

Attachment A to Master Services Agreement**FORM OF STATEMENT OF WORK**

This is **Attachment A (Form of Statement of Work)** to the **Master Services Agreement**, dated as of _____, 2016, by and between VITA and Supplier.

*[Note to Template Users: Instructions for using this template to draft a SOW are in gray highlight and **italics**. These instructions should be deleted after the appropriate text has been added to the SOW. Contractual language is **not italicized** and should remain in the document. Text that is highlighted in blue is variable based on the nature of the Services to be provided under this Statement of Work.]*

**STATEMENT OF WORK
(Project Services)****ISSUED UNDER**

**CONTRACT NUMBER VA-170822-SAIC
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
[SUPPLIER NAME]**

This **Statement of Work** (this “**SOW**” or this “**Statement of Work**”) is entered into effective as of [REDACTED], 20[REDACTED]¹¹ (the “**SOW Effective Date**”) by and between the Virginia Information Technologies Agency (“**VITA**”) and **Supplier** (collectively, the “**Parties**” and each, a “**Party**”), under and pursuant to the provisions of the **Master Services Agreement**, dated as of [REDACTED], 2016 by and between VITA and Supplier (VITA Contract No. [REDACTED]) (as amended, modified or supplemented, the “**Agreement**”). Upon execution by the Parties, this SOW shall become part of the Agreement.

¹¹ SOW Effective Date to be filled in by VITA at time of its execution.

NOW THEREFORE, in consideration of the mutual promises contained herein, and of other good and valid consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. PERIOD OF PERFORMANCE

The Services to be provided under this Statement of Work will be performed within XX (XX) months of execution of this Statement of Work, in accordance with the [Project Plan]. This includes delivery, installation, implementation, integration, testing and acceptance of all products and services necessary to implement the Solution, training, and any support, other than on-going maintenance services. (Customize this section to match Services, based on the allowable scope of Services under the Agreement and project's specific needs within that allowable scope.)

2. PLACE OF PERFORMANCE

(Assign performance locations to major milestones or any other project granularity.)

Tasks associated with this project will be performed at the applicable Customer's location(s) in City/State/ at Supplier's location(s) in City/State, or other locations as required by the scope of performance.

3. PROJECT DEFINITIONS

(Provide project unique definitions required for this Statement of Work, consistent with definitions contained in Agreement.)

Unless otherwise defined herein, capitalized terms used in this Statement of Work shall have the meaning provided in **Exhibit 1.1 (Definitions)** to the MSA. All definitions in the MSA, including those of **Exhibit 1.1 (Definitions)** and all other Exhibits to the MSA, shall apply to and take precedence over this SOW

The specific definitions provided for this Statement of Work are as follows:

[include any SOW specific definitions here]

4. PROJECT SCOPE

(Provide a description of the scope of the project, including, as appropriate, carve out for what is NOT in the scope. Remember that Services under the Agreement, including pursuant to this Statement of Work must be within the Agreement scope.)

A. General Description of the Project Scope**B. Project Boundaries****5. SPECIFIC REQUIREMENTS**

(Provide specific project and Customer requirements. For example, the following subsections):

A. Customer(s)-Specific Requirements**B. Special Considerations for Implementing Technology at Customer Location(s)****C. Other Project Characteristics to Insure Success****6. CURRENT SITUATION**

(Provide background environment and information. Some example subsections follow.)

A. Background of Customer Business Situation(s)**B. Current Architecture and Operating System****C. Current Work Flow/Business Flow and Processes****D. Current Legacy Systems****E. Current System Dependencies****F. Current Infrastructure (Limitations, Restrictions)****G. Usage/Audience Information****7. PRODUCTS AND SERVICES TO SUPPORT THE PROJECT REQUIREMENTS****A. Required Products**

(Identify products to be provided by Supplier that will be used to support project requirements. Identify special configuration requirements, and system infrastructure to be utilized with project, including any provided by Customer(s). Provide an overview that reflects how the system will be deployed within the Customer environment(s).)

B. Required Services

(List the services (e.g., requirements development, design, configuration, interface design, data conversion, installation, implementation, testing, training, risk assessment, performance assessment, support and maintenance) included within the project and provided by Supplier in the performance of the project. Note that subsections "C" and "D" below offer areas for expanded detail regarding training, support and maintenance services. Other subsections should be added to expand the information/details/requirements for other service areas, as appropriate. As appropriate, Supplier's proposal should be included.)

C. Training Requirements / Knowledge Transfer

(Provide overview and details of training services to be provided for project and any special requirements for specific knowledge transfer to support successful implementation. Describe how the Supplier will complete knowledge transfer in the event this Statement of Work is not completed due to actions of Supplier or the non-appropriation of funds for completion affecting the Customer(s).)

D. Support and Maintenance Requirements

(Document support / maintenance requirements for the project. This may include conversion support, legacy system integration, transition assistance, maintenance (including maintenance level), or other specialized consulting to facilitate delivery or use of the project / Services.)

E. Personnel Requirements

(Provide any specific Supplier Personnel qualifications, requirements, licenses, certifications or restrictions including project manager, key personnel, subcontractors, etc., consistent with Agreement terms.)

F. Transition Phase-In/Phase-Out Requirements

(Describe any specific requirements for orientation or phasing in and/or phasing out of the project with the Supplier, including duration and other pertinent detail, consistent with Agreement terms, including specific Transition Out Assistance.)

8. TOTAL PROJECT PRICE

(Pricing for project shall utilize project pricing provided in Exhibit \$ (Pricing and Financial Provisions, including as appropriate, total Fixed Price for project, or not-to-exceed pricing, etc. Include comprehensive provisions for pricing or project.)

(Include provisions respecting invoice retainage (e.g., ten percent (10%)), submission of final invoice to VITA, for the final milestone payment amount shown in the table in section 9 below, plus the total amount retained by VITA. If travel expenses are not included in project (time and materials) charges, such expenses shall be reimbursed in accordance with Commonwealth of Virginia travel policies as published by the Virginia Department of Accounts (<http://www.doa.virginia.gov> or successor URL(s)). In order to be reimbursed for travel expenses, Supplier must submit an estimate of such expenses to VITA for approval prior to incurring such expenses.

(Sections 9 through 11 may be used depending on the project's complexity, risk and need for governance. Simple may utilize only section 10 table; more compacted or major IT project(s) utilize some or all of the Section 9 through 11 tables.)

