services Management hours. Prior to delivering additional Services, We must be in receipt of a purchase order, check or other acceptable form of payment.

3. PREREQUISITES AND ASSUMPTIONS. Our delivery of Services under this Services Description is based upon the following Prerequisites and Assumptions:

- a. All Services will be provided remotely to Your locations in the United States unless otherwise set forth in an Exhibit to this Services Description (see section 3(k) below). Where additional onsite visits are mutually agreed, and not pre-paid and defined on your Fee and Named Contacts Schedule, You will be billed for reasonable travel and living expenses in arrears. Alternatively, You agree that any travel related expenses incurred by Microsoft may be decremented from the Support Assistance hours if You so choose. You certify that You possess the authority for this approval and such conversion is in compliance with any applicable government procurement and audit rules or regulations.
- b. All Services will be provided in the English language unless otherwise agreed to by You and Us in writing or in an Exhibit to this Services Description.
- c. We will provide support for all United States versions of commercially released generally available Microsoft products unless otherwise set forth in an Exhibit to this Services Description or specifically excluded on the Premier online website. Support for those Microsoft products that have entered the Extended Support Phase , as defined on the Premier online website, will be charged on an hourly basis only. Non-security related Hotfix support is not available for Microsoft products that have entered the Extended Phase of support unless You have purchased such support in an Exhibit to this Services Description.
- d. Support for pre-release products is not provided except as otherwise provided in an attached Exhibit.
- e. **ALL SERVICES, INCLUDING ANY ADDITIONAL SERVICES PURCHASED DURING THE TERM OF FEE AND NAMED CONTACTS SCHEDULE(S) SHALL BE FORFEITED IF NOT UTILIZED DURING THE TERM OF THE APPLICABLE FEE AND NAMED CONTACTS SCHEDULE(S).**
- f. Support Assistance is dependent upon the availability of resources.
- g. We can access Your system via remote dial-in to analyze problems at Your request. Our personnel will access only those systems authorized by You. We may provide You with software to assist with problem diagnosis and/or resolution. Such software is Microsoft's property and must be returned to Us promptly upon request. In order to utilize remote dial-in assistance, You must provide Us with the appropriate access and necessary equipment.
- h. You must have access to the Internet in order to take advantage of Internet-based services.
- i. Additional Prerequisites and Assumption may be set forth in relevant Exhibits.
- j. When purchasing Problem Resolution Support, we will require a corresponding quantity of Support Account Management to facilitate delivery of your Problem Resolution Support. If you purchase additional Problem Resolution Support, Support Assistance, or if you convert Software Assurance hours to Problem Resolution Support hours or incidents, you may be required to purchase additional Support Account Management.
- k. Resource Site Visits (number of trips to Your location) are mutually agreed upon at acceptance of this Services Description and the total fixed price amount for these visits are included in Your Fee and Named Contacts Schedule.

4. YOUR RESPONSIBILITIES. This section sets forth Your performance obligations under this Services Description. Our performance is predicated upon You fulfilling the following responsibilities in addition to those set forth in Section 2.3 and any applicable Exhibits. Failure to comply with the following responsibilities may result in delays of Service.

- a. You can designate named contacts as set forth in the attached Fee and Named Contacts Schedule(s), one of which will be the Customer Support Manager (“CSM”) for support related activities. The CSM is responsible for leading Your team and will manage all of Your support activities, and internal processes for submitting support requests to Us. Each contact will be supplied with an individual account number for access to the Premier online website, support issue submission and access to Your Services Resource. In addition to the named contacts, You may also identify two types of group contacts as follows:
 - One type will receive a shared account ID that provides access to the Premier online website for information content and the ability to submit support requests through the Premier online website or by telephone.
 - One type will receive a shared account ID that provides access to the Premier online website for information content only.
- b. You agree to work with Us to plan for the utilization of Services based upon the service level You purchased.
- c. You agree to provide an internal escalation process to facilitate communication between Your management and Us as appropriate.
- d. You agree to respond to customer satisfaction surveys We may provide to You from time-to-time regarding the Services.
- e. You agree to provide reasonable office space, telephone and high speed internet access, and access to Your internal systems and diagnostic tools to Our Services Resources that are required to be on-site.
- f. You are responsible for any travel and expenses incurred by Your employees or contractors.

5. ADDITIONAL TERMS AND CONDITIONS. Except as otherwise set forth in an Exhibit (or attachment to an Exhibit) to this Services Description, this section governs the ownership and use rights of any computer code or other materials that may be provided under this Services Description.

