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**Delaware Department of Technology and Information**

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**AGREEMENT COVER PAGE**

**PARTICIPATING ADDENDUM DTI220044-SOFTWARE\_VAR  
NASPO VALUEPOINT CONTRACT NUMBER CTR060028  
BETWEEN  
STATE OF DELAWARE**

***AND***

***SHI INTERNATIONAL CORP.***

**SOFTWARE VALUE-ADDED RESELLER (SVAR)**

**Department Primary Contact: Lacey Hutchison  
IT Procurement Officer**

**Subject Matter Expert: Phillip Phucas, Anthony Collins**

**Section: Enterprise Architecture**

**Firm Primary Contact: Michael Hahn  
Account Executive**

**Firm Executive Contact: Megan Flisakowski  
Manager Public Sector**

**PARTICIPATING ADDENDUM DTI220044-SOFTWARE\_VAR  
NASPO VALUEPOINT CONTRACT NUMBER CTR060028**

**for**

**Software Value-Added Reseller (SVAR)**

**Between**

**The State of Delaware**

**And**

**SHI International Corp.**

**1. SCOPE**

- a.** This Participating Addendum is made between the State of Delaware, Department of Technology and Information (DTI) and SHI International Corp. (Contractor), to establish Software Value Added Reseller services
- b.** Under Delaware Code, Title 29 §6933 and §6987, 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, or professional 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.
- c.** The requirements herein are in addition to those in the executed NASPO ValuePoint Software VAR contract and shall expire one (1) year from the execution date of this Participating Addendum. At the sole discretion of DTI, this Participating Addendum may further be extended in accordance with the NASPO ValuePoint Software VAR contract term, to include any extensions as agreed to, by and between NASPO ValuePoint and SHI International Corp.
- d.** This Participating Addendum includes the entire scope of the products and services (including the General Software Category and Microsoft Software Category as outlined in Attachment E) available through the Master Agreement referenced above.
- e.** Any scope exclusions specified herein apply only to this Participating Addendum and shall not amend or affect other participating addendums or the Master Agreement itself.
- f.** As a Service subscription license costs shall be incurred at the individual license level only as the individual license is utilized within a fully functioning solution. Subscription costs will not be applicable during periods of implementation and solution development prior to the State's full acceptance of a working solution. Additional subscription license requests above actual utilization may not exceed 5% of the total and are subject to Delaware budget and technical review.

**2. CHANGES**

- a. MANDATORY INSURANCE REQUIREMENTS (29 Del. C. § 6929)**  
Contractor must obtain at its own cost and expense and keep in force and effect

during the term of this Participating Addendum, including all extensions, the minimum coverage limits specified below with a carrier satisfactory to the State. Contractor must carry the following coverage depending on the type of service or product being delivered.

- a. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- b. Commercial General Liability - \$1,000,000 per occurrence/\$3,000,000 per aggregate.
- c. Automotive Liability Insurance covering all automotive units used in the work (including all units leased from and/or provided by the State to Contractor pursuant to this Participating Addendum as well as all units used by Contractor, regardless of the identity of the registered owner, used by Contractor for completing the Work required by this Participating Addendum to include but not limited to transporting Delaware clients or staff), providing coverage on a primary non-contributory basis with limits of not less than:
  1. \$1,000,000 combined single limit each accident, for bodily injury;
  2. Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss.

The Contractor must carry the following depending on the scope of work being performed.

- a. Miscellaneous Errors and Omissions \$1,000,000 per occurrence/\$3,000,000 per aggregate

Should any of the above described policies be cancelled before expiration date thereof, Contractor will provide thirty (30) days' notice in change of said coverage, except in the case of cancellation for non-payment of premium, where Contractor will provide ten (10) days' notice.

Before any work is done pursuant to this Participating Addendum, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

Department of Technology and Information  
Contract Number: DTI220044-SOFTWARE\_VAR  
801 Silver Lake Blvd  
Dover, DE 19904

Nothing contained herein shall restrict or limit the Contractor's right to procure insurance coverage in amounts higher than those required by this Participating Addendum. To the extent that the Contractor procures insurance coverage in amounts higher than the amounts required by this Participating Addendum, all said additionally procured coverages will be applicable to any loss or claim and shall replace the insurance obligations contained herein.

To the extent that Contractor has complied with the terms of this Participating Addendum and has procured insurance coverage for all vehicles Leased and/or operated by Contractor as part of this Participating Addendum, the State of Delaware's self-insured insurance program shall not provide any coverage whether coverage is sought as primary, co-primary, excess or umbrella insurer or coverage for any loss of any nature.

In no event shall the State of Delaware be named as an additional insured on any policy required under this Participating Addendum.

Should any of the above described policies be cancelled before the expiration date thereof, Contractor will provide thirty (30) days' notice in change of said coverage, except in the case of cancellation for non-payment of premium, where Contractor will provide ten (10) days' notice.

**b. ELECTRONIC CATALOG**

At the discretion of DTI, the Contractor may be required to submit its items list in an electronic format designated by the State.

By example, but not limited to, the following items may be required:

- Electronic catalogs,
- Electronic catalogs converted to a CSV format with Master Contract specific pricing,
- Items designated by the commodity/classification code United Nations Standard Products and Services Code (UNSPSC), and/or A unique item ID for all items in your system and/or our award.

**c. INTENT TO LOAD CATALOGS IN STATE ePROCUREMENT SOLUTION**

Contractor shall provide catalog(s) and the corresponding price list(s) for all goods that are being offered to the State for purchase and shall include all applicable and price tiers available for each product in the pricing format required of this of this solicitation. These documents may be required and supplied by the Contractor in an electronic format as determined by the State over the life of this Participating Addendum. The prices listed therein will be the prices paid by the State for purchases during this Participating Addendum term.

At the discretion of the State, all items will need to be provided in an electronic format for use in a hosted catalog offering which will be presented in the State's eProcurement solution. All single items listed must reflect one (1) price, at the discounted rate as offered by the Contractor in their proposal and as accepted by the State. Volume discounts offered for multiple units or multi-unit packaging shall be listed as a separate line item(s) in any catalog submitted for posting to the State's eProcurement solution.

Contractor shall supply the catalog file to an identified state representative and/or the State's designated eProcurement vendor.

A zero-dollar catalog shall be submitted to the eProcurement solution vendor no later than 30 days prior to the end of this Participating Addendum term and shall be the final catalog update provided under this Participating Addendum. The State will approve this catalog, after this Participating Addendum end date, to remove all items and pricing from the eProcurement Solution. The zero-dollar catalog serves as a correcting entry to maintain system integrity of valid items. The failure by the Contractor to comply and submit this correcting entry will be viewed as a major performance deficiency.

At any time during this Participating Addendum term, (1) the Contractor shall remove individual or categories of items from the catalog offering if requested by the State; (2) consider expanding the catalog offering with additional items or categories if requested and accepted by the State; and/or (3) the State may take unilateral action on the items listed in the eProcurement solution to hide or otherwise make unauthorized any items the State believes is outside the scope of the categories.

The failure and/or inability to comply with this hosted catalog requirement may subject the Contractor to corrective action, up to and possibly including termination of this Participating Addendum.

A hosted catalog is defined as a Contractor supplied electronic catalog of all items, including item descriptions, attributes and the prices, which will be stored and publicly visible in the State's eProcurement solution. At the sole discretion of the State, DTI will consider implementation and use of a punchout catalog solution in lieu of the hosted catalog option. A punchout catalog uses the eProcurement system to access to the Contractor's electronic catalog. Users can then shop, select and retrieve items back into the eProcurement system, allowing the original to execute an order.

**d. SEVERABILITY**

If any term or provision of this Participating Addendum is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the

same shall not affect the other terms or provisions hereof or the whole of this Participating Addendum, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

**e. PERMITS AND LICENSES**

All necessary permits, licenses, insurance policies, etc. required by local, State or Federal laws, shall be provided by the Contractor at its own expense.

**f. PATENTED DEVICES, MATERIAL AND PROCESSES**

1. The Contractor shall provide or resell the right to use any patented design, device, material, or process to be used or furnished under this contract by suitable legal agreement with or as an authorized reseller of the patentee or owner.
2. The Contractor and the surety shall hold and save harmless the State of Delaware, the Agency, the Director, their Officers or Agents from any and all claims because of the resale of such patented design, device, material, or process in connection with the work agreed to be performed under this contract. If the Contractor will not provide indemnification or will not hold and save harmless, the Contractor shall use commercially reasonable efforts to ensure that the manufacturer will provide indemnifications for the State.