9. PROJECT DELIVERABLES

(Provide a list of Supplier's deliverable expectations. The table is to be customized for the project. You may want to categorize deliverables for each phase or major milestone of the project and then categorize other interim deliverables and/or performance and status reports under one of them or under an Administrative or Project Management section.)

*The following deliverables are to be provided by Supplier under this Statement of Work. Subsequent sections may include further detail on the content requirements for some deliverables. Review and acceptance shall be conducted in accordance with **Section 10.3 (Review and Acceptance of Deliverables)** of the Agreement, unless otherwise agreed to and noted in the table below.*

No.	Deliverable Title	Due Date	Format Required (i.e., electronic/hard copy/CD/DVD)	Distribution Recipients	Review Complete Due Date	Final Due Date
	Project Plan					
	Design Plan					
	Implementation Plan					
	Data Conversion Plan					
	Risk Assessment Plan					
	Test Plan					
	Training Plan					
	Performance Plan					
	Contingency Plan					
	Disaster Recovery Plan					
	Cutover Plan					
	Change Management Plan					
	Transition Plan					
	Monthly Status					

No.	Deliverable Title	Due Date	Format Required (i.e., electronic/hard copy/CD/DVD)	Distribution Recipients	Review Complete Due Date	Final Due Date
	Reports					
	Quarterly Performance /SLA Reports					
	Training Manual					
	Final Solution Submission Notice					
	Final Acceptance Notice					

10. MILESTONES, MILESTONE DELIVERABLES, PAYMENT SCHEDULE, AND HOLDBACKS

(This table should include the project's Milestone Deliverables, when due, associated Charges, any retainage amount to be held until final Acceptance and the net payment for each completed and Accepted Deliverable Milestone. This table includes sample data only and must be customized for your project needs.)

The following table identifies milestone events and Milestone Deliverables, the associated schedule, any associated Charges, retainage amounts, and net payments.

Milestone Event	Associated Milestone Deliverable(s)	Schedule	Payment	Retainage	Net Payment
Project kick-off meeting	---	Execution + 5 days	---	---	---
Site survey	Site survey report	Execution + 10 days	---	---	---
Requirements Analysis & Development	Design Plan	Execution+45 days	\$ _____	\$ _____	\$ _____
	Project Plan	Execution+45 days			
	Implementation Plan	Execution + 45 days			

Begin Implementation		Execution + 60 days			
Data Conversion & Mapping		Execution + 90 days	\$	\$	\$
Installation of software	---	Execution + 90 days	\$	\$	\$
Installation of hardware	---	Execution + 90 days	\$	\$	\$
Configuration and testing	---	Execution + 120 days	---	---	---
Training	Training manual	Execution + 130 days	\$	\$	\$
30-Day User Acceptance Testing	---	Execution + 160 days	\$	\$	\$
Implementation complete	Solution	Execution + 160 days	\$	--	\$
Final Acceptance		Execution + 210 days	--	--	\$

11. EVENTS AND TASKS FOR EACH MILESTONE

(As appropriate, provide a table of detailed project events and tasks to be accomplished to fulfill the required Implementation. Reference each with the relevant milestone. A Work Breakdown Structure can be used as shown in the table below or at the very least a Project Plan should appropriate granularity. The Supplier's proposal should be tailored to the level of detail required for project governance.)

The following table identifies project milestone events and deliverables in a Work Breakdown Structure format.

WBS No.	Milestone	Milestone Event	Milestone Task	Interim Task Deliverables	Duration
1.0	Site survey				
1.1		Conduct interviews			
1,1,1			Schedule	None	20 days after

			interviews		contract start
1.1.2			Complete interviews	Interview Results Report	25 days after contract start
1.2		Receive AU information			

12. ACCEPTANCE CRITERIA

(This section should identify the mutually agreed upon UAT and Acceptance Criteria specific to this engagement. This section should conform to Agreement provisions respecting Acceptance.)

Acceptance Criteria for these Services / project will be based on a User Acceptance Test (UAT) designed and proposed by Supplier and approved by VITA. The UAT will ensure that all of the requirements and functionality required for the Services / project have been successfully delivered as required by VITA and other applicable Customer(s). Supplier will provide VITA and other applicable Customer(s) with a detailed test plan and Acceptance check list based on the VITA approved UAT Plan. This UAT Plan checklist is attached to this Statement of Work as **Exhibit B-X (UAT Plan checklist)**.

Each deliverable created under this Statement of Work will be delivered to VITA and any other applicable Customer with a Deliverable Acceptance Receipt. This receipt will describe the deliverable and provide VITA / other Customer Project Manager(s) with space to indicate if the Deliverable is Accepted, rejected, or conditionally Accepted. Conditionally Accepted deliverables may carry a list of identified deficiencies that need to be corrected in order for the deliverable to be Accepted by the applicable Project Manager(s). Acceptance testing of the results of Implementation activities will be carried out in accordance with the Deliverable Acceptance process described in **Section 10 (Deliverables)** of the Agreement, subject to any Acceptance test plan or other specific terms set out in **Exhibit 2 (Description of Services and Solution)**, unless otherwise agreed to by the Parties and specified below:

13. PROJECT ASSUMPTIONS AND PROJECT ROLES AND RESPONSIBILITIES

(This section contains areas to address project assumptions by both the Supplier and VITA, and the consequences if identified assumptions are not accurate, and to assign project-specific roles and responsibilities between the Parties.)

