# Master Contract Number T12-MST-613

for

# Information Technology Professional Services

between

***Washington State Department of Information Services***

and

***Ombrella Inc.***

**Effective Date:** *July 1, 2011*

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**Exhibit B:** **Contractor's Response**

**Note:** **Exhibits A and B are not attached but are available upon request from the DIS Master Contract Administrator**

**MASTER CONTRACT NUMBER T12-MST-613**

**for**

**Information Technology Professional Services**

## PARTIES

This Master Contract ("Master Contract" or "Contract") is entered into by and between the State of Washington, acting by and through the Department of Information Services, an agency of Washington State government located at 1110 Jefferson Street SE Olympia WA, 98504-2445 hereinafter referred to as "DIS", and Ombrella Inc., a S Corporation located at 25 Central Way, Suite 330 Kirkland, WA 98033 licensed to conduct business in the state of Washington hereinafter referred to as "Contractor," for the purpose of providing Information Technology Professional Services, as described and identified herein.

## RECITALS

The State of Washington, acting by and through DIS issued Request for Qualifications and Quotation #T11-RFQQ-017(RFQQ) dated February 8, 2011, (Exhibit A) for the purpose of purchasing Information Technology Professional Services in accordance with its authority under chapter 43.105 RCW and chapter 39.29 RCW.

Contractor submitted a timely Response to DIS' RFQQ (Exhibit B).

DIS evaluated all properly submitted Responses to the above-referenced RFQQ and has identified Contractor as an apparently successful vendor.

DIS has determined that entering into this Contract with Contractor will meet Purchasers needs and will be in Purchasers best interest.

NOW THEREFORE, DIS enters into this Contract with Contractor the terms and conditions of which shall govern Contractor's providing to Purchasers the Information Technology Professional Services as described herein, on a convenience or as needed basis. This Master Contract is not for personal use.

IN CONSIDERATION of the mutual promises as hereinafter set forth, the parties agree as follows:

## 1. Definition of Terms

The following terms as used throughout this Contract shall have the meanings set forth below.

**"Business Days" or "Business Hours"** shall mean Monday through Friday, 8 AM to 5 PM, local time in Olympia, Washington, excluding Washington State holidays.

**"Confidential Information"** shall mean information that may be exempt from disclosure to the public or other unauthorized persons under either chapter 42.56 RCW or other state or federal statutes. Confidential Information includes, but is not limited to, names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles, credit card information, payroll/labor data, driver's license numbers, medical data, law enforcement records, agency source code or object code, agency security data, and information identifiable to an individual. Purchasers may identify additional Confidential Information in a Work Order. Confidential Information also includes (1) any Personal Information under the data breach notification provisions of RCW 19.255.010 and RCW 42.56.590 and (2) "Protected Health Information" as set forth in 45 CFR §164.50 as currently drafted and subsequently amended or revised.

**"Contractor"** shall mean *Contractor,* its employees and agents. Contractor also includes any firm, provider, organization, individual, or other entity performing the business activities under

this Contract. It shall also include any Subcontractor retained by Contractor as permitted under the terms of this Contract.

**"Contractor Account Manager"** shall mean a representative of Contractor who is assigned as the primary contact person with whom the DIS Master Contract Administrator shall work with for the duration of this Contract and as further defined in the Section titled **Contractor Account Manager**.

**"Contractor Work Order Manager"** shall mean a representative of Contractor who is assigned to each Purchaser Work Order as the coordinator of activities and the primary point of contact, as further defined in the Section titled **Contractor Work Order Manager**.

**"Customer Service Agreement"** shall mean the completed service agreement between Purchaser and DIS, which is required in order for a Purchaser to do business with DIS.

"**Data Breach**" shall mean the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by Purchaser.

**"DIS"** shall mean the Washington State Department of Information Services.

**"Effective Date"** shall mean the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

**"Exhibit A"** shall mean RFQQ Number T11-RFQQ-017.

**"Exhibit B"** shall mean Contractor's Response to RFQQ Number T11-RFQQ-017.

**"ISB"** shall mean the Washington State Information Services Board.

**"ITPS"** shall mean Information Technology Professional Services, which includes both Personal Services and Purchased Services, as defined herein.