**g. STATE OF DELAWARE BUSINESS LICENSE**

Prior to commence performance under this agreement, the Contractor shall either furnish Government Support Services with proof of State of Delaware Business Licensure or initiate the process of application, where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P. O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone: 302-577-8778.

<http://revenue.delaware.gov/services/BusServices.shtml>

Information regarding the State of Delaware's decision to enter into this participating addendum will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject your organization to applicable fines and/or interest penalties.

**h. EMERGENCY TERMINATION OF PARTICIPATING ADDENDUM**

1. Due to restrictions which may be established by the United States Government on material, or work, this Participating Addendum may be terminated by the cancellation of all or portions of this Participating Addendum.

2. In the event the Contractor is unable to obtain the material required to complete the items of work included in this Participating Addendum or related Purchase Order(s) because of restrictions established by the United States Government and if, in the opinion of the Agency, it is impractical to substitute other available material, or the work cannot be completed within a reasonable time, the incomplete portions of the work may be cancelled, or this Participating Addendum and/or related Purchase Order(s) may be terminated.

**i. INDEMNIFICATION**

**1. General Indemnification**

The Contractor will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the Contractor's, its agents, and employees' performance work or services in connection with this Participating Addendum.

**2. Proprietary Rights Indemnification**

Contractor shall warrant that all elements of its solution that it manufactures, including all equipment, software, documentation, services and deliverables that are directly developed by Contractor, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the Contractor in writing, and Contractor shall defend such claim, suit or action at Contractor's expense, and Contractor shall indemnify the State of Delaware against any third party loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any Contractor Goods are or in Contractor's reasonable judgment are likely to be, held to constitute an infringing product, Contractor shall at its expense and option either:

- a. Procure the right for the State of Delaware to continue using the Contractor Good(s);
- b. Replace the Contractor Goods with a non-infringing equivalent that satisfies all the requirements of the contract; or
- c. Modify the Contractor Good(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Contractor Good(s)

or any part of the work to fail to conform to the requirements of the Contract, or only alters the Contractor Good(s) to a degree that the State of Delaware agrees to and accepts in writing.

Should Contractor not save and hold harmless or indemnify the State as required, the Contractor shall use best efforts to enforce the manufacturer's representations and indemnifications.

**j. NON-PERFORMANCE**

In the event the Contractor does not fulfill its obligations under the terms and conditions of this Participating Addendum, in addition to proceeding with termination of this Participating Addendum, 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 price. Any monies charged to the Contractor may be deducted from an open invoice.

**k. REQUIRED REPORTS**

One of the primary goals in administering this Participating Addendum is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of this Participating Addendum and to establish proper bonding levels, if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment A) shall be furnished in an Excel format and submitted electronically, no later than the 15th (or next business day after the 15th day) of each month, detailing the purchasing of all items and/or services on this Participating Addendum. The reports shall be completed in Excel format, using the template provided, and submitted as an attachment to [DTI\\_vendorservices@delaware.gov](mailto:DTI_vendorservices@delaware.gov). Submitted reports shall cover the full month (Report due by January 15<sup>th</sup> will cover the period of December 1 – 31.), contain accurate descriptions of the products, goods or services procured, purchasing agency information, quantities procured, and prices paid. Reports are required monthly, including those with "no spend". Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including the possible cancellation of this Participating Addendum. Failure to provide the report with the minimum required information may also negate any extension clauses of this Participating Addendum. Additionally, if the Contractor is determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The Contractor will be required to accurately report on the participation by Diversity Suppliers which includes minority (MBE), woman (WBE), veteran owned business (VOBE), or service-disabled veteran owned business (SDVOBE) under this Participating Addendum. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service-disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women's Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier reporting is shown as Attachment B.

Accurate 2nd Tier reports shall be submitted to the contracting Agency's Office of Supplier Diversity at [DTI\\_vendorservices@delaware.gov](mailto:DTI_vendorservices@delaware.gov) or the 15th (or next business day) of the month following each quarterly period. For consistency quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if this Participating Addendum has expired by the report due date.

Information on the Delaware Division of Small Business can be found in Attachment D of this agreement.

## **I. DELAWARE ECONOMIC IMPACT**

Contractor shall provide an annual report of the economic impact of their operations in Delaware. This report shall be submitted by February 15<sup>th</sup> of each calendar year and shall report on the immediately prior one full calendar year of operations.

The following basic information is required under this Participating Addendum:

1. Number of Delaware Locations
2. Number of Delaware Employees
3. Annual Taxes, licenses & Fees Paid to Delaware
  - This may be payroll, franchise, service taxes, etc.
4. Major Delaware Investments/ Partnerships
  - Amount paid to Major partners or Suppliers in Delaware
  - Highlight of Delaware MWBE, Veteran, Small Business (SBA criteria) and Disabled Veteran partnerships/ supply chain
  - Rent to Delaware Locations or value of Delaware real property
  - Utility Expenses paid to Delaware utilities

The report shall be submitted to [DTI\\_vendorservices@delaware.gov](mailto:DTI_vendorservices@delaware.gov).

**m. INDEPENDENT CONTRACTORS**

The Contractor is an independent contractor to one another, and nothing herein shall be deemed to cause this Participating Addendum to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

**n. TEMPORARY PERSONNEL ARE NOT STATE EMPLOYEES UNLESS AND UNTIL THEY ARE DIRECTLY HIRED**

Contractor agrees that any individual or group of temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation shall remain the employee(s) of Contractor for all purposes including any required compliance with the Affordable Care Act by the Contractor. Contractor agrees that it shall not allege, argue, or take any position that individual temporary staff person(s) provided to the State pursuant to this Solicitation must be provided any benefits, including any healthcare benefits by the State of Delaware and Contractor agrees to assume the total and complete responsibility for the provision of any healthcare benefits required by the Affordable Care Act to aforesaid individual temporary staff person(s). In the event that the Internal Revenue Service, or any other third-party governmental entity determines that the State of Delaware is a dual employer or the sole employer of any individual temporary staff person(s) provided to the State of Delaware pursuant to this Solicitation, Contractor agrees to hold harmless, indemnify, and defend the State to the maximum extent of any liability to the State arising out of such determinations.

Notwithstanding the content of the preceding paragraph, should the State of Delaware subsequently directly hire any individual temporary staff employee(s) provided pursuant to this Solicitation, the aforementioned obligations to hold harmless, indemnify, and defend the State of Delaware shall cease and terminate for the period following the date of hire. Nothing herein shall be deemed to terminate the Contractor's obligation to hold harmless, indemnify, and defend the State of Delaware for any liability that arises out of compliance with the ACA prior to the date of hire by the State of Delaware. Contractor will waive any separation fee provided an employee works for both the Contractor and hiring agency, continuously, for a three (3) month period and is provided thirty (30) days written notice of intent to hire from the agency. Notice can be issued at second month if it is the State's intention to hire.

**o. WORK PERFORMED IN A STATE BUILDING**

Awarded Vendor(s) who have any employees carrying out any work related to the awarded contract at a State facility shall have those employees comply with any health mandate or policy issued by the State related to a pandemic or other State of Emergency issued by any State authority during the term of the awarded contract, including those that apply directly to State employees. At the present time these include, but not limited to, wearing a mask in all State buildings and the policy for State employees regarding vaccination. The vaccination policy is located at <https://dhr.delaware.gov/policies/documents/covid19-vaccination-and-test-policy.pdf>. For clarity, State buildings are those owned or leased by the State.

**p. FAIR BACKGROUND CHECK PRACTICES**

Pursuant to 29 *Del. C. § 6909B*, the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Contractors doing business with the State are encouraged to adopt fair background check practices. Contractors can refer to 19 *Del. C. § 711(g)* for applicable established provisions.

