



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

September 16, 2013

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER
FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: MICHAEL BACU, CPPO
STATE CONTRACT PROCUREMENT SUPERVISOR
302-857-4522

SUBJECT: **AWARD NOTICE - Addendum #2, effective March 12, 2014**
CONTRACT NO. GSS12642-SOFTWAREVAR
SOFTWARE (VALUE ADDED RESELLER)

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OF
KEY CONTRACT INFORMATION

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KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

Under Title 29 §6933, The State of Delaware is authorized to participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of materiel or nonprofessional services with 1 or more public procurement units either within the State or within another state in accordance with an agreement entered into between the participants. Government Support Services, Office of Management and Budget has entered into a cooperative agreement with the State of Minnesota, under the National Association of State Procurement Officer (NASPO)/Western States Contracting Alliance (WSCA) for the procurement of Computer Equipment, Peripherals, and Related Services.

2. CONTRACT PERIOD

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Each contractor's contract shall be valid for from September 16, 2013 through June 2, 2014. Each contract may be renewed for one (2) additional one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

3. VENDORS

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WSCA-NASPO Cooperative: Software VAR [w35-2010](#)
State of Arizona: [ADSPO11-00000358](#)

SHI International Corp (SHI)

FSF Vendor ID: 0000016884
Website: www.publicsector.shidirect.com

33 Knightsbridge Rd
Piscataway, NJ 08854-3925

To place orders, request quotes, or to obtain order status/order tracking order, please contact the Inside Sales Account Team:

Kendra Goss & Jason Wylie
Inside Sales Account Managers
DelawareTeam@shi.com
Phone: 888-744-4084
Fax: 732-868-5887

For Questions about Contracts, Large Projects, Licensing, or Product Questions please contact:

Denise Verdicchio
Director East Region – SLED
denise_verdicchio@shi.com
908-884-1389

Insight Public Sector, Inc.

FSF Vendor ID: 0000022295
Website: www.ips.insight.com

Don Bartolo
6820 S. Harl Ave
Tempe, AZ 85283-1026
Phone: (800) 467-4448 Ext 5598
Email: don.bartolo@insight.com

Michelle Abbamonte
Phone: 800-467-4448 Ext 6890
Phone: 480-409-6890
Fax: 480-760-7440
Email: michelle.abbamonte@insight.com

4. SHIPPING TERMS

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F.O.B. destination; freight pre-paid.

5. PRODUCTS AND PRICING

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Pricing documents for each awarded vendor are made available as separate documents with the contract award.

Products allowed under this contract include Microsoft Office 365 Software as a Service.

Pricing for Microsoft Products is reseller cost plus 0.50%

The Cost-Plus Percentages established in the Contract shall be honored for all the applicable Publisher's software and maintenance/support offerings whether the order is placed using the Contractor's website (online ordering), purchase order, PCard, etc. The Contractor's Cost shall be the base price the Contractor uses to calculate the State's Unit Price.

All Cost-Plus Percentages offered shall be the maximum percentage used to calculate the State's Unit Price and shall not increase during the term of the Contract. The Cost-Plus Percentage can be reduced at any time.

Contractor shall be responsible for ensuring that the Contractor's staff quote and invoice the Authorized User the correct Unit Prices(s) using the Cost and the Contract's Cost-Plus Percentage

Sample Pricing Estimates (SHI):

Item Name	Product Type	DE Cost
Exchange Online Plan 1 Subscription Per User	Monthly Subscription Volume License	\$ 2.90
Exchange Online Plan 2 Subscription Per User	Monthly Subscription Volume License	\$ 5.80
Office 365 Plan E1 Subscription Per User	Monthly Subscription Volume License	\$ 4.97
Office 365 Plan E3 Subscription Per User	Monthly Subscription Volume License	\$ 14.07
Office 365 Plan E4 Subscription Per User	Monthly Subscription Volume License	\$ 15.73
Office 365 Plan K1 Subscription Per User	Monthly Subscription Volume License	\$ 2.49
SharePoint Online Plan 1 Subscription Per User	Monthly Subscription Volume License	\$ 2.17
SharePoint Online Plan 2 Subscription Per User	Monthly Subscription Volume License	\$ 5.07

- Three year Enterprise Agreement (EA) enrollment term required. Other minimum licensing and quantity requirements to establish EA enrollment may be required to make a purchase.
- Budgetary purposes only. Please obtain formal quote from SHI.

Information regarding Microsoft Office 365 products is available at the link below:

<http://office.microsoft.com/en-us/>

6. **FEES**

SHI: For transactions of \$10,000.00 or less, the contractor may not charge a credit card fee. For transactions greater than \$10,000.00, the contractor may charge a credit card fee that shall not exceed 2.5%, and if a fee is charged, it shall not be reflected as a separate line item on the invoice.

ADDITIONAL TERMS AND CONDITIONS

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7. **BILLING**

The successful vendor is required to **"Bill as Shipped" to the respective ordering agency(s).** Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

8. **PAYMENT**

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

9. PRODUCT SUBSTITUTION

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

10. ORDERING PROCEDURE

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

11. HOLD HARMLESS

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

12. NON-PERFORMANCE

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

13. FORCE MAJEURE

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

14. AGENCY'S RESPONSIBILITIES

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.

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- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.