A. Project Assumptions and Resulting Consequences

The following assumptions and resulting consequences are applicable to this project:

B. Project Roles and Responsibilities

The following roles and responsibilities have been defined for this project:

(Sample Project Responsibilities Matrix)

Project Responsibilities Matrix	Supplier	VITA / Customer
<i>Infrastructure – Preparing the system infrastructure that meets the recommended configuration defined in Project Plan</i>		√
<i>Server Hardware</i>		√
<i>Server Operating</i>		√
<i>Server Network Connectivity</i>		√
<i>Relational Database Management Software (Installation and Implementation)</i>		√
<i>Server Modules – Installation and Implementation</i>	√	
<i>PC Workstations – Hardware, Operating System, Network Connectivity</i>		√
<i>PC Workstations – Client Software</i>		√
<i>Application Installation on PC Workstations</i>	√	
<i>Wireless Network Access Points</i>	√	
<i>Cabling, Electric and User Network Connectivity from Access Points</i>		√
<i>Wireless Mobile Computing Products – Scanners, printers</i>	√	
<i>Project Planning and Management</i>	√	√
<i>Requirements Analysis</i>	√	√
<i>Application Design and Implementation</i>	√	
<i>Product Installation, Implementation and Testing</i>	√	
<i>Conversion Support</i>	√	

Project Responsibilities Matrix	Supplier	VITA / Customer
<i>Conversion Support -- Subject Matter Expertise</i>		√
<i>Documentation</i>	√	
<i>Training</i>	√	
<i>Product Maintenance and Support</i>	√	
<i>Problem Tracking</i>	√	√
<i>Troubleshooting – IT Infrastructure</i>		√
<i>Troubleshooting – Solution</i>	√	

14. COMMONWEALTH AND SUPPLIER-FURNISHED MATERIALS, EQUIPMENT, FACILITIES AND PROPERTY

(This section provides details of any materials, equipment, facilities and property to be provided by VITA or other Customer or the Supplier in performance of the Services for this project. If timing of delivery / performance is critical to the schedule, identify such delivery with hard due dates tied to "Business Days after SOW Effective Date or other appropriate date of reference.)

A. PROVIDED BY THE COMMONWEALTH

B. PROVIDED BY THE SUPPLIER

15. SECURITY REQUIREMENTS

(Provide (or reference as an Attachment) specific security requirements.)

For any individual VITA Facility, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Supplier Personnel. Supplier may, at any time, be required to execute and complete, for each individual Supplier Personnel, additional forms which may include non-disclosure agreements to be signed by Supplier Personnel acknowledging that all VITA Data is confidential and proprietary. Any unauthorized release of VITA Data by the Supplier or any Supplier Personnel shall constitute a breach of this Agreement.

Supplier shall comply with all VITA rules, including security requirements in accordance with this Agreement.

16. REQUIRED STANDARDS, CERTIFICATIONS AND SPECIFICATIONS

In addition to compliance with requirements under this Agreement generally, the VITA Rules and other requirements are highlighted as applicable to the Supplier's performance under this Statement of WORK.

(List any specific , Commonwealth, VITA, Federal, engineering, trade/industry or professional standards, certifications and specifications that Supplier is required to follow or possess in performing the Services under this Statement of Work. The first bullet includes a link to Commonwealth-required standards for all Commonwealth technology projects. The rest are examples only.)

- COV ITRM Policies and Standards: <http://www.vita.virginia.gov/library/default.aspx?id=537>
- IEEE 802®
- HIPAA
- SAS 70 Type II

17. U.S. ENVIRONMENTAL PROTECTION AGENCY'S AND DEPARTMENT OF ENERGY'S ENERGY STAR GUIDELINES RISK MANAGEMENT

(This section may contain any or all of the following components, at a level of detail commensurate with the level of risk. All risk items should be added to the Deliverables table Risk factors may include schedule delay, increased costs, failure of dependent legacy system interoperability, other project dependencies that do not fit with the applicable project schedule, and poor quality of deliverables.)

A. Initial Risk Assessment

VITA and Supplier shall each provide an initial assessment from their respective perspectives.

B. Risk Management Strategy

(The list below is taken from VITA PMD template discussing what components of a Risk Management Strategy. Budget contingencies to accommodate potential risks should be identified and included.)

- 1. Risk Identification Process:** *The processes for risk identification.*
- 2. Risk Evaluation and Prioritization:** *How risks are evaluated and prioritized.*
- 3. Risk Mitigation Options:** *Describe the risk mitigation options. Mitigation must be realistic and available to the project team.*
- 4. Risk Plan Maintenance:** *Describe how the risk plan is maintained during the project lifecycle.*
- 5. Risk Management Responsibilities:** *Identify all project team members with specific risk management responsibilities. (e.g., an individual responsible for updating the plan or an individual assigned as a manager).*

C. Risk Management Plan

(Include a description of frequency and form of reviews, project team responsibilities, steering and oversight committee responsibilities and documentation. Include all Deliverables associated with risk strategizing and planning to the list of Deliverables.)

18. DISASTER RECOVERY

Planning for project related disaster recovery is necessary to ensure continuity of service. The criticalness and complexity of the project, including its workflow into other dependent systems (of VITA, other Customers or federal systems), will determine if a simple contingency plan or a detailed contingency plan is required, including one that fulfills the Commonwealth's ITRM Guideline SEC508-00 found at this link or successor URL:

http://www.vita.virginia.gov/uploadedFiles/Library/ContingencyPlanningGuideline04_18_2007.pdf

A likely Deliverable for this section would be a Continuity of Operations Plan, which may be included via the above link in this Statement of Work. These requirements also include the following processes, which should be included, as appropriate in the requirements for this section, to be performed by Supplier and VITA or other Customer, as appropriate:

- Development of the IT components of the Continuity of Operations Plan (COOP)
- Development and exercise of the IT Disaster Recovery Plan (IT DRP) within the COOP
- Development and exercise of the IT System Backup and Restoration Plan

19. PERFORMANCE BOND / INSURANCE REQUIREMENTS

(As appropriate, provision for performance bond or special insurance requirements beyond those in this Agreement may be included.)

The Supplier shall post performance bond in an amount equal to one hundred percent (100%) of the total Charges provided under this Statement of Work and shall provide a copy of the bond to VITA within (10) days of execution of this Statement of Work. In the event that the Supplier or any subcontractor or any officer, director, employee or agent of the Supplier or any subcontractor or any parent or subsidiary corporation of the Supplier or any subcontractor fails to fully and faithfully perform each material requirement of this Statement of Work Agreement, including without limitation the Supplier's obligation to indemnify VITA and other Customer(s), the performance bond shall be forfeited to VITA. The bond shall be in a form customarily used in the technology industry and shall be written by a surety authorized to do business in Virginia and that is acceptable to VITA.

20. OTHER TECHNICAL/FUNCTIONAL REQUIREMENTS

(Provide any other unique project technical and functional requirements and expectations in sufficient detail in this section. Ensure they do not conflict with existing requirements in this Agreement. Examples are listed.)