**"ITPS Program"** shall mean the DIS-established master contracts that make IT professional services available on an enterprise basis to support statewide technology projects.

**"ITPS Program Manager"** shall mean the person designated by DIS who is assigned as the primary contact person with whom Contractor's Account Manager shall work for the duration of this Contract and as further defined in the Section titled **ITPS Program Manager.**

**"Master Contract" or "Contract"** shall mean the RFQQ, the Response, this Contract document, all schedules and exhibits, all Work Orders, and all amendments awarded pursuant to the RFQQ.

**"OFM"** shall mean the Washington State Office of Financial Management.

**"Personal Services"** shall mean professional or technical expertise provided by Contractor to accomplish a specific study, project, task or duties as set forth in this Contract and any ITPS Program related Work Request and/or Work Order. Personal Services shall include but not be limited to those services specified in the State Administrative and Accounting Manual (SAAM) in chapter 15 *Personal Services* located at: http://www.ofm.wa.gov/policy/15.htm.

**"Price"** shall mean the not-to-exceed hourly rate(s) bid by Contractor in the categories awarded to Contractor as set forth in Schedule A *Price List*, and shall be paid in United States dollars.

**"Proprietary Information"** shall mean information owned by Contractor to which Contractor claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws.

**"Purchased Services"** shall mean those services and activities provided by Contractor to accomplish routine, continuing, and necessary functions as set forth in the RFQQ and any ITPS Program related Work Request and/or Work Order. Purchased Services shall include but not be limited to those services specified as Purchased Services in RCW 43.105.020.

**"Purchaser"** shall mean DIS and those government or nonprofit entities who have entered into a Work Order with Contractor under this Master Contract and who have an active Interlocal or Customer Service Agreement (CSA) with DIS. DIS maintains a searchable database of current customers at: http://techmall.dis.wa.gov/csa/csaindex.aspx .

**"Purchaser Work Order Administrator"** shall mean that person designated by Purchaser to administer any Work Order on behalf of Purchaser.

**"Purchaser Work Request Coordinator"** shall mean that person designated by Purchaser to administer any Work Request on behalf of Purchaser.

**"RCW"** shall mean the Revised Code of Washington.

**"RFQQ"** shall mean the Request for Qualifications and Quotation used as a solicitation document to establish this Contract, including all its amendments and modifications, Exhibit A hereto.

**"Response"** shall mean Contractor's Response to DIS' RFQQ for Information Technology Professional Services, Exhibit B hereto.

**"Schedule A: *Price List*"** shall mean the attachment to this Contract that identifies the authorized Services and Not-To-Exceed Hourly Rate Prices available under this Contract.

**"Schedule B: *Work Request Template*"** shall mean the attachment to this Contract that provides example format, terms and conditions for a Work Request.

**"Schedule C: *Work Order Template*"** shall mean the attachment to this Contract that provides example format, terms and conditions for a Work Order.

**"Schedule D: *MWBE Certification*"** shall mean the attached certificate(s) indicating Contractor's, and/or one or more of Contractor's Subcontractor's status as a minority or women's business enterprise.

**"Services"** shall mean the Personal and/or Purchased Services in the categories defined in the RFQQ, Exhibit A.

**"Specifications"** shall mean the Technical Service Category/job descriptions and other specifications for Services set forth in the RFQQ, Exhibit A.

**"Subcontractor"** shall mean one not in the employment of Contractor, who is performing all or part of the business activities under this Contract or any Work Order under a separate contract with Contractor. The term "Subcontractor" means Subcontractor(s) of any tier.

**"Technical Service Category"** shall mean the list of seventeen (17) Service categories that are set forth in the RFQQ, Exhibit A.

**"Term"** shall mean the period of time specified within a document that it will be in full force and effect and includes, e.g., Master Contract Term, Renewal Term, and Work Order Term, as further defined in Section 2.