**q. SERVICING SUBCONTRACTORS**

1. Contractor may use State-approved Subcontractors or Distributors under this Participating Addendum for sales and service functions as defined herein.
2. Contractor shall be responsible for successful performance and compliance with all requirements in accordance with the terms and conditions under this Participating Addendum, even if work is performed by Servicing Subcontractors.
3. Contractor will be the sole point of contact with regard to Participating Addendum contractual matters, reporting and administrative requirements.
4. For the purposes of this Participating Addendum, Servicing Subcontractors are classified as follows:
  - a. "Authorized Reseller"
    - i. Authorized Resellers may provide quotes, accept purchase orders, fulfill purchase orders, perform maintenance/warranty services and accept payment from ordering agencies for products and associated services offered under this Participating Addendum.
    - ii. Authorized Resellers are responsible for sending a copy of all purchase orders and invoices to the Contractor for compliance with quarterly usage reporting and administrative requirements.
    - iii. All purchase documents to Authorized Resellers shall reference this Participating Addendum Number as the Contractor.

**b. "Agent"**

- i. Agents are only authorized to provide quotes, sales assistance, configuration guidance and ordering support for products and associated services offered under this Participating Addendum.
  - ii. Agents are not authorized to accept orders or payments.
5. Subject to the approval of the State, Servicing Subcontractors may be added or deleted during this Participating Addendum term.
  6. Proposed Servicing Subcontractors, as well as the Contractor, must complete the registration process at <http://esupplier.erp.delaware.gov>.
  7. State-approved Servicing Subcontractors will be posted on the [State's Contracting website](#).

**r. ORDERING PROCEDURE**

Contractor is required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Depending on the nature and scope of the event, each State agency or other governmental entity shall be responsible for contacting the Contractor directly for all required resources. All consumables delivered by the Contractor and received by a State agency or other governmental entity, become the property of that State agency or entity. Orders may be accomplished by written purchase order, telephone, fax or computer on- line systems. All Purchase Orders **must** include the State's contract number.

**s. QUOTE SERVICE LEVEL AGREEMENT**

1. Reseller/Contractor is required to respond to quote requests in a reasonable timeframe not exceeding five (5) business days unless previously negotiated with requestor.
2. Reseller/Contractor must honor and guarantee all quotes for sixty (60) calendar days.
3. Reseller/Contractor must notify Service Owner of all quotes requested. Copy vendor services email box.
4. Reseller/Contractor quotes must contain:
  - o Description -Full description of item
  - o Quantity – Item quantity requested
  - o Unit Price – Quoted cost per item
  - o Extended Price – Cost quoted for total quantity of items
  - o Reseller Cost - Baseline cost reseller paid per item from publisher
  - o Discount - Reseller percentage discount applied to unit and/or extended price
  - o Markup - Reseller percentage markup applied to unit and/or extended price

**t. MISCELLANEOUS**

1. Reseller/Contractor will add non-catalog listed publishers on request by the State of Delaware within five (5) business days.

2. Reseller/Contractor will provide the State of Delaware with four (4) or more cost savings each year communicated at planned Quarterly Meetings.
3. Reseller/Contractor will provide Product Roadmaps for each product sold to the State on a yearly basis.
4. Reseller/Contractor will sponsor four (4) or more webinars yearly centered on agreed upon publishers.
5. Reseller/Contractor will supply detailed catalog of Value-Added Services to the State.
6. Reseller/Contractor must provide a dedicated resource to respond to emails or phone calls within one (1) business day.
7. Reseller/Contractor must maintain a portal to facilitate the tracking, management, usage, ordering, monitoring, and reporting of software products, licenses and license agreements. This portal must be configured to enable each and every Purchasing Entity personalized access to the portal, to be determined by each individual Purchasing Entity.
8. Reseller/Contractor will provide a catalog of Value-Added Services available at no additional cost to the State and services available for additional cost.

**u. BILLING**

The Contractor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide contract number, ship to and bill to address, contact name and phone number. Per Del. C. § 6516 (d) (4), the Contractor shall not charge a late fee that exceeds more than one percent (1%) per month, not to exceed twelve percent (12%) per annum.

Agencies will make every effort to achieve available discount opportunities under this Participating Addendum. Contractors shall be required to report semi-annually opportunities to enhance the discounts achieved.

**v. METHOD OF PAYMENT**

1. For each P.O. issued as part of this Participating Addendum, the State will pay Contractor monthly, within thirty (30) days of receipt of the Contractor's billing, the amount which is legitimately earned by the Contractor, and supported by payroll data and an itemized accounting of reasonable reimbursable direct non-salary costs. A current progress report of the work shall accompany each billing.

Final settlement for total payment to the Contractor will be made within thirty (30) days from the date of final written State acceptance of the work and services as agreed to in the P.O.

2. No premium time for overtime will be paid without prior written State authorization. Indirect overhead cost shall not be applied to the premium portion of the overtime.

3. The agencies or school districts using this Participating Addendum will authorize and process for payment each invoice within thirty (30) days after the date of receipt of a correct invoice. The State of Delaware intends to maximize the use of the P-Card for payment for goods and services provided under this Participating Addendum. Contractors shall not charge additional fees for acceptance of this payment method and shall incorporate any costs into their proposals. Additionally, there shall be no minimum or maximum limits on any P-Card transaction under this Participating Addendum. While it is the State's intention to utilize the P-card payment method the State reserves, at its discretion, the right to pay by ACH/ ACI or check. Should the Contractor wish to provide a financial incentive to not process payment by P-Card, they are to prepare a proposal to clearly outline any incentives for alternative payment methods the Contractor is willing to accept.

**w. FORMAL CONTRACT AND/OR PURCHASE ORDER**

No employee of the Contractor is to begin any work prior to receipt of a State of Delaware Purchase Order signed by authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office. A purchase order, email, telephone, fax or State of Delaware's credit card shall serve as the authorization to proceed with work in accordance with the work specifications and the special instructions, once it is received by the Contractor.

**x. MINIMUM WAGE RATES**

Work performed under this solicitation may fall under the [State of Delaware Minimum Wage Rates](#) or the Delaware Prevailing Wage rates. Prior to issuing a purchase order, the ordering agencies must obtain from the Department of Labor a determination if prevailing wage applies to the project and, if appropriate, what the applicable prevailing wage rates would be for the work to be performed. No work shall proceed without a determination by the Department of Labor. Request for prevailing wage certification can be found at: <http://dia.delawareworks.com/labor-law/prevailing-wage.php>

**y. PREVAILING WAGE**

The prevailing wage law, 29 Del. C. [§6960](#), is enforced by the Department of Labor and states that the specifications for every contract or aggregate of contracts relating to a public works project in excess of \$100,000 for new construction (including painting and decorating) or \$15,000 for alteration, repair, renovation, rehabilitation, demolition or reconstruction (including painting and decorating of building or works) to which this State or any subdivision thereof is a party and for which the State appropriated any part of the funds and which requires or involves the employment of mechanics and/or

laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics which shall be based upon the wages that will be determined by the Delaware Department of Labor, Division of Industrial Affairs, to be prevailing in the county in which the work is to be performed. [Prevailing Wage Determination](#)

## **z. DISPUTE RESOLUTION**

At the option of the parties, they shall attempt in good faith to resolve any dispute arising out of or relating to this Participating Addendum promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Participating Addendum. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided evidence that is otherwise admissible or discoverable shall not be rendered inadmissible.

If the matter is not resolved by negotiation, as outlined above, or, alternatively, the parties elect to proceed directly to mediation, then the matter will proceed to mediation as set forth below. Any disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to a mediator selected by the parties. If the matter is not resolved through mediation, it may be submitted for arbitration or litigation. The Agency reserves the right to proceed directly to arbitration or litigation without negotiation or mediation. Any such proceedings held pursuant to this provision shall be governed by State of Delaware law, and jurisdiction and venue shall be in the State of Delaware. Each party shall bear its own costs of mediation, arbitration, or litigation, including attorneys' fees.

## **aa. REMEDIES**

Except as otherwise provided in this solicitation, including but not limited to Section bb above, all claims, counterclaims, disputes, and other matters in question between the State of Delaware and the Contractor arising out of, or relating to, this solicitation, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

## **bb. TERMINATION OF INDIVIDUAL ORDERS OR PURCHASE ORDERS**

As a central contract, this Participating Addendum shall include individual orders from state agencies and other entities authorized by law to procure from this Participating Addendum. The individual orders may be terminated as

follows:

**1. Termination for Cause**

If, for any reasons, or through any cause, the Contractor fails to fulfill in timely and proper manner his obligations, or if the Contractor violates any of the covenants, agreements, or stipulations of this Participating Addendum, the Agency shall have the right to terminate the P.O. by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Contractor in the performance of the P.O. shall, at the option of the Agency, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the Agency.

**2. Termination for Convenience**

The Agency may terminate the P.O. at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the department, become its property and the Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials which are usable to the Agency.

**3. Termination for Non-appropriation**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the Purchase Order, in whole or part, the Purchase Order shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

**cc. TERMINATION OF PARTICIPATING ADDENDUM**

As a central contract, this Participating Addendum may be terminated as follows by DTI.

**1. Termination for Cause**

If, for any reasons, or through any cause, the Contractor fails to fulfill in timely and proper manner its obligations under this Participating Addendum, or if the Contractor violates any of the covenants, agreements, or

stipulations of this Participating Addendum, the State shall thereupon have the right to terminate this Participating Addendum by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Contractor under this Participating Addendum shall, at the option of the State, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State. On receipt of this Participating Addendum cancellation notice from the State, the Contractor shall have not less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). The Contractor's response shall not affect or prevent this Participating Addendum cancellation unless the State provides a written acceptance of the Contractor's response. If the State does accept the Contractor's method and/or action plan to correct the identified deficiencies, the State will define the time by which the Contractor must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Contractor successfully rectifies the original violation(s). At its discretion the State may reject in writing the Contractor's proposed action plan and proceed with the original Participating Addendum cancellation timeline.

## **2. Termination for Convenience**

The State may terminate this Participating Addendum at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

## **3. Termination for Non-Appropriations**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue this Participating Addendum, in whole or part, this Participating Addendum shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

## **dd. PUBLICATON, REPRODUCTION AND USE OF MATERIAL**

No material produced in whole or part under this Participating Addendum shall

be subject to copyright in the United States or in any other country. The State shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared directly by Contractor under this Participating Addendum; provided, however, that the State agrees not to use any design or engineering plans prepared by the Contractor for anything other than their intended purpose under this Participating Addendum. The Contractor shall have the right to publish any and all scientific findings. Appropriate acknowledgment and credit for the State's support shall be given in the publication.

**ee. RIGHTS AND OBLIGATIONS**

The rights and obligations of each party to this Participating Addendum shall not be effective, and no party shall be bound by the term of this Participating Addendum, unless and until a valid executed purchase order has been approved by the State of Delaware Secretary of Finance, and all reasonable procedures of the State of Delaware Department of Finance have been complied with. A separate purchase order shall be issued for every project or order.

**ff. ASSIGNMENT OF ANTITRUST CLAIMS**

The Contractor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, regarding the specific goods or services purchased or acquired for the State pursuant to this Participating Addendum. Upon either the State's or the Contractor notice of the filing of or reasonable likelihood of filing of an action under the antitrust laws of the United States or the State of Delaware, the State and Contractor shall meet and confer about coordination of representation in such action.

**gg. AUDIT ACCESS TO RECORDS**

The Contractor shall maintain books, records, documents, and other evidence pertaining to this Participating Addendum to the extent and in such detail as shall adequately reflect performance hereunder. The Contractor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Contractor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under this Participating Addendum. Upon thirty (30) days' notice given to the Contractor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Participating Addendum. The cost of any audit

disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the State for disallowances shall be drawn from the Contractor's own resources and not charged to this Participating Addendum or Purchase Order cost or cost pools indirectly charging costs. Audits shall be conducted in a reasonable manner which does not interfere with the ordinary business operations of Contractor, at a maximum of one time during any twelve (12) month period during the Term of this Contract, during regular business hours and at a time mutually agreed upon by the Parties, unless otherwise mandated by applicable law. Once an Audit of an audit period is completed, the audit period may not be audited again.

#### **hh. IRS 1075 Publication (If Applicable)**

##### **1. Performance**

In performance of this Participating Addendum, if and only to the extent the Contractor or any subcontractors has access to or stores Federal Tax Information ("FTI") on behalf of the State, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All work will be performed under the supervision of the Contractor or the Contractor's responsible employees.

The Contractor and the Contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.

Any Federal tax returns or Federal tax return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this Participating Addendum. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Participating Addendum. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited.

All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

No work involving returns and return information furnished under this

Participating Addendum will be subcontracted without prior written approval of the IRS.

The Contractor will maintain a list of employees authorized access. Such list will be provided to the Agency and, upon request, to the IRS reviewing office.

The Agency will have the right to void this Participating Addendum if the Contractor fails to provide the safeguards described above.

The Contractor shall comply with agency incident response policies and procedures for reporting unauthorized disclosures of agency data.

## **2. Criminal/Civil Sanctions**

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Participating Addendum. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Participating Addendum. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return

information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

Granting Contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractor must maintain its authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, Contractor must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10 ) For both the initial certification and the annual certification, the Contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

### **3. Inspection**

The IRS and the Agency, with 24-hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect

facilities and operations performing any work with FTI under this Participating Addendum for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

**ii. SUBCONTRACTS**

Subcontracting is permitted under this Participating Addendum. However, every subcontractor, authorized representative or reseller shall be identified (Attachment C) and agreed to in writing by the State or as are specifically authorized in writing by the Agency during the performance of this Participating Addendum. Any substitutions in or additions to such subcontractors, associates, or consultants will be subject to the prior written approval of the State.

The Contractor shall be responsible for compliance by the subcontractor or reseller with all terms, conditions and requirements of the Master Agreement and this Participating Addendum and with all local, State and Federal Laws. The Contractor shall be liable for any noncompliance by any subcontractor or reseller. Further, nothing contained herein or in any subcontractor agreement shall be construed as creating any contractual relationship between the subcontractor and the State.

**jj. CONTRACTOR EMERGENCY RESPONSE POINT OF CONTACT**

The Contractor shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty-four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the Contractor.

In the event of a serious emergency, pandemic, or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the Contractor to address the immediate needs of the State, even if not contemplated under the original Participating Addendum. Payments are subject to appropriation and other payment terms.

**kk. POTENTIAL CONTRACT OVERLAP**

Contractors shall be advised that the State, at its sole discretion, shall retain the right to solicit for goods and/or services as required by its agencies and as

it serves the best interest of the State. As needs are identified, there may exist instances where contract deliverables, and/or goods or services to be solicited and subsequently awarded that overlap this Participating Addendum.

## **II. SUPPLEMENTAL SOLICITATION**

The State reserves the right to advertise a supplemental solicitation during the term of this Participating Addendum if deemed in the best interest of the State.

### **mm. TECHNOLOGY TERMS**

#### **1. Cloud Solutions**

If requested by the State, the following policies and agreements must be completed by any vendors whose products or services are being procured through this agreement:

- a.** The Delaware Cloud Services Terms and Conditions, included in this agreement as Attachment F.
- b.** The Delaware Data Usage Terms and Conditions, included in this agreement as Attachment G.

### **nn. TAX EXEMPTION**

- a.** In accordance with the Internal Revenue Service regulations, the State of Delaware is generally exempt from federal excise tax for communications, certain fuels, sales by manufacturers and the tax on heavy trucks, trailers, and tractors. More detail is included in IRS Publication 510 Excise Taxes located at <https://www.irs.gov/publications/p510>. Per IRS regulations, all exemption certificates must be specific to the vendor and the type of excise tax. If an exemption certificate is requested by a vendor, the Division of Accounting will work with the agency and vendor to complete the appropriate certificate. Such taxes shall not be included in prices quoted. Such taxes shall not be included in prices quoted.
- b.** Any material which is to be incorporated in the work or any equipment required for the work contemplated in the proposal may be consigned to the Agency. If the shipping papers show clearly that any such material is so consigned, the shipment will be exempt from the tax on the transportation of property under provisions of Section 3475 (b) of the Internal Revenue Code, as amended by Public Law 180 (78th Congress). All transportation charges shall be paid by the Contractor.

### **oo. EQUALITY OF EMPLOYMENT OPPORTUNITY IN PUBLIC WORKS**

During the performance of any contract for public works financed in whole or in part by appropriation of the State of Delaware, the Contractor agrees as follows:

- a.** The Contractor, as set forth in Title 19 Delaware Code Chapter 7 section 711, will not discriminate against any employee or applicant for employment with

respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment without regard to their race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training including apprenticeships. The Contractor agrees to post in conspicuous places, notices to be provided by the Agency setting forth the provisions of this non-discrimination clause.

- b.** During the performance of this Participating Addendum, the Contractor agrees as follows:
  - 1.** The Contractor, as set forth in Title 19 Delaware Code Chapter 7 section 711, will not discriminate against any individual with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take positive steps to ensure that applicants are employed and that employees are treated during employment without regard to their race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment notices to be provided by the Agency setting forth this nondiscrimination clause.
  - 2.** The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin."
- c.** The term "contractor for public works" means construction, reconstruction, demolition, alteration, and/or repair work, maintenance work, and paid for in whole or in part out of the funds of a public body except work performed under a vocational rehabilitation program. The manufacture or furnishing of materials, articles, supplies or equipment is not a public work within the

meaning of this subsection unless conducted in connection with and at the site of the public work.

**pp. DOCUMENT EXECUTION**

The State of Delaware requires a new vendor to complete the registration process through the Delaware Supplier Portal at <http://esupplier.erp.delaware.gov>. Successful completion of this registration enables the creation of a State of Delaware supplier record. The Taxpayer ID (SSN or EIN) and Applicant (supplier) name are submitted to the Internal Revenue Service for "matching". If the Taxpayer ID and name do not match, the vendor record cannot be approved.

It is the applicant's responsibility to select the appropriate 1099 Withholding Type and Class. If incorporated, a business is not subject to 1099 reporting unless the business is providing legal or medical services.

Any questions about completing this registration or specific comments about the registration, please contact supplier maintenance by phone at 302-672-5000.

**3. PRIMARY CONTACTS**

The primary government contact individuals for this Addendum are as follows (or their named successors):

Lead State: Arizona  
 Contact: Rana Schultz  
 Phone: (602) 542-2927  
 Email: [Rana.Schultz@azdoa.gov](mailto:Rana.Schultz@azdoa.gov)

Contractor: SHI International Corp.  
 Contact: Michael Hahn  
 Address: 300 Davidson Avenue, Somerset, NJ 08873  
 Phone: (301) 788-3457  
 Email: [michael\\_hahn@shi.com](mailto:michael_hahn@shi.com)

Participating State: Delaware, Department of Technology and  
 Information Contact: Lacey Hutchison  
 Address: 801 Silver Lake Blvd, Dover, DE  
 19904 Phone: 302-739-9500  
 Fax: 302-739-6251  
 Email: [DTI\\_Vendorservices@delaware.gov](mailto:DTI_Vendorservices@delaware.gov)

4. CONTRACT NUMBER

The contract number for the State of Delaware is: DTI220044-SOFTWARE\_VAR

This Participating Addendum and the Master Price Agreement, Number CT060028, administered by the State of Arizona together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Contract, together with its exhibits, shall not be added to or incorporated into this Addendum or the Master Contract and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Master Contract and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below:

State of Delaware  
By: Jordan Schulties  
Jordan Schulties (Apr 12, 2023 11:03 EDT)  
Name: Jordan Schulties  
Title: Chief of Administration  
Date: Apr 12, 2023

Contractor: SHI International Corp.  
By: Kristina Mann  
DocuSigned by: Kristina Mann (BA118E7B9F08404)  
Name: Kristina Mann  
Title: Sr. Manager - Contracts  
Date: 4/12/2023

*Remainder of this page intentionally left blank*

**Note:** A copy of the Usage Report will be sent by electronic mail to the Awarded Contractor. The report shall be submitted electronically in **EXCEL** and sent as an attachment to [DTI\\_vendorservices@delaware.gov](mailto:DTI_vendorservices@delaware.gov). It shall contain the six-digit department and organization code for each agency and school district.

## Attachment B

**SAMPLE REPORT - FOR ILLUSTRATION PURPOSES ONLY**

| State of Delaware                          |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|--------------------------------------------|--------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|----------------------------------|--------------------------------|-----------------------------------------|--------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------|-------------------------------------|--------------------------------------------|----------------------------------------------------|--------------------------------------|---------------------------------------------|------------------------------------------|----------------------|
| Subcontracting (2nd tier) Quarterly Report |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
| Prime Name:                                |                          |                                      |                                        |                                         |                                  |                                | Report Start Date:                      |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
| Contract Name/Number                       |                          |                                      |                                        |                                         |                                  |                                | Report End Date:                        |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
| Contact Name:                              |                          |                                      |                                        |                                         |                                  |                                | Today's Date:                           |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
| Contact Phone:                             |                          |                                      |                                        |                                         |                                  |                                | *Minimum Required                       |                                                        | Requested detail                      |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
| Vend<br>or<br>Name<br>*                    | Vend<br>or<br>TaxI<br>D* | Contra<br>ct<br>Name/<br>Numbe<br>r* | Vend<br>or<br>Conta<br>ct<br>Name<br>* | Vend<br>or<br>Conta<br>ct<br>Phon<br>e* | Repo<br>rt<br>Start<br>Date<br>* | Repo<br>rt<br>End<br>Date<br>* | Amount<br>Paid to<br>Subcontrac<br>tor* | Work<br>Performed<br>by<br>Subcontra<br>ctor<br>UNSPSC | M/WB<br>E<br>Certifyi<br>ng<br>Agency | Veteran/Ser<br>vice<br>Disabled<br>Veteran<br>Certifying<br>Agency | 2nd<br>tier<br>Suppli<br>er<br>Name | 2nd<br>tier<br>Suppli<br>er<br>Addre<br>ss | 2nd<br>tier<br>Suppli<br>er<br>Phone<br>Numb<br>er | 2nd<br>tier<br>Suppli<br>er<br>email | Descript<br>ion of<br>Work<br>Perform<br>ed | 2nd<br>tier<br>Suppli<br>er<br>Tax<br>Id | Dat<br>e<br>Pai<br>d |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |
|                                            |                          |                                      |                                        |                                         |                                  |                                |                                         |                                                        |                                       |                                                                    |                                     |                                            |                                                    |                                      |                                             |                                          |                      |

**Note:** A copy of the Subcontracting Quarterly Report will be sent by electronic mail to the Awarded Contractor.

Completed reports shall be saved in an Excel format, and submitted to the following email address:

[DTI\\_vendorservices@delaware.gov](mailto:DTI_vendorservices@delaware.gov)

**Attachment C****SUBCONTRACTOR INFORMATION FORM**

| <b>PART I – STATEMENT BY CONTRACTOR</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 1. CONTRACT NO.<br>Insert Contract Number         | 2. Proposing Vendor<br>Name:                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 3. Mailing Address |
| 4. SUBCONTRACTOR                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |
| a. NAME                                           | 4c. Company OSD Classification:<br><br>Certification Number:                                                                                                                                                                                                                                                                                                                                                                                                                                               |                    |
| b. Mailing Address:                               | 4d. Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No<br>4e. Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No<br>4f. Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No<br>4g. Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No<br>4h. Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No |                    |
| 5. DESCRIPTION OF WORK BY SUBCONTRACTOR           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |
| 6a. NAME OF PERSON<br>SIGNING                     | 7. BY ( <i>Signature</i> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 8. DATE SIGNED     |
| 6b. TITLE OF PERSON<br>SIGNING                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |
| <b>PART II – ACKNOWLEDGEMENT BY SUBCONTRACTOR</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |
| 9a. NAME OF PERSON<br>SIGNING                     | 10. BY ( <i>Signature</i> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 11. DATE SIGNED    |
| 9b. TITLE OF PERSON<br>SIGNING                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                    |

**\* Use a separate form for each subcontractor**

**Attachment D**



**The Office of Supplier Diversity (OSD) has moved to the  
Division of Small Business (DSB)**

Supplier Diversity Applications can be found here:

<https://business.delaware.gov/osd/>

Completed Applications can be emailed to: [OSD@Delaware.gov](mailto:OSD@Delaware.gov)

For more information, please send an email to OSD:

[OSD@Delaware.gov](mailto:OSD@Delaware.gov) or call 302-577-8477

Self-Register to receive business development information here:

<https://business.delaware.gov/directory-of-certified-businesses/>

**New Address for OSD:**

Office of Supplier Diversity (OSD)  
State of Delaware  
Division of Small Business  
820 N. French Street, 10<sup>th</sup> Floor  
Wilmington, DE 19801

Telephone: 302-577-8477 Fax: 302-736-7915

Email: [OSD@Delaware.gov](mailto:OSD@Delaware.gov)

Web site: <https://business.delaware.gov/osd/>

**Dover address for the Division of Small Business**

**Local applicants may drop off applications here:**

Division of Small Business  
99 Kings Highway  
Dover, DE 19901  
Phone: 302-739-4271

Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.

## Attachment E

NASPO VALUEPOINT SOFTWARE VALUE-ADDED RESELLER (SVAR)  
STATE OF ARIZONA SOLICITATION #BPM002338  
MANDATORY COST PROPOSAL FORM FOR ALL PUBLISHERS EXCEPT MICROSOFT AND ORACLE

|    | PUBLISHERS                                            | MAXIMUM MARKUP<br>ON RESELLER'S<br>INVOICED COST | MINIMUM DISCOUNT<br>OFF MANUFACTURER'S<br>SUGGESTED RETAIL<br>PRICE (MSRP) |
|----|-------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------|
|    | <b>Tier I Publishers (Key Itemized Publishers)</b>    |                                                  |                                                                            |
| 1  | ADOBE                                                 | 3.00%                                            | 1.00%                                                                      |
| 2  | CA TECHNOLOGIES                                       | 2.50%                                            | 1.00%                                                                      |
| 3  | CISCO                                                 | 3.50%                                            | 10.00%                                                                     |
| 4  | COMMVAULT                                             | 3.00%                                            | 5.00%                                                                      |
| 5  | IBM                                                   | 2.50%                                            | 0.00%                                                                      |
| 6  | RED HAT                                               | 3.50%                                            | 0.00%                                                                      |
| 7  | SPLUNK                                                | 3.50%                                            | 1.00%                                                                      |
| 8  | TABLEAU                                               | 3.50%                                            | 0.00%                                                                      |
| 9  | VEEAM                                                 | 3.00%                                            | 1.00%                                                                      |
| 10 | VMWARE                                                | 3.50%                                            | 5.00%                                                                      |
|    | <b>Tier II Publishers (Other Itemized Publishers)</b> |                                                  |                                                                            |
| 11 | AUTODESK                                              | 3.00%                                            | 1.00%                                                                      |
| 12 | BARRACUDA NETWORKS                                    | 2.00%                                            | 1.00%                                                                      |
| 13 | BMC SOFTWARE                                          | 3.50%                                            | 1.00%                                                                      |
| 14 | CHECK POINT SOFTWARE                                  | 4.50%                                            | 5.00%                                                                      |
| 15 | CHERWELL                                              | 2.00%                                            | 1.00%                                                                      |
| 16 | CITRIX                                                | 4.50%                                            | 1.00%                                                                      |
| 17 | CHATSWORTH PRODUCTS (CPI)                             | 2.00%                                            | 5.00%                                                                      |
| 18 | CROWDSTRIKE                                           | 4.50%                                            | 1.00%                                                                      |
| 19 | DELL                                                  | 3.50%                                            | 5.00%                                                                      |
| 20 | DELPHIX                                               | 2.00%                                            | 5.00%                                                                      |
| 21 | DOCUSIGN                                              | 4.50%                                            | 1.00%                                                                      |
| 22 | DYNATRACE                                             | 3.50%                                            | 1.00%                                                                      |
| 23 | FORCEPOINT                                            | 3.00%                                            | 5.00%                                                                      |
| 24 | FORTINET                                              | 4.50%                                            | 1.00%                                                                      |
| 25 | GOOGLE                                                | 4.00%                                            | 1.00%                                                                      |
| 26 | INFORMATICA                                           | 3.50%                                            | 1.00%                                                                      |
| 27 | IVANTI                                                | 3.50%                                            | 5.00%                                                                      |
| 28 | KNOWBE4                                               | 3.50%                                            | 1.00%                                                                      |
| 29 | MCAFFEE                                               | 3.50%                                            | 5.00%                                                                      |

|    |                                      |                    |        |
|----|--------------------------------------|--------------------|--------|
| 30 | MICRO FOCUS                          | 3.50%              | 0.00%  |
| 31 | MULESOFT                             | 2.00%              | 5.00%  |
| 32 | NETMOTION                            | 3.50%              | 1.00%  |
| 33 | OKTA                                 | 3.50%              | 0.00%  |
| 34 | OPENTEXT                             | 3.50%              | 1.00%  |
| 35 | PROGRESS SOFTWARE                    | 2.00%              | 5.00%  |
| 36 | PROOFPOINT                           | 4.50%              | 5.00%  |
| 37 | QUEST SOFTWARE                       | 3.50%              | 5.00%  |
| 38 | RAPID7                               | 3.50%              | 1.00%  |
| 39 | RSA SECURITY                         | 3.00%              | 1.00%  |
| 40 | SALESFORCE                           | 4.50%              | 0.00%  |
| 41 | SAP                                  | 3.50%              | 5.00%  |
| 42 | SOLARWINDS                           | 3.50%              | 5.00%  |
| 43 | SOPHOS                               | 4.00%              | 5.00%  |
| 44 | SPILLMAN                             | 2.00%              | 5.00%  |
| 45 | SYMANTEC                             | 3.50%              | 10.00% |
| 46 | TENABLE                              | 3.50%              | 1.00%  |
| 47 | TREND MICRO                          | 3.50%              | 1.00%  |
| 48 | VARONIS                              | 3.50%              | 1.00%  |
| 49 | VERITAS                              | 3.50%              | 0.00%  |
| 50 | ZOHO                                 | 3.50%              | 0.00%  |
|    | <b>Non-itemized Publishers</b>       |                    |        |
| 51 | All other publishers                 | 6.00%              | 0.00%  |
|    |                                      | <b>HOURLY RATE</b> |        |
| 52 | <b>Reseller Services</b>             |                    |        |
| 53 | - Asset management                   | \$300.00           |        |
| 54 | - Solutions architect                | \$225.00           |        |
| 55 | - Senior solutions architect         | \$250.00           |        |
| 56 | - Program engagement manager         | \$125.00           |        |
| 57 | - Project leader                     | \$125.00           |        |
| 58 | - Project manager                    | \$125.00           |        |
| 59 | - Senior project manager             | \$175.00           |        |
| 60 | All other in-scope reseller services | \$300.00           |        |

|   |                                                    |                 |       |
|---|----------------------------------------------------|-----------------|-------|
| A | <b>Average Tier I Publishers Markup/Discount:</b>  | 3.15%           | 2.40% |
| B | <b>Average Tier II Publishers Markup/Discount:</b> | 3.40%           | 2.60% |
| C | <b>Non-itemized Publishers Markup/Discount</b>     | 6.00%           | 0.00% |
| D | <b>Average Reseller Services Hourly Rate:</b>      | <b>\$203.13</b> |       |

NASPO VALUEPOINT SOFTWARE VALUE-ADDED RESELLER (SVAR)  
STATE OF ARIZONA SOLICITATION #BPM002338  
OPTIONAL SERVICES COST PROPOSAL FORM FOR ALL PUBLISHERS EXCEPT MICROSOFT AND ORACLE

|   | OPTIONAL SERVICES                                      | MAXIMUM MARKUP<br>ON RESELLER'S<br>INVOICED COST | MINIMUM DISCOUNT<br>OFF MANUFACTURER'S<br>SUGGESTED RETAIL<br>PRICE (MSRP) |
|---|--------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------|
|   | <b>Optional Discount- and/or Markup-based Services</b> |                                                  |                                                                            |
| 1 | Publisher provided Services                            | 20.00%                                           | 0.00%                                                                      |
| 2 | Other 3rd party provided services                      | 20.00%                                           | 0.00%                                                                      |
| 3 | Other SHI provided services                            | 20.00%                                           | 0.00%                                                                      |
| 4 | [Enter service here. Insert rows as necessary.]        |                                                  |                                                                            |
| 5 | [Enter service here. Insert rows as necessary.]        |                                                  |                                                                            |

NASPO VALUEPOINT SOFTWARE VALUE-ADDED RESELLER (SVAR)  
STATE OF ARIZONA SOLICITATION #BPM002338  
MANDATORY COST PROPOSAL FORM FOR MICROSOFT ONLY

|    | SUBCATEGORY                         | MAXIMUM MARKUP ON<br>RESELLER'S INVOICED COST<br>(may be negative if sold at<br>loss) | MINIMUM DISCOUNT OFF<br>MANUFACTURER'S<br>SUGGESTED RETAIL PRICE<br>(MSRP) |
|----|-------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
|    | <b>Itemized Microsoft Offerings</b> |                                                                                       |                                                                            |
| 1  | EMS E5                              | 1.00%                                                                                 | 15.00%                                                                     |
| 2  | G1                                  | 1.00%                                                                                 | 15.00%                                                                     |
| 3  | G2                                  | 1.00%                                                                                 | 20.00%                                                                     |
| 4  | G3                                  | 1.00%                                                                                 | 15.00%                                                                     |
| 5  | G5                                  | 1.00%                                                                                 | 15.00%                                                                     |
| 6  | Govt E4                             | 1.00%                                                                                 | 20.00%                                                                     |
| 7  | Advanced Threat Protection          | 1.00%                                                                                 | 15.00%                                                                     |
| 8  | Power BI                            | 1.00%                                                                                 | 15.00%                                                                     |
| 9  | Exchange Online                     | 1.00%                                                                                 | 15.00%                                                                     |
| 10 | Kiosk F3 Now                        | 1.00%                                                                                 | 15.00%                                                                     |
| 11 | Dynamics                            | 1.00%                                                                                 | 15.00%                                                                     |
| 12 | PowerApps                           | 1.00%                                                                                 | 15.00%                                                                     |
| 13 | Project Online                      | 1.00%                                                                                 | 15.00%                                                                     |

|    |                                                                                     |                    |        |
|----|-------------------------------------------------------------------------------------|--------------------|--------|
| 14 | Azure                                                                               | 2.00%              | 10.00% |
|    | <b>All Other Microsoft Offerings</b>                                                |                    |        |
| 15 | SaaS*                                                                               | 1.00%              | 12.00% |
| 16 | On-Premise*                                                                         | 1.00%              | 16.50% |
|    | <b>Resold In-scope Professional Services</b>                                        |                    |        |
| 17 | - Ongoing maintenance & support services not included in software license agreement | 1.00%              | 20.00% |
| 18 | - Deployment services                                                               | 1.00%              | 20.00% |
| 19 | - Architectural design services                                                     | 1.00%              | 20.00% |
| 20 | - Training deployment services                                                      | 1.00%              | 20.00% |
| 21 | All other resold in-scope professional services                                     | 1.00%              | 20.00% |
|    |                                                                                     | <b>HOURLY RATE</b> |        |
|    | <b>In-scope Reseller Services</b>                                                   |                    |        |
| 22 | - Asset management                                                                  | \$300.00           |        |
| 23 | - Solutions architect                                                               | \$225.00           |        |
| 24 | - Senior solutions architect                                                        | \$250.00           |        |
| 25 | - Program engagement manager                                                        | \$125.00           |        |
| 26 | - Project leader                                                                    | \$125.00           |        |
| 27 | - Project manager                                                                   | \$125.00           |        |
| 28 | - Senior project manager                                                            | \$175.00           |        |
| 29 | All other in-scope reseller services                                                | \$300.00           |        |

|   |                                                                       |                 |               |
|---|-----------------------------------------------------------------------|-----------------|---------------|
| A | <b>Average Itemized Offerings Markup/Discount:</b>                    | <b>1.07%</b>    | <b>15.36%</b> |
| B | <b>Average Other Offerings Markup/Discount:</b>                       | <b>1.00%</b>    | <b>14.25%</b> |
| C | <b>Average Resold In-scope Professional Services Markup/Discount:</b> | <b>1.00%</b>    | <b>20.00%</b> |
| D | <b>Average In-scope Reseller Services Hourly Rate:</b>                | <b>\$203.13</b> |               |

\*Pricing represented is for Gov agreements, EES agreements will receive 5% discount

NASPO VALUEPOINT SOFTWARE VALUE-ADDED RESELLER (SVAR)  
STATE OF ARIZONA SOLICITATION #BPM002338  
OPTIONAL SERVICES COST PROPOSAL FORM FOR MICROSOFT ONLY

|   | OPTIONAL SERVICES                                      | MAXIMUM<br>MARKUP ON<br>RESELLER'S<br>INVOICED COST | MINIMUM DISCOUNT<br>OFF<br>MANUFACTURER'S<br>SUGGESTED RETAIL<br>PRICE (MSRP) |
|---|--------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------|
|   | <b>Optional Discount- and/or Markup-based Services</b> |                                                     |                                                                               |
| 1 | Microsoft provided Services                            | 20.00%                                              | 0.00%                                                                         |
| 2 | Other 3rd party provided services                      | 20.00%                                              | 0.00%                                                                         |
| 3 | Other SHI provided services                            | 20.00%                                              | 0.00%                                                                         |
| 4 | Microsoft Premier Support Agreement                    | 5.00%                                               | 0.00%                                                                         |

## Attachment F



STATE OF DELAWARE  
DEPARTMENT OF TECHNOLOGY AND INFORMATION  
801 Silver Lake Blvd., Dover, Delaware 19904

## DELAWARE CLOUD SERVICES TERMS AND CONDITIONS AGREEMENT

**PUBLIC AND NON-PUBLIC DATA OWNED BY THE STATE OF DELAWARE**

XaaS Contract # \_\_\_\_\_, Appendix \_\_\_\_\_

between State of Delaware and \_\_\_\_\_ dated \_\_\_\_\_

|       | Public Data | Non Public Data | Cloud Services (CS) Terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------|-------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |             |                 | <b>PROVIDER must satisfy Clause CS1-A OR Clauses CS1-B and CS1-C, AND Clause CS4 for all engagements involving non-public data.</b><br><b>Clause CS2 is mandatory for all engagements involving non-public data.</b><br><b>Clause CS3 is only mandatory for SaaS or PaaS engagements involving non-public data.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| CS1-A |             | ✓               | <b>Security Standard Compliance Certifications:</b> The PROVIDER shall meet, and provide proof of, one or more of the following Security Certifications. <ul style="list-style-type: none"> <li>CSA STAR – Cloud Security Alliance – Security, Trust &amp; Assurance Registry (Level Two or higher)</li> <li>FedRAMP - Federal Risk and Authorization Management Program</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| CS1-B |             | ✓               | <b>Background Checks:</b> The PROVIDER must warrant that they will only assign employees and subcontractors who have passed a state-approved criminal background checks. The background checks must demonstrate that staff, including subcontractors, utilized to fulfill the obligations of the contract, have no convictions, pending criminal charges, or civil suits related to any crime of dishonesty. This includes but is not limited to criminal fraud, or any conviction for any felony or misdemeanor offense for which incarceration for a minimum of 1 year is an authorized penalty. The PROVIDER shall promote and maintain an awareness of the importance of securing the State's information among the Service Provider's employees and agents. Failure to obtain and maintain all required criminal history may be deemed a material breach of the contract and grounds for immediate termination and denial of further work with the State of Delaware.                                                                                                                                                                                                |
| CS1-C |             | ✓               | <b>Sub-contractor Flowdown:</b> The PROVIDER shall be responsible for ensuring its subcontractors' compliance with the security requirements stated herein.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| CS2   |             | ✓               | <b>Breach Notification and Recovery:</b> The PROVIDER must notify the State of Delaware immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State of Delaware data. If data is not encrypted ( <i>see CS3, below</i> ), Delaware Code (6 Del. C. §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of Delawareans' Personally Identifiable Information (PII, as defined in Delaware's <i>Terms and Conditions Governing Cloud Services</i> policy) by PROVIDER or its subcontractors. The PROVIDER will provide notification to persons whose information was breached without unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State of Delaware. Should the PROVIDER or its contractors be liable for the breach, the |

|     | Public Data | Non Public Data | Cloud Services (CS) Terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----|-------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |             |                 | <b>PROVIDER must satisfy Clause CS1-A OR Clauses CS1-B and CS1-C, AND Clause CS4 for all engagements involving non-public data.</b><br><b>Clause CS2 is mandatory for all engagements involving non-public data.</b><br><b>Clause CS3 is only mandatory for SaaS or PaaS engagements involving non-public data.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|     |             |                 | PROVIDER shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State of Delaware shall not agree to any limitation on liability that relieves the PROVIDER or its subcontractors from its own negligence, or to the extent that it creates an obligation on the part of the State to hold a PROVIDER harmless.                                                                                                                                                                                                                                                                                                                                                                                         |
| CS3 |             | ✓               | <b>Data Encryption:</b> The PROVIDER shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where the PROVIDER stores Personally Identifiable Information (PII) or other sensitive, confidential information, it shall encrypt this non-public data at rest. The PROVIDER's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security requirements guidelines. The PROVIDER and State of Delaware will negotiate mutually acceptable key location and key management details. Should the PROVIDER not be able to provide encryption at rest, it must maintain cyber security liability insurance coverage for the duration of the contract. Coverage must meet the State of Delaware's standard in accordance with the <i>Terms and Conditions Governing Cloud Services</i> policy. |
| CS4 | ✓           | ✓               | <b>Notification of Legal Requests:</b> The PROVIDER shall contact the State of Delaware upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. With regard to State of Delaware data and processes, the PROVIDER shall not respond to subpoenas, service of process, and other legal requests without first notifying the State unless prohibited by law from providing such notice.                                                                                                                                                                                                                                                                                                                                                                                                   |

The terms of this Agreement shall be incorporated into the aforementioned contract. Any conflict between this Agreement and the aforementioned contract shall be resolved by giving priority to this Agreement. By signing this Agreement, the PROVIDER agrees to abide by the following applicable Terms and Conditions :

FOR OFFICIAL  
USE ONLY

☐ CS4 (Public Data)

☐ CS1-A and CS4 (Non-Public Data) **OR**

☐ CS2 (Non-public Data)

☐ CS1-B and CS1-C and CS4 (Non-Public Data)

☐ CS3 (SaaS, PaaS – Non-public Data)

PROVIDER Name/Address (print): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PROVIDER Authorizing Official Name (print): \_\_\_\_\_

PROVIDER Authorizing Official Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Attachment G



STATE OF DELAWARE  
DEPARTMENT OF TECHNOLOGY AND INFORMATION  
801 Silver Lake Blvd., Dover, Delaware 19904

## DELAWARE DATA USAGE TERMS AND CONDITIONS AGREEMENT

### PUBLIC AND NON-PUBLIC DATA OWNED BY THE STATE OF DELAWARE

Contract/Agreement #/name \_\_\_\_\_, Appendix \_\_\_\_\_

between State of Delaware and \_\_\_\_\_ dated \_\_\_\_\_

|     | Public Data | Non Public Data |                       | DATA USAGE (DU) TERMS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----|-------------|-----------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DU1 | √           | √               | <b>Data Ownership</b> | The State of Delaware shall own all right, title and interest in its data that is related to the services provided by this contract. The PROVIDER shall 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, (iii) as required by the express terms of this contract, or (iv) at State of Delaware's written request. All information obtained or generated by the PROVIDER under this contract shall become and remain property of the State of Delaware.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| DU2 | √           | √               | <b>Data Usage</b>     | <p>PROVIDER shall comply with the following conditions. At no time will any information, belonging to or intended for the State of Delaware, be copied, disclosed, or retained by PROVIDER or any party related to PROVIDER for subsequent use in any transaction. The PROVIDER will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data to the minimum necessary to accomplish the intended purpose under this agreement. PROVIDER may not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service. Protection of Personally Identifiable Information (PII, as defined in the State's <i>Terms &amp; Conditions Governing Cloud Services</i> policy), privacy, and sensitive data shall be an integral part of the business activities of the PROVIDER to ensure that there is no inappropriate or unauthorized use of State of Delaware information at any time. The PROVIDER shall safeguard the confidentiality, integrity, and availability of State information.</p> <p>Only duly authorized PROVIDER staff will have access to the State of Delaware data and may be required to obtain security clearance from the State. No party related to the PROVIDER may retain any data for subsequent use in any transaction that has not been expressly authorized by the State of Delaware.</p> |

|     | Public Data | Non Public Data |                                              | DATA USAGE (DU) TERMS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----|-------------|-----------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DU3 | √           | √               | <b>Termination and Suspension of Service</b> | <p>In the event of termination of the contract, the PROVIDER shall implement an orderly return (in CSV or XML or another mutually agreeable format), or shall guarantee secure disposal of State of Delaware data.</p> <p><i>Suspension of services:</i> During any period of suspension or contract negotiation or disputes, the PROVIDER shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State of Delaware data.</p> <p><i>Termination of any services or agreement in entirety:</i> In the event of termination of any services or agreement in entirety, the PROVIDER shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State of Delaware data for a period of 90 days after the effective date of the termination. Within this 90-day timeframe, vendor will continue to secure and back up State of Delaware data covered under the contract. After such 90-day period, the PROVIDER shall have no obligation to maintain or provide any State of Delaware data. Thereafter, unless legally prohibited, the PROVIDER shall dispose securely of all State of Delaware data in its systems or otherwise in its possession or control, as specified herein.</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> |
| DU4 |             | √               | <b>Data Disposition</b>                      | <p>At the end of this engagement, PROVIDER will account for and return all State data in all of its forms, disk, CD / DVD, tape, paper, for example. At no time shall any data or processes that either belong to or are intended for the use of State of Delaware or its officers, agents, or employees, be copied, disclosed, or retained by the PROVIDER.</p> <p>When required by the State of Delaware, the PROVIDER shall destroy all requested data in all of its forms (e.g., disk, CD/DVD, backup tape, paper). Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) approved methods. The PROVIDER shall provide written <a href="#">certificates of destruction</a> to the State of Delaware.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| DU5 |             | √               | <b>Data Location</b>                         | <p>The PROVIDER shall not store, process, or transfer any non-public State of Delaware data outside of the United States, including for back-up and disaster recovery purposes. The PROVIDER will permit its personnel and subcontractors to access State of Delaware data remotely only as required to provide technical or call center support.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

|     | Public Data | Non Public Data |                                         | DATA USAGE (DU) TERMS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----|-------------|-----------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DU6 |             | ✓               | <b>Breach Notification and Recovery</b> | The PROVIDER must notify the State of Delaware immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State of Delaware data. If data is not encrypted (see DU7, below), Delaware Code (6 Del. C. §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of Delawareans' Personally Identifiable Information (PII, as defined in Delaware's <i>Terms and Conditions Governing Cloud Services</i> policy) by PROVIDER or its subcontractors. The PROVIDER will provide notification to persons whose information was breached without unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State of Delaware. Should the PROVIDER or its contractors be liable for the breach, the PROVIDER shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State of Delaware shall not agree to any limitation on liability that relieves the PROVIDER or its subcontractors from its own negligence, or to the extent that it creates an obligation on the part of the State to hold a PROVIDER harmless. |
| DU7 |             | ✓               | <b>Data Encryption</b>                  | The PROVIDER shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where the PROVIDER stores Personally Identifiable Information (PII) or other sensitive, confidential information, it shall encrypt this non-public data at rest. The PROVIDER's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security requirements guidelines. The PROVIDER and State of Delaware will negotiate mutually acceptable key location and key management details. Should the PROVIDER not be able to provide encryption at rest, it must maintain cyber security liability insurance coverage for the duration of the contract. Coverage must meet the State of Delaware's standard in accordance with the <i>Terms and Conditions Governing Cloud Services</i> policy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

The terms of this Agreement shall be incorporated into the aforementioned contract. Any conflict between this Agreement and the aforementioned contract shall be resolved by giving priority to this Agreement. By signing this Agreement, the PROVIDER agrees to abide by the following applicable Terms and Conditions [check one]:

FOR OFFICIAL USE ONLY ☒ DU 1 - DU 3 (Public Data Only) OR ☐ DU 1 - DU 7 (Non-public Data)

PROVIDER Name/Address (*print*): \_\_\_\_\_

\_\_\_\_\_

PROVIDER Authorizing Official Name (*print*): \_\_\_\_\_

PROVIDER Authorizing Official Signature: \_\_\_\_\_ Date: \_\_\_\_\_