- a. **Pre-existing Work.** All rights in any computer code or materials developed or otherwise obtained by or for Us or Our affiliates, or You or Your affiliates independently of this Services Description (“Pre-existing Work”) shall remain the sole property of the Party providing the Pre-existing Work. During the performance of the Services for this Services Description, each Party grants to the other Party (and Our contractors as necessary) a temporary, non-exclusive license to use, reproduce and modify any of its Pre-existing Work provided to the other Party solely for the performance of such Services. We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify (if applicable) Our Pre-existing Work in the form delivered to You for Your internal business operations without any obligation of accounting or payment of royalties. Your licenses to Our Pre-existing Work are conditioned upon Your compliance with the terms of the Agreement and this Services Description and the perpetual license applies solely to Our Pre-existing Work that is left to You at the conclusion of Our performance of the Services.
- b. **Materials.** All rights in any materials developed by Us (other than software code) and provided to You in connection with the Services (“Materials”) shall be owned by Us except to the extent such Materials constitute Your Pre-existing Work. Upon payment in full, We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify the Materials solely for Your internal business operations and without any obligation of accounting or payment of royalties. You may sublicense the rights granted herein to Your Affiliates. All rights not expressly granted, are reserved.
- c. **Sample Code.** We grant You a nonexclusive, perpetual, royalty-free right to use and modify any software code provided by Us for the purposes of illustration (“Sample Code”) and to reproduce and distribute the object code form of the Sample Code, provided that You agree: (i) to not use Our name, logo, or trademarks to market Your software product in which the Sample Code is embedded; (ii) to include a valid copyright notice on Your software product in which the Sample Code is embedded; and (iii) to indemnify, hold harmless, and defend Us and Our suppliers from and against any claims or lawsuits, including attorneys’ fees, that arise or result from the use or distribution of the Sample Code.
- d. **Open Source License Restrictions.** Because certain third party license terms require that computer code be generally (i) disclosed in source code form to third parties; (ii) licensed to third parties for the purpose of making derivative works; or (iii) redistributable to third parties at no charge (collectively, “open source license terms”), the license rights that each Party has granted to any computer code (or any intellectual property associated

therewith) do not include any license, right, power or authority to incorporate, modify, combine and/or distribute that computer code with any other computer code in a manner which would subject the other's computer code to open source license terms.

Furthermore, each Party warrants that it will not provide or give to the other Party computer code that is governed by open source license terms.

e. **Reservation of Rights.** All rights not expressly granted in this Section 5 are reserved..

6. Attachments: The following Schedule(s) and Exhibits are attached at the execution of this Services Description:

- Microsoft Premier Support Services Description Schedule: Fee and Named Contacts Schedule
- Microsoft Premier Support Services Description Exhibit: Designated Support Engineering

Microsoft Premier Support Services Description Exhibit: Dedicated Support Engineering (DSE)

(For Microsoft Internal Purposes Only)
Premier Support Services Description Number

(For Microsoft Internal Purposes Only)
Exhibit Number

This Exhibit is made pursuant to the Microsoft Premier Support Services Description identified above (the “**Services Description**”). The terms of the Services Description are incorporated herein by this reference. Any terms not otherwise defined herein will assume the meanings set forth in the Services Description.

By signing below the parties acknowledge and agree to be bound to the terms of the Services Description and this Exhibit.

<i>Customer</i>	<i>Microsoft Affiliate</i>
Name of Customer (please print) Tennessee Department of Intellectual and Developmental Disabilities	Name Microsoft Corporation
Signature	Signature
Name of person signing (please print)	Name of person signing (please print)
Date	Date
<i>Term</i>	
This Exhibit will commence on 01/01/2013 (the “Commencement Date”) and will expire contemporaneously with the Services Description or the date We conclude the Services, whichever is later (the “Expiration Date”).	

1. **OVERVIEW:** The following Services are provided in addition to those set forth in the Services Description:
2. **DEDICATED SUPPORT ENGINEERING:** Dedicated Support Engineering is available during normal business hours (defined below) and supports the specific Microsoft products/technologies designated in Your Fee and Named Contact Schedule(s) with a focus on delivering engaged, hands-on preventative support. Dedicated Support Engineering hours are deducted from the total number of Dedicated Support Engineering hours designated in your Fee and Named Contacts Schedule(s). Normal business hours are defined as 8AM to 5PM in the local time where the DSE resources are located, Monday through Friday excluding holidays. After normal business hours, You should follow existing Premier Support procedures for initiating and escalating incidents. Your Technical Account Manager will engage Your Dedicated Support Engineering resource(s) after normal business hours for critical situations as needed.
3. **DELIVERABLES:** Dedicated Support Engineering resource(s) will be allocated, prioritized and assigned as agreed upon by both parties during an initial engagement kick-off meeting, which will be documented and delivered to You in a Premier Service Delivery Plan. The focus of the DSE Services include but are not limited to:
 - a) **Problem Prevention/Incident Resolution designed to:**
 - Supplement the current Microsoft Premier Support engagement through delivery of timely and high quality problem prevention/incident resolution, both directly and working in conjunction with Microsoft internal customer support resources.
 - Work in conjunction with Microsoft internal customer support resources to act as a ‘catalyst’ for incident resolution that are within the Dedicated Support Engineering resources’ products/technologies skill sets.