**"Work Order"** shall mean the contractual document issued by a Purchaser and executed between Purchaser and the Contractor. Each Work Order shall be the result of a second tier competition. A Work Order generally contains project objectives, scope and description of work, timeline and period of performance, compensation and payment, Contractor responsibilities, Purchaser responsibilities, Purchaser special terms and conditions, signature block, etc. and incorporates this Contract by reference. A template Work Order is attached to this Contract as Schedule C.

**"Work Product"** shall mean data and products produced under a Purchaser's Work Order including but not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law.

**"Work Request"** shall mean a separate second tier solicitation document developed and issued by the Purchaser to ITPS Program Contractor(s) to request proposals relative to a Purchaser's requirements. The Work Request typically identifies the project objectives, scope and description of work, timeline and period of performance, compensation and payment, Contractor responsibilities, Purchaser responsibilities, Purchaser special terms and conditions, instructions to Contractors, etc. A template Work Request is attached to this Contract as Schedule B.

## Master Contract Term

### 2. Term

2.1. Term of Master Contract

a) Subject to Section 13.1, this Contract's initial term shall be from July 1, 2011 or date of last signature affixed, whichever is later, through June 30, 2012 (the "Initial Term").

b) This Contract may be extended by one (1) additional one-(1) year term ("Renewal Term"), provided that the extension shall be at DIS' option and shall be effected by DIS giving written notice of its intent to extend this Contract to Contractor not less than thirty (30) calendar days prior to the then-current Contract Term's expiration and Contractor accepting such extension prior to the then-current Contract Term's expiration. The total Term of this Contract shall not be extended beyond June 30, 2013. No change in terms and conditions shall be permitted during these extensions unless specifically agreed to in writing.

2.2. Term of Work Orders

a) The Term of any Work Order executed pursuant to this Contract shall be set forth in the Work Order.

a) Work Orders or renewal Work Orders entered into prior to the expiration or other termination of this Master Contract may be completed under the Master Contract terms and conditions in effect when the Work Order or renewal Work Order was entered into.

b) New Work Orders or renewal Work Orders shall not be entered into after the expiration or other termination of the Master Contract.

c) Work Orders shall not be entered into or renewed for a Term beyond June 30, 2016.

## 3. Survivorship

3.1. All of the terms and conditions contained in this Master Contract shall survive the expiration or other termination of this Contract for so long as any Work Order entered into under this Master Contract is still in effect and shall apply to such Work Order.

3.2. The terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the expiration, cancellation or termination of this Contract shall so survive. In addition, the terms of the Sections titled **Overpayments to Contractor; Ownership/Rights in Data; Access to Data; Contractor Commitments, Warranties and Representations; Protection of Purchaser's Confidential Information; Section Headings, Incorporated Documents and Order of Precedence; Subcontractors; Publicity; Review of Contractor's Records; Patent and Copyright Indemnification; Insurance; Contractor's Proprietary Information; Disputes; Limitation of Liability; DIS Master Contract Administration Fee and Collection;** and **Activity Reporting** shall survive the termination of this Contract.

# Pricing, Invoice and Payment

## 4. Pricing

4.1. Contractor agrees to provide the Services in the categories and at the Prices set forth in the *Price List* attached as Schedule A to this Master Contract. Such Prices may not be increased during the Initial Term of this Master Contract. Prices are considered maximum or "ceiling" prices only. On a project by project basis, Contractor may elect to provide Services to Purchaser for performance of a Work Order at a lower Price than that originally established in this Master Contract.

4.2. Consideration

a) The maximum consideration available to Vendor under this Contract is $1,000,000.00 (US dollars) for the initial Term, unless amended.

b) Consideration for each Second Tier Work Order will be stated in the Purchaser's Second Tier Work Order. Purchaser shall make payments on Second Tier Work Orders to the Vendor consistent with the terms set out in the Second Tier Work Orders Funding may be federal, state and/or private-grant-based depending on the specific program requesting staffing.

4.3. Purchaser shall reimburse Contractor for travel and other expenses as identified in a Work Order, or as authorized in writing in advance by Purchaser in accordance with the then-current rules and regulations set forth in the *Washington State Administrative and Accounting Manual* (http://www.ofm.wa.gov/policy/poltoc.htm). Contractor shall provide a detailed itemization of expenses, including description, amounts and dates, and receipts for amounts of fifty dollars ($50) or more when requesting reimbursement.

4.4. Economic Price Adjustments

a) If DIS elects to extend this Contract for any Renewal Terms, the Contract pricing for each Renewal Term shall be automatically increased or decreased, as applicable, by DIS by not more than the percentage increase/decrease of the U.S. Department of Labor "Consumer Price Index, US City Average, All Items, Not Seasonally Adjusted" (CPI-U, Series Id: CUUR0000SA0).

b) The baseline index shall be the index announced for April of the year preceding the one in which the Renewal Term would begin. The percent change shall be calculated by subtracting the baseline index from the index announced for the April in the year in which the renewal option is exercised, and dividing the result by the baseline index. The percent change shall be rounded to the nearest one-hundredth of one percent and shall be the maximum price adjustment permitted. Contractor may offer price decreases in excess of the allowable CPI-U percent change at any time. The following example illustrates the computation of percent change using April 2008 as the Baseline:

| | |
|---|---|
| CPI-U for April 2009 | 213.240 |
| Less CPI-U for April 2008 (baseline) | 214.823 |
| Equals index point change | -1.583 |
| Divided by previous period (baseline) CPI-U | 214.823 |
| Equals | -0.0074 |
| Results multiplied by 100 | -0.0074 x 100 |
| Equals percent change | -0.74 |

Example: (213.240 – 214.823 = - 1.583) then (-1.583 ÷ 214.823 = -0.0074 x 100 = -.74%)

4.5. Contractor agrees that all the Prices, terms, warranties, and benefits provided in this Contract are comparable to or better than the terms presently being offered by Contractor to any other governmental entity purchasing the same Services under similar terms. If during the Term of this Contract Contractor shall enter into contracts with any other governmental entity providing greater benefits or more favorable terms than those provided by this Contract, Contractor shall be obligated to provide the same to DIS for subsequent ITPS Program related purchases.

4.6. Contractor agrees that Prices provided in this Contract assume that work is performed during Business Days and Hours. Overtime rates are not allowed unless required by state or federal law. Further, Prices are to be considered all-inclusive hourly rates to include all expenses (e.g., overhead, insurance, and administration including but not limited to the **DIS Master Contract Administration Fee** outlined in Section 63 below) except travel (see Section 4.3 above).

## 5. Advance Payment Prohibited

No advance payment shall be made for Services furnished by Contractor pursuant to this Contract.

## 6. Taxes

6.1. Purchaser will pay sales and use taxes, if any, imposed on the Services acquired hereunder. Contractor must pay all other taxes including, but not limited to, Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. Purchaser, as an agency of Washington State government, is exempt from property tax.

6.2. Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract and any related Work Order.

6.3. All taxes accrued on account of payroll, unemployment insurance, or other similar taxes, insurance, or expenses for Contractor, Contractor's staff, or Subcontractors, shall be Contractor's sole responsibility.

## 7. Invoice and Payment

7.1. Contractor will submit properly itemized invoices to Purchaser's Work Order Administrator for any and all work related to a Purchaser's Work Order. Invoices shall provide and itemize, as applicable:

a) DIS Information Technology Professional Services Master Contract number T12-MST-613;

b) Purchaser Work Order number;

c) Contractor name, address, phone number, and Federal Tax Identification Number;

d) Description of Services provided;

e) Date(s) that Services were provided, including number of hours worked.

Note: number of hours worked would not be applicable for a deliverable-based or fixed fee Work Order.

f) Contractor's Price for Services;

g) Net invoice Price for each Service;

h) Applicable taxes;

i) Other applicable charges;

j) Total invoice Price; and

k) Payment terms including any available prompt payment discounts.