A. Service Level / Critical Deliverable Requirements**B. Mean-Time-Between-Failure Requirements****C. Data Access/Retrieval Requirements****D. Additional Warranties****21. REPORTING**

*(The following are examples of reporting requirements which should be included in the Statement of Work, as appropriate, including based upon the project's governance requirements. In an effort to help VITA monitor Supplier performance, this Statement of Work may include "Supplier Performance Assessments" to be performed by the Project Manager.) Reporting obligations are also set forth in **Exhibit 3 (Reporting and Service Level Management)** of the Agreement and as follows:*

A. Weekly/Bi-weekly Status Update.

The weekly/bi-weekly status report, to be submitted by Supplier to VITA, should include: accomplishments to date as compared to the project plan; any changes in tasks, resources or schedule with new target dates, if necessary; all open issues or questions regarding the project; action plan for addressing open issues or questions and potential impacts on the project; risk management reporting.

B. Supplier Performance Self-Assessment.

Within thirty (30) days of SOW Effective Date, the Supplier and VITA will agree on Supplier performance self-assessment criteria. Supplier shall prepare a monthly self-assessment to report on such criteria. Supplier shall submit its self-assessment to VITA who may respond to Supplier with any comments.

C. Performance Auditing

(If Service Level or Critical Deliverable requirements are provided, VITA shall have the right to audit the Supplier's fulfillment of all requirements, which should be reported in Reporting section. Such provisions should be consistent with the applicable provisions of the Agreement.)

VITA may audit the results of Supplier's Service Level and Critical Deliverables obligations and performance requirements on a weekly/monthly/quarterly basis, within ten (10) days of receipt of Supplier's applicable reports(s). Any discrepancies will be discussed between VITA and Supplier and necessary Service Level Credit / Deliverable Credits will be provided. As appropriate, issues will be escalates in accordance with the dispute resolution provisions of this Agreement.

D. Supplier Performance Assessments

(This provision addresses assessments of the Supplier's performance and disseminates such assessments to VITA other Customers, as applicable.)

22. CHANGE MANAGEMENT

(Changes to the Services and/or to the project under this SOW must be documented for proper project oversight, in accordance with applicable provisions of this Agreement. As appropriate, changes to configuration, incidents, deliverables, schedule, price or other factors must be properly managed and documented. Any changes to Charges must be in compliance with the Code of Virginia, § 2.2-4309, Modification of the contract, found at this link: <http://leg1.state.va.us/cgi-bin/legp504.exe?000+coh+2.2-4309+500825>. Changes to the scope of this Statement of Work must remain within the boundaries of the scope of the Agreement.

*VITA PMD processes and templates located at the following: <http://www.vita.virginia.gov/oversight/projects/default.aspx?id=567>. Administrative or non-technical/functional changes (deliverables, schedule, point of contact, reporting, etc.) should extrapolate the affected sections of this Statement of Work in a “from/to” format and be placed in a numbered modification letter referencing this Statement of Work and date, with a new effective date. **Attachment B (Form of Change Order)** to the Agreement provides a template for use for any changes to this Statement of Work. Changes must conform to and not conflict with this Agreement. The following language may be included in this section, but additional language is needed to list any technical/functional change management areas specific to this SOW; i.e., configuration, incident, work flow, or any others of a technical/functional nature.)*

*All changes to this Statement of Work shall be in written form and fully executed between the VITA’s and the Supplier’s authorized representatives. For administrative changes, the Parties agree to use **Attachment B (Form of Change Order)** to the Agreement. For technical/functional change management requirements, listed below, the parties agree to follow the processes and use the templates provided at this link: <http://www.vita.virginia.gov/oversight/projects/default.aspx?id=567>*

23. POINT OF CONTACT

For the duration of this project, the following project managers shall serve as the points of contact for day-to-day communication:

VITA / other Customer: [REDACTED]

Supplier: [REDACTED]

By signing below, both parties agree to the terms of this Statement of Work.

Supplier:

(Name of Supplier)

By: _____

Name: _____

Title: _____

Date: _____

**VIRGINIA INFORMATION TECHNOLOGIES
AGENCY**

By: _____

(Signature)

(Signature)

Name: _____

(Print)

(Print)

Title: _____

Date: _____

Attachment B to Master Services Agreement**CHANGE ORDER TEMPLATE**

This is **Attachment A (Change Order Template)** to the Master Services Agreement, dated as of _____, 2016, by and between VITA and Supplier.

[Note to Template Users: Instructions for using this template to draft a Change Order are in gray highlight and italics. These instructions should be deleted after the appropriate text has been added to the Change Order. Contractual language is not in gray and should remain in the document. Text that is highlighted in blue is variable and in final form should not be highlighted.]

Change Order No. XXX for Statement of Work D-X
Between (NAME OF AGENCY/INSTITUTION) and (SUPPLIER NAME)

Issued Under
CONTRACT NUMBER VA-170822-SAIC
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
(SUPPLIER NAME)

This **Change Order No. XXX**, dated as of _____, 20____, hereby modifies and is made an integral part of **Statement of Work D-X** between **(NAME OF AGENCY/INSTITUTION)** (“**Authorized User**”) and **(NAME OF SUPPLIER)** (“**Supplier**”), as amended through the date of this Change Order No. **XXX** (the “**SOW**”) which was issued under Contract Number VA-XXXX-XXXX (the “**MSA**”) between the Virginia Information Technologies Agency (“**VITA**”) and Supplier.

CHANGE ORDER

This is Change Order No. **XXX** to a SOW executed by **(Authorized User)** and Supplier under which Supplier is to provide the Authorized User (and other Customers as applicable) with Services, as provided therein (the “**Services**”).

The following item(s) is/are hereby modified as follows: *[Note: Include only the sections of the SOW that are being changed. Do not include sections not being modified. Changes should be clearly identified as “From” (copy/paste from current SOW section) and “To” (fully describe the change(s) to the referenced section). Here is an example, using SOW section 1.]*

1. PERIOD OF PERFORMANCE

The following change is made to the Period of Performance:

[The duration of the Period of Performance is increased by four (4) months.]

The following is changed with respect to the Period of Performance:

From: twelve (12) months of execution of this Statement of Work

To: sixteen (16) months of execution of this Statement of Work

This Change Order No. **XXX** is issued pursuant to and, upon execution, shall become incorporated in the SOW. In the event of conflict between this Change Order No. **XXX** and the SOW, this Change Order No.

XXX shall control, subject to the order of precedence rules in **Section 24.S (Terms of MSA to Control; Order of Precedence)** and the limitation in such section that a SOW may contain (including through amendment by this Change Order No. XXX) additional terms and conditions from the MSA, but such changes may not conflict with or undermine the integrity of the terms and conditions of the MSA.

The foregoing is the complete and final expression of the agreement between the Authorized User and Supplier with respect to the subject matter of this Change Order No. XXX and cannot be modified, except by a writing signed by duly authorized representatives of Authorized User and Supplier.

ALL OTHER TERMS AND CONDITIONS OF THE REFERENCED SOW REMAIN UNCHANGED.

By signing below, Supplier and Authorized User agree to the terms of this Change Order No. XXX, effective as of the date first above written.

Supplier

By: _____

(Signature)

Name: _____

(Print)

Title: _____

Date: _____

Authorized User

By: _____

(Signature)

Name: _____

(Print)

Title: _____

Agency Head or Designee

Date: _____

LICENSE AGREEMENT ADDENDUM

The Virginia Information Technologies Agency (hereinafter referred to as "VITA"), pursuant to [§ 2.2-2012](#) of the Code of Virginia and on behalf of the Commonwealth of Virginia, and {---Supplier Name---} ("Supplier"), a business incorporated in [REDACTED], F.E.I.N. {---Federal ID---}, having its principal place of business at [REDACTED], are this day entering into a contract and, for their mutual convenience, the parties are using the standard form contract ("[REDACTED]") provided by Supplier. This addendum, duly executed by the parties, is attached to and hereby made a part of Supplier's standard form contract and together shall govern the use of any and all [REDACTED] (name of) [REDACTED] Software licensed by the Commonwealth under this agreement whether or not specifically referenced in the order document.

Supplier represents and warrants that it is a corporation authorized to do in Virginia the business provided for in this contract. If Supplier is not a U.S.-based entity, Supplier maintains a registered agent and a certification of authority to do business in Virginia.

This contract is executed by VITA on behalf of all public bodies, including VITA, as defined by [§ 2.2-4301](#) and referenced by [§ 2.2-4304](#) of the Code of Virginia, and private institutions of higher education which are listed at: <http://www.cicv.org/Our-Colleges/Profiles.aspx>, and hereinafter referred to as "Authorized Users."

If Authorized User is a state agency, board, commission, or other quasi-political entity of the Commonwealth of Virginia or other body referenced in [Title 2.2](#) of the Code of Virginia, any license granted by Supplier shall be held by the Commonwealth. If Authorized User is a locality, municipality, school, school system, college, university, local board, local commission, or local quasi-political entity, such license shall be held by that public body. If Authorized User is a private institution of higher education listed at: <http://www.cicv.org/Our-Colleges/Profiles.aspx>, the license shall be held by that private institution.

As used herein, the term "contract" shall mean the Supplier's standard form contract and any and all exhibits and attachments thereto. The term(s) "Customer," "You," and/or "you," as used in the contract, shall mean, as applicable, VITA, the Commonwealth, any Authorized User, or any of their officers, directors, agents or employees.

Supplier's standard form contract is, with the exceptions noted herein, acceptable to VITA. Nonetheless, because certain standard clauses that may appear in, or be incorporated by reference into, Supplier's standard form contract cannot be accepted by VITA, and in consideration of the convenience of using that form, and this form, without the necessity of specifically negotiating a separate contract document, the parties hereto specifically agree that, notwithstanding any provisions appearing in the attached Supplier's standard form contract, none of the following shall have any effect or be enforceable against VITA, the Commonwealth, any Authorized User, or any of their officers, directors, employees or agents:

1. Requiring the application of the law of any state other than the Commonwealth of Virginia in interpreting or enforcing the contract or requiring or permitting that any dispute under the contract be resolved in any court other than a circuit court of the Commonwealth of Virginia;
2. Requiring any total or partial compensation or payment for lost profit or liquidated damages by VITA, the Commonwealth, any Authorized User, or their officers, directors, employees or agents if the contract is terminated before its ordinary period;
3. Imposing any interest charge(s) contrary to that specified by [§ 2.2-4347](#) et seq. of the Code of Virginia;
4. Requiring the Commonwealth, VITA, or any Authorized User to maintain any type of insurance either for the benefit of the Commonwealth, VITA, or such Authorized User or for Supplier's benefit;
5. Granting Supplier a security interest in property of the Commonwealth, any Authorized User, or any of their officers, directors, employees or agents;

6. Requiring the Commonwealth, VITA, any Authorized User, or any of their officers, directors, employees or agents to indemnify or to hold harmless Supplier for any act or omission;
7. Limiting or adding to the time period within which claims can be made or actions can be brought (Reference *Code of Virginia* [§ 8.01](#) et seq.);
8. Limiting selection and approval of counsel and approval of any settlement in any claim arising under the contract and in which the Commonwealth, VITA, any Authorized User, or any of their officers, directors, employees or agents is a named party;
9. Binding the Commonwealth, VITA, any Authorized User, or any of their officers, directors, employees or agents to any arbitration or to the decision of any arbitration board, commission, panel or other entity;
10. Obligating the Commonwealth, VITA, any Authorized User, or any of their officers, directors, employees or agents to pay costs of collection or attorney's fees;
11. Requiring any dispute resolution procedure(s) other than those in accordance with [§ 2.2-4363](#) et seq. of the *Code of Virginia*;
12. Permitting Supplier to access any Commonwealth or Authorized User records or data, except pursuant to court order;
13. Permitting Supplier to use any information provided by the Commonwealth or any Authorized User except for Supplier's own internal administrative purposes;
14. Requiring the Commonwealth, VITA, or any Authorized User to limit its rights or waive its remedies at law or in equity, including the right to a trial by jury; and
15. Bestowing any right or incurring any obligation that is beyond the duly granted authority of the undersigned representative of VITA to bestow or incur on behalf of the Commonwealth of Virginia..
16. Establishing a presumption of severe or irreparable harm to Supplier by the actions or inactions of VITA or any Authorized User;
17. Limiting the liability of Supplier for property damage or personal injury;
18. Permitting Supplier to assign, subcontract, delegate or otherwise convey the contract, or any of its rights and obligations thereunder, to any entity without the prior written consent of VITA except as follows: Supplier may assign all or any of its rights and obligations to a third party as a result of a merger or acquisition or sale of all or substantially all of its assets to such third party provided assignee agrees in writing to be bound by the terms and conditions set forth in the contract and provided such third party is a U.S.-based entity or maintains a registered agent and a certification of authority to do business in Virginia, or to an affiliate of Supplier, provided Supplier remains liable for affiliate's compliance with the terms and conditions set forth in this Contract;
19. Not complying with the contractual provisions at the following URL, which are mandatory provisions, required by law or by VITA, that are hereby incorporated by reference:
<https://www.vita.virginia.gov/uploadedFiles/SCM/StatutorilyMandatedTsandCs.pdf>
The terms and conditions in documents posted to the aforereferenced URL are subject to change pursuant to action by the legislature of the Commonwealth of Virginia or a change in VITA policy. If a change is made to the terms and conditions, a new effective date will be noted in the document title. Supplier is advised to check the URL periodically;
20. Not complying with the contractual claims provision [§ 2.2-4363](#) of the *Code of Virginia* which is also incorporated by reference;
21. Enforcing the United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods. They are expressly disclaimed. UCITA shall apply to this contract only to the extent required by [§ 59.1-501.15](#) of the *Code of Virginia*;
22. Not complying with all applicable federal, state, and local laws, regulations, and ordinances;

23. Requiring that the Commonwealth waive its sovereign immunity or its immunity under the Eleventh Amendment;
24. Requiring that the Commonwealth, which is tax exempt, be responsible for payment of any taxes, duties, or penalties;
25. Requiring or construing that any provision in this contract conveys any rights or interest in Commonwealth or Authorized User data to Supplier;
26. Requiring the use of foreign currency. The currency which shall be used for this contract is United States Dollars. Any claim which may arise hereunder shall be settled in United States Dollars;
27. Obliging the Commonwealth beyond approved and appropriated funding. All payment obligations from public bodies under this contract are subject to the availability of federal, state, and/or local appropriations for this purpose. In the event of non-appropriation of funds for the items under this contract, VITA may terminate, in whole or in part, this contract or any order, for those goods or services for which funds have not been appropriated. This may extend to the renewal of maintenance services for only some of the licenses granted by Supplier. Written notice will be provided to the Supplier as soon as possible after legislative action is completed. There shall be no time limit for termination due to termination for lack of appropriations;
28. Permitting unilateral modification of the contract by Supplier;
29. Permitting termination by Supplier of the contract or the licenses granted thereunder, or permitting suspension of services by Supplier, except pursuant to an order from a court of competent jurisdiction;
30. Requiring or stating that the terms of the Supplier's standard form contract shall prevail over the terms of this addendum in the event of conflict;
31. Renewing or extending the contract beyond the initial term or automatically continuing the contract period from term to term;
32. Requiring that the contract be "accepted" or endorsed by the home office or by any other officer subsequent to execution by an official of VITA before the contract is considered in effect;
33. Delaying the acceptance of the contract or its effective date beyond the date of execution;
34. Defining "perpetual" license rights to have any meaning other than license rights that exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the contract;
35. Permitting modification or replacement of the contract pursuant to any new release, update or upgrade of Software or subsequent renewal of maintenance. If Supplier provides to any Authorized User an update or upgrade subject to additional payment, such Authorized User shall have the right to reject such update or upgrade;
36. Requiring purchase of a new release, update, or upgrade of Software or subsequent renewal of maintenance in order for the Commonwealth, VITA, or any Authorized User to receive or maintain the benefits of Supplier's indemnification of the Commonwealth, VITA, or such Authorized User against any claims of infringement on any third-party intellectual property rights;
37. Prohibiting the Commonwealth, VITA, or any Authorized User from transferring or assigning to any entity the contract or any license to Software pursuant to the contract;
38. Granting Supplier or an agent of Supplier the right to audit or examine the books, records, or accounts of VITA or any Authorized User;

The parties further agree as follows:

39. Supplier warrants that it is the owner of the Software or otherwise has the right to grant to all Authorized Users the license to use the Software granted hereunder without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.
40. Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, any Authorized User, their officers, directors, agents and employees ("Commonwealth's Indemnified Parties") from

and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, fines, judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee or subcontractor of Supplier, (ii) any act or omission of any employee or subcontractor of Supplier, (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Software, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Software. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to VITA or the Authorized User against whom the claim has been asserted.

41. Any Authorized User may rely on independent contractors, acting on behalf of such Authorized User, to perform functions requiring the use of and access to the Supplier's Software. Nothing in the Supplier's standard form contract shall limit such third parties' from using or accessing the Software in order to perform such functions. If any invention, work of authorship, or confidential information is developed exclusively by an employee, consultant, contractor, or subcontractor of an Authorized User during the performance of Services by Supplier, Supplier shall have no ownership claim to such invention, work of authorship, or confidential information.
42. Any travel expenses incurred by Supplier in the course of performing the services must be pre-approved by the appropriate Authorized User and shall be reimbursed at the then-current per diem rates published by the Virginia Department of Accounts. Authorized Users who are not public bodies may have their own per diem amounts applicable to Supplier's pre-approved travel expenses.
43. An Authorized User may require that Supplier personnel submit to a criminal background check prior to performance of any services under this contract.
44. Payments for license fees, including subscription fees, and support services are only authorized to be made to the prime supplier who has a direct contractual relationship with VITA via the prime contract; or payments shall be made by an Authorized User of the prime contract to the prime supplier via any order or Statement of Work issued under the prime contract. Payment to any software reseller or the software publisher/licensor who is not the "Supplier" identified in VITA contract [placeholder to insert VITA contract number] is not authorized to invoice VITA or an Authorized User directly and will not be paid.

This contract, consisting of this VITA addendum and the Supplier's standard form contract, constitute the entire agreement between the parties and may not be waived or modified except by written agreement between the parties.

This contract has been reviewed by staff of VITA. Its substantive terms are appropriate to the needs of VITA.

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed as of the last date set forth below by the undersigned authorized representatives of the parties, intending thereby to be legally bound.

SAIC**VITA**

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Print)

Name: _____
(Print)

Title: _____

Title: _____

Date: _____

Date: _____

Virginia Information Technologies Agency



Attachment E
Supplier Procurement and Subcontracting Plan

VA-170822-SAIC

COMMONWEALTH OF VIRGINIA
VIRGINIA INFORMATION TECHNOLOGIES AGENCY (VITA)
SUPPLY CHAIN MANAGEMENT DIVISION

11751 MEADOWVILLE LANE
CHESTER, VIRGINIA 23836

SUPPLIER PROCUREMENT AND SUBCONTRACTING PLAN

All small businesses must be certified by the Commonwealth of Virginia, Department of Small Business and Supplier Diversity (DSBSD) by the contract award date to participate in the SWAM program. Certification applications are available through DSBSD online at <http://www.sbsd.virginia.gov/>.

Offeror Name: SAIC

Preparer Name: Janice M. Stumpo **Date:** November 16, 2016

Instructions

- A. If you are certified by the DSBSD as a small business or as a micro business, complete only Section A of this form. This shall include DSBSD-certified women, minority, or service-disabled veteran-owned businesses when they have received DSBSD small business certification.
- B. If you are not a DSBSD-certified small business, complete Section B of this form.

Section A

If your firm is certified by the DSBSD, are you certified as a (**check all that apply**):

- ☐ Small Business
- ☐ Small and Women-owned Business
- ☐ Small and Minority-owned Business
- ☐ Small Service Disabled Veteran-owned Business
- ☐ Micro Business
- ☐ Micro Business and Women-owned Business
- ☐ Micro Business and Minority-owned Business
- ☐ Micro Service Disabled Veteran-owned Business

Certification Number: _____

Certification Approval Date: _____

Certification Expiration Date: _____

Section B

Populate the table below to show your firm's plans for utilization of DSBSD-certified SWaM businesses and Non-SWaM businesses directly performing the Requirements of this contract. This shall not exclude DSBSD-certified micro businesses or women, minority, or service disabled veteran-owned businesses when they have received the DSBSD small business certification. Include as well businesses which ARE NOT SWaM businesses that will be utilized in directly performing the Requirements of this contract. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

Small Business Name & Address DSBSD Certificate # (Leave certificate number blank if Non-SWaM)	Status if Small Business is also: Women (W), Minority (M) Service-Disabled Veteran (D), Micro Business (O) Non-SWaM (NS)	Contact Person, Telephone & Email	Type of Goods and/or Services
Summit Information Solutions, Inc. 11545 Nuckols Road, Ste. B Glen Allen, VA 23059 Certificate #663934	Minority (M) Women (W)	Shuganti Caradonna 804.840.8477 Shuganti.caradonna@summitis.com	Services with well-trained and well-qualified, local personnel with focus on information technology (IT) architecture and continuous service improvement activities
1901 Group, LLC 11955 Freedom Drive, Suite 780 Reston, VA 20190 Recertification is in process with DSBSD: Initial Certificate #689195 Expired 10-01-2013; Recertification Tracking #689195; Application Submit Date 10-27-2016; Signed Application Received Date 10-31-2016; Supporting Document Received Date 10-31-2016	Minority (M)	Julie Nisley 540.808.4648 Julie.nisley@1901group.com	Services with well-trained and well-qualified, local personnel with focus on service desk activities
SWaM Overall Commitment Percentage			10%
Please state here the overall commitment percentage for DSBSD-certified SWaM businesses directly performing the Requirements of this Contract:			
Note: The percentage above ONLY APPLIES to DSBSD-certified SWaM businesses who are directly performing the Requirements of this Contract. Do not include in the percentage any businesses performing the Requirements of this Contract that are non-SWaM businesses.			

List of Subcontractors SAIC Plans to Utilize Who Are Not Virginia Certified SWaM Businesses:

Ernst & Young LLP

CapTech Ventures, Inc.

Mentor Protégé Programs and Participation:

SAIC recognizes the important contributions small businesses (SBs) make to our nation. We are committed to ensuring that all categories of SBs, including small disadvantaged businesses (SDBs), women-owned small businesses (WOSBs), historically underutilized business zone (HUBZone) SBs, veteran-owned small businesses (VOSBs), and service-disabled veteran-owned small businesses (SDVOSBs), are provided with maximum opportunities to participate in the federal government marketplace as teaming partners.

SAIC's legacy of commitment to the utilization of SB continues through our support of the Government Mentor-Protégé Program. SAIC is proud to have mentored SBs through the Department of Defense (DoD) and Federal Civilian Mentor-Protégé Programs for years. SAIC continues to be a participant in these federal agency programs, with seven total active mentor-protégé agreements with the Department of Homeland Security (DHS), General Services Administration (GSA), Department of Defense (Army), and the SBA 8(a) Program. Most recently, SAIC received the GSA Mentor-Protégé of the Year Award in GFY15 for its mentor support of Penobscot Bay (PenBay) Media, a service-disabled, veteran-owned, economically disadvantaged, woman-owned SB.

At a minimum, SAIC's Mentor-Protégé Program provides the following to our protégés:

- ◆ *Training and Assistance.* Training and direct assistance in program management, human resources, contract administration, and/or finance. Assistance in creating and printing marketing material, developing and implementing marketing strategies, implementing disciplined bid/no-bid processes, and proposal training.
- ◆ *Technology Transfer and Certifications.* Transfer of state-of-the art products/service improvement processes that support the customer. Facilitation of training unique to the protégé's needs. Assistance to some protégés in obtaining key technical certifications (e.g., International Organization for Standardization [ISO] 9000 and Capability Maturity Model Integration [CMMI]).
- ◆ *Business Development.* Joint marketing, preferred subcontracting status on current and future SAIC prime contracts, and introduction to new customers and markets.

Attachment F to Master Services Agreement**CERTIFICATION REGARDING LOBBYING**

This is **Attachment F (Certification Regarding Lobbying)** to the **Master Services Agreement**, dated as of August 21, 2017, by and between VITA and Supplier.

The undersigned certifies, to the best of his or her knowledge and belief, that:

- i). No Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee or an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.
- ii). If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- iii). The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature: 

Printed Name: Kelly J. Parson

Organization: SAIC

Date: 8/21/17

Virginia Information Technologies Agency



Core Contractual Terms as in Effect August 17, 2017 through June 30, 2018

1. Applicable Laws and Courts

This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

2. Anti-Discrimination

In every Contract over \$10,000 the provisions in a. and b. below apply:

- a. During the performance of this Contract, the Contractor agrees as follows:
 - 1) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except when there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause, including the names of all contracting agencies with which the contractor has contracts of over \$10,000.
 - 2) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
 - 3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for meeting these requirements.
- b. The Contractor will include the provisions of a. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

3. Immigration

Contractor does not, and shall not during the performance of this Contract, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

4. Contractor/Subcontractor Participation in E-Verify

In compliance with *Code of Virginia* § 2.2-4308.2, (Effective December 1, 2013), registration and use of federal employment eligibility verification program is required for all Contractors and subcontractors ("employer") conducting business in the Commonwealth.

A. For purposes of this section, "E-Verify program" means the electronic verification of work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (P.L. 104-208), Division C, Title IV, § 403(a), as amended, operated by the U.S. Department of Homeland Security, or a successor work authorization program designated by the U.S. Department of Homeland Security or other federal agency authorized to verify the work authorization status of newly hired employees under the Immigration Reform and Control Act of 1986 (P.L. 99-603).

B. Any employer with more than an average of 50 employees for the previous 12 months entering into a contract in excess of \$50,000 with any agency of the Commonwealth to perform work or provide services pursuant to such contract shall [register](#) and participate in the E-Verify program to verify information and work authorization of its newly hired employees performing work pursuant to such public contract.

C. Any such employer who fails to comply with the provisions of subsection B shall be debarred from contracting with any agency of the Commonwealth for a period up to one year. Such debarment shall cease upon the employer's registration and participation in the E-Verify program.

If requested, a Contractor must show proof of their continued participation e-Verify.

5. Antitrust

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.

6. Payment

a. To Prime Contractors:

- 1) Contractor shall provide social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- 2) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment

in less than 30 days, however.

- 3) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
- 4) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- 5) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges that appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute.

b. To Subcontractors:

- 1) A Contractor awarded a Contract under this solicitation is hereby obligated:
 - (a) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
 - (b) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
- 2) Interest shall accrue at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth for work performed by the subcontractor, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a

subcontractor may not be construed to be an obligation of the Commonwealth.

- 3) The Contractor will include the provisions of a. above in every subcontract or purchase order, so that the provisions will be binding upon each subcontractor or vendor.

7. Modifications

This contract may be modified in accordance with § 2.2-4309 of the *Code of Virginia*. Such modifications may only be made by the representatives authorized to do so. No modifications to this contract shall be effective unless it is in writing and signed by the duly authorized representative of both parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent to breach is in writing.

Any contract issued on a firm fixed price basis may not be increased more than twenty five percent (25%) or \$50,000.00 whichever is greater, without the approval of the Governor of the Commonwealth of Virginia or his authorized designee. In no event may the amount of the contract be increased without adequate consideration.

The provisions of this section shall not limit the amount a party to a public contract may claim or recover against a public body pursuant to § 2.2-4363 (contractual claims) or any other applicable statute or regulation. The unauthorized approval of a modification cannot be the basis of a contractual claim as set forth in § 2.2-4363.

8. Drug-Free Workplace

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

9. Section 508 Compliance

All information technology which, pursuant to this Contract, is purchased or upgraded by or for the use of any Commonwealth agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with Section 508 of the Rehabilitation Act (29 U.S.C. 794d), as amended. If requested, the Contractor must provide a detailed explanation of how compliance with Section 508 of the Rehabilitation Act is achieved and a validation of concept demonstration. The requirements of this Paragraph along with the Non-Visual Access to Technology Clause shall be construed to achieve full compliance with the Information Technology Access Act, §§ 2.2-3500 through 2.2-3504 of the *Code of Virginia*.

10. Non-Visual Access

All information technology which, pursuant to this Contract, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Contract:

- (i) Effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;
- (ii) The Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;
- (iii) Nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public; and
- (iv) The technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, §§ 2.2-3500 through 2.2-3504 of the *Code of Virginia*.

11. Authorized To Transact Business

A Contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law.

A Contractor shall not allow its existence as a partnership or corporation to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50 of the *Code of Virginia*, to be revoked or cancelled at any time during the term of the Contract. The Commonwealth may void this Contract, in whole or in part, if the Contractor fails to remain in compliance with the provisions of this provision.

12. Insurance

The Contractor and any subcontractors will maintain the following insurance coverages during the entire term of the Contract. All insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. Contractor will provide Certificates of Insurance upon request to substantiate its compliance with these requirements.

- (i) Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
- (ii) Employer's Liability - \$100,000.
- (iii) Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

13. Data Privacy

In accordance with § 2.2-2009 of the *Code of Virginia*, during the performance of this contract, Contractor is required at all times to comply with all applicable federal and state laws and regulations pertaining to information security and privacy.



Mandatory Internal Revenue Service Publication 1075 (required for FTI data only)

IRS Publication 1075 - Exhibit 7 Safeguarding Contract Language (September 2016)

Link: <https://www.irs.gov/pub/irs-pdf/p1075.pdf>

Safeguarding Contract Language Exhibit 7 CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) 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.
- (3) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (5) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (7) All computer systems receiving, processing, storing or transmitting FTI must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information.
- (8) No work involving Federal Tax Information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (9) 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.
- (10) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

(10) (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will 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 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further 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.

(2) 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 contract. 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 the contract. 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 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 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. These penalties are prescribed by IRC 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

(3) 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 a 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 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.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their 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, contractors 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.

III. 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 contract 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.



Required eVA Terms and Conditions As in Effect July 1, 2017

1. eVA Business-To-Government Vendor Registration - §2.2-4301

The eVA Internet electronic procurement solution, web site portal [eVA Home Page](#), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution. It is the responsibility of each vendor to maintain a current and accurate registration account in eVA. Vendors not registered who wish to respond to any of the Commonwealth's solicitations submitting an online electronic bid or proposal using eVA must first register in eVA. Applicants must allow sufficient time for the application to be processed. To be considered for an award, vendors must register in eVA prior to award.

2. eVA Business-To-Government Contracts and Orders

The solicitation/contract will result in multiple purchase order(s) with the eVA transaction fee specified in the Current eVA Invoice Fees document found by clicking the Billing tab on the main eVA portal page at: [eVA Home Page](#) or <http://www.eva.virginia.gov/pages/eva-billing.htm>. This fee structure is subject to change and vendors are responsible for remaining current by accessing the Current eVA Invoice Fees section of the eVA website on a regular basis.

Internet electronic procurement solution, web site portal [eVA Home Page](#), streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from [eVA Home Page](#). Contractors should email Catalog or Index Page information to eva-catalog-manager@dgs.virginia.gov.