- Develop and implement strategies for providing proactive support resulting in fewer incidents, increased availability of Your covered Microsoft products/technologies, and supportable deployments.
- Commercially reasonable attempts will be made to determine root cause of recurring incidents and provide recommendations to prevent further disruptions in the designated Microsoft products/technologies.

b) *Technical/Business Focus designed to:*

- Maintain deep knowledge of Your current and future business requirements and configuration of Your information technology environment to provide high quality focused support.
- Proactively document recommendations of the use of Premier Support related deliverables, e.g. supportability reviews, health checks, workshops, risk assessment programs, etc. to improve the operational health of the designated Microsoft products/technologies deployed in Your environment.
- Ensure deployment and operation activities are consistent with Your planned and current implementations of designated Microsoft products/technologies.
- Ensure maximum possible knowledge transfer to enhance Your support staffs' technical and operational skills for the designated Microsoft products/technologies.
- Encourage and assist in the creation and maintenance of customer-specific documentation to support Your environment configuration, disaster recovery, network topology, IT/Operations scorecard, etc. for the designated Microsoft products/technologies.

c) *Integration of Work designed to:*

- Ensure tight integration of their work with that of Your assigned Technical Account Manager to ensure coordinated service delivery.
- Develop a relationship with any Microsoft resource(s) at Your site, resulting in more participation in project planning and thus improved operational health on the designated Microsoft products/technologies.

Microsoft Premier Support Services Description Schedule:**Fee and Named Contacts:***(Microsoft Affiliate to complete)***Premier Support Services Description Number***(Microsoft Affiliate to complete)**Schedule Number*

NEW

Customer Name: **Tennessee Department of Intellectual and Developmental Disabilities**

This Schedule is made pursuant to the Microsoft Premier Support Services Description identified above (the “**Services Description**”). The terms of the Services Description and applicable Exhibits are incorporated herein by this reference and by accepting Our performance of Services under this Schedule You agree to be bound by these terms. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement and the Services Description.

<i>Term</i>
This Schedule will commence on January 1, 2013 (the “Commencement Date”) and will expire on December 31, 2015 (the “Expiration Date”).

1. PREMIER SUPPORT SERVICES AND FEES. The quantities listed in the table below represent the amount of Services that You have pre-purchased for use during the term of this Schedule and applicable fees.

a. Fee Summary

	<i>Price (US\$)</i>
Country: United States	\$323,900
Total	\$323,900

b. Software Assurance Benefits

You may elect to convert Your Software Assurance 24x7 Problem Resolution Support Incidents (SA PRS Incidents) to Premier Problem Resolution Support (PPRS) hours or incidents for use consistent with Your Premier service plan at the time of transfer. This conversion is based on a local rate calculation that will be provided by your Services Resource. You may be required to purchase additional Support Account Management hours before converting SA PRS incidents/hours. All SA PRS Incidents You transfer are subject to this Services Description

When purchasing Problem Resolution Support, we will require a corresponding quantity of Support Account Management to facilitate delivery of your Problem Resolution Support. If you purchase additional Problem Resolution Support, Support Assistance, or if you convert Software Assurance hours to Problem Resolution Support hours or incidents, you may be required to purchase additional Support Account Management

c. Services by Support Location

Both Customer and Microsoft understand that there may be travel requirements for performing services under this Services Description. For any travel expenses that may arise in connection with this SD, Customer agrees that any travel and other expenses incurred by Microsoft may be decremented from the Support Assistance hours.

Country : United States (Premier Standard 0)
<ul style="list-style-type: none"> • Support Account Management (estimated at 360) • Up to 100 hours for Support Assistance* • Up to 100 hours for Problem Resolution • Up to 800 hours Designated Support Engineering • Unlimited Access to Premier Online Services

* All registration requirements for Workshops and Events must be completed by You no later than 60 days prior to the expiration date of this Fee and Named Contacts Schedule(s).

2. MICROSOFT CONTACT

Microsoft Contact: Contact for questions and notices about this Schedule and the Services Description:

Microsoft Contact Name: Gunnar Podlesak
Address: Microsoft Corporation 200 E Randolph, Suite 200 Chicago, IL 60601
gunnar@microsoft.com
Phone: 312-920-5702
Fax: 425-936-7329

3. CUSTOMER NAMED CONTACTS

a. **Premier Customer Named Contacts:** Any subsequent changes to the Named Contacts should be submitted to the Services Resource CSM.

b.	
CSM Name:	Named Contact Name:
Address: _____ _____ _____	Address: _____ _____ _____
Phone: ())	Phone: ())
Email:	Email:
Facsimile: ())	Facsimile: ())

Named Contact Name:	Named Contact Name:
Address: _____ _____ _____	Address: _____ _____ _____
Phone: ())	Phone: ())
Email:	Email:
Facsimile: ())	Facsimile: ())

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	MICROSOFT CORPORATION
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION