



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

October 5, 2012

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

FROM: Theresa Newman
Procurement Officer, GOVERNMENT SUPPORT SERVICES
302-857-4552

SUBJECT: **AWARD NOTICE – Addendum #2**
CONTRACT NO. GSS12690-ITSM –Updating Vendor Contact Info
Information Technology Service Management

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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 Utah establish information technology service, Software as a Service (SaaS).

2. CONTRACT PERIOD:

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Each contractor's contract shall be valid for a period to expire April 30, 2015, unless terminated early or extended in accordance with the terms and conditions of the State of Utah's contract 126355 or the Participating Addendum.

This contract has been extended through April 30, 2020 under the same terms and conditions.

3. VENDORS:

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CONTRACT NO. GSS12690-ITSMV01

FSF ID: 0000150324

Terry McGurk

2225 Lawson Lane

Santa Clara, CA 95054

Phone: 858-720-0477

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Cell: 610-213-8608

Email: terry.mcgurk@servicenow.com

Website: www.service-now.com

4. SHIPPING TERMS:

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

5. DELIVERY AND PICKUP:

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Requirements will be detailed in the Purchase Order (PO).

6. PRICING:

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Prices will remain firm for the term of the initial contract year.

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.
- 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>.

15. STANDARDS AND POLICIES:

The following State of Delaware Standards and Policies are included:

- [Software Policy](#)
- [Data Center Policy](#)
- [Strong Password Standard](#)
- [Data Modeling Standard](#)

16. TERMS AND CONDITIONS FOR CLOUD PROVIDERS:

No.	Doc	Item
1	T&C	Ownership of Information The State of Delaware (SOD) shall own all right, title and interest in its data that is related to the services provided by this contract.
2	T&C	Privacy of Information Protection of personal privacy must be an integral part of the business activities of the Service Provider (ServiceNow) to ensure that there is no inappropriate use of State of Delaware information at any time. To this end, the Service Provider shall comply with the following conditions: Personal information obtained by the Service Provider will become and remain property of the State of Delaware. At no time will any information, belonging to or intended for the State of Delaware, be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State of Delaware. The Service Provider may not use any personal information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.
3	T&C	When requested by the State of Delaware, the provider will erase all requested data in all of its forms, disk, CD / DVD, tape, paper, for examples. Data shall be erased according to Provider's standard security provisions and certificates of erasure must be provided to the State of Delaware. 2.11. <u>CUSTOMER DATA</u> . Following the end of the Subscription Term, Customer shall have 45-days to request a copy of its data submitted by users to the Product (" <i>Customer Data</i> ") and, if requested, ServiceNow shall use commercially reasonable efforts to provide a copy of that data within 15 days in a mutually agreed upon, commercially standard format at no cost to Customer unless it is determined that the data output is not routine in which case the parties shall mutually agree on an SOW for Services. After such 45-day period, ServiceNow shall have no obligation to maintain or provide any Customer Data and shall thereafter, unless legally prohibited, retain the right to delete all Customer Data in its systems or otherwise in its possession or under its control.
4	T&C	The Service Provider shall not store or transfer State of Delaware data outside of the United States. ST – In providing 24x7 support, help desk in UK may be needed to resolve an incident.
5	T&C	The Service Provider must inform the State of Delaware of any security breach or detection of any suspicious intrusion that is or has occurred that jeopardizes the State of Delaware data or processes. This notice must be given to the State of Delaware within 24 hours of its discovery. Full disclosure of the assets that might have been jeopardized must be made. In addition, the Service Provider must inform the State of Delaware of the actions it is taking or will take to reduce the risk of further loss to the State. If the breach requires public notification, all communication shall be coordinated with the State of Delaware.
6	T&C	The Service Provider must encrypt all non-public data in transit to the cloud. In addition, the Service Provider will align its security practices with the ISO/IEC 27001 standard for information security management systems. The Service Provider will

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		<p>provide evidence of future certifications.</p> <p>5. Data Encryption: Vendor agrees to store all State of Utah backup data as part of its designated backup and recovery process and data stored in designated encrypted columns will be stored in encrypted form, using no less than 128 bit key.</p>
7	T&C	<p>Upon request, the Service Provider shall disclose to the State of Delaware a description of their roles and responsibilities related to electronic discovery, litigation holds, discovery searches, and expert testimonies. The provider shall disclose its process for responding to subpoenas, service of process, and other legal requests.</p>
8		<p>In the event of termination of the contract, the Service Provider shall implement an orderly return of State of Delaware assets and the subsequent secure disposal of State of Delaware assets.</p> <p>Suspension of services: During any period of suspension, the Service Provider will not take any action for 45 days to intentionally erase any State of Delaware Data.</p> <p>Termination of any services or agreement in entirety: In the event of termination of any services or agreement in entirety, the Service Provider will not take any action to intentionally erase any State of Delaware Data for a period of 45 days after the effective date of the termination. After such 45 day period, the Service Provider shall have no obligation to maintain or provide any State of Delaware Data and shall thereafter, unless legally prohibited, delete all State of Delaware Data in its systems or otherwise in its possession or under its control.</p> <p>Post-Termination Assistance: The State of Delaware shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Service Level Agreement.</p>
9	T&C	<p>The Service Provider shall:</p> <ol style="list-style-type: none"> 1. Ensure that State information is protected with reasonable security measures, 2. Promote and maintain among the Service Provider's employees and agents an awareness of the security needs of the State's information. 3. Safeguard the confidentiality, integrity, and availability of State information, 4. Ensure that appropriate security measures are put in place to protect the Service Provider's internal systems from intrusions and other attacks.
10	T&C	<p>The Service Provider shall not utilize any staff (including sub-contractors) to fulfill the obligations of the contract who has been convicted of a felony or class A misdemeanor.</p>
11	T&C	<p>The Service Provider will make the State of Delaware's data and processes available to third parties only with the express written permission of the State.</p>
12	T&C	<p>The Service Provider will not access State of Delaware User accounts, or State of Delaware Data, except (i) in the course of data center operations, (ii) response to service or technical issues or (iii) at State of Delaware's written request.</p> <p>The State of Delaware's concerns have been further addressed in Section 18 of the State of Utah's Attachment C "Utah Department of Technology Services (DTS) and Information Security Department Standard Terms and Conditions". (Please see below)</p>

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		18. OWNERSHIP, PROTECTION, AND USE OF CONFIDENTIAL FEDERAL, STATE, OR LOCAL GOVERNMENT INTERNAL BUSINESS PROCESSES AND PROCEDURES: The improper use or disclosure by any party of protected internal Federal or State business processes, policies, procedures, or practices is prohibited. Confidential federal or state business processes, policies, procedures, or practices shall not be divulged by the Contractor, Contractor's employees, or their Subcontractors, unless prior written consent has been obtained in advance from the Project Manager for the Department of Technology Services.
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