7.2. If travel expenses are allowed under any Work Order and invoiced to Purchaser, Contractor must provide a detailed itemization of those expenses that are reimburseable, including description, amounts and dates. Any single expense in the amount of fifty dollars ($50) or more must be accompanied by a receipt in order to receive reimbursement. (See Subsection 4.3 above.)

7.3. Payments shall be due and payable within thirty (30) calendar days after provision and acceptance of Services or thirty (30) calendar days after receipt of properly prepared invoices, whichever is later.

7.4. With each invoice Contractor shall provide an Affidavit of Amounts Paid specifying the amounts paid to each certified MWBE under the Work Order, as set forth in section 18 below.

7.5. Incorrect or incomplete invoices will be returned by Purchaser to Contractor for correction and reissue.

7.6. The Contractor's DIS Master Contract number and the Purchaser Work Order number must appear on all bills of lading, packages, and correspondence relating to any Work Order.

7.7. Purchaser shall not honor drafts, nor accept goods on a sight draft basis.

7.8. If Purchaser fails to make timely payment, Contractor may invoice Purchaser one percent (1%) per month on the amount overdue or a minimum of one dollar ($1) (Reference chapter 39.76 RCW). Payment will not be considered late if payment is deposited electronically in Contractor's bank account or if a check or warrant is postmarked within thirty (30) calendar days of acceptance of the Services or receipt of Contractor's properly prepared invoice, whichever is later.

7.9. As applicable and if outlined in the Purchaser's Work Order, Purchaser may withhold ten percent (10%), or other appropriate amount as defined by the Purchaser in the Work Order, from each payment until acceptance by Purchaser of the final report, completion of project and/or other appropiate milestone.

### 8. Overpayments to Contractor

Contractor shall refund to Purchaser the full amount of any erroneous payment or overpayment under any Work Order within thirty (30) days' written notice. If Contractor fails to make timely refund, Purchaser may charge Contractor one percent (1%) per month on the amount due, until paid in full.

## Contractor's Responsibilities

### 9. Purchaser Eligibility

In order to be eligible to purchase under this Master Contract, Purchasers shall have a Customer Service Agreement (Interlocal Agreement) with DIS. Contractor shall be responsible for verifying Purchaser eligibility. Contractor may use the search feature on the DIS website: http://techmall.dis.wa.gov/csa/csaindex.aspx or may contact the Office of Legal Services within DIS at 360-902-3551 to ascertain Purchaser eligibility.

### 10. Contractor Work Order Manager

Contractor shall assign a Contractor Work Order Manager for each Purchaser Work Order. The Contractor Work Order Manager shall be the principal point of contact for Purchaser and shall coordinate all related Contractor's activities.

### 11. RFQQ Mandatory Requirements

The RFQQ mandatory requirements are essential substantive terms of this Master Contract. Services provided under this Master Contract shall meet or exceed all the mandatory requirements of the RFQQ.

### 12. Services and Statement of Work

12.1. All Services shall be performed pursuant to the terms of this Contract and shall be documented in a Work Order established between Purchaser and Contractor. A Work Order template is attached as Schedule C.

12.2. Prior to entering into any Work Order, Purchaser shall conduct a Second Tier acquisition process pursuant to Section 26 of this Contract.

12.3. A Work Order shall at a minimum:

a) Reference this DIS Master Contract number T12-MST-613;
b) Identify Purchaser's Work Order number;
c) Define project or task objectives;
d) Describe the scope of Services or work to be performed;
e) Identify deliverables;
f) Specify a timeline and period of performance;
g) Specify compensation and payment, e.g., the hourly rate and total Contractor hours to be provided or the fixed price for a deliverable, (whichever is applicable), total cost of the project, and any reimbursable Contractor expenses;
h) Describe Contractor's roles and responsibilities;
i) Identify specific Contractor staff, including Contractor Work Order Manager;
j) Describe Purchaser's roles and responsibilities;
k) Identify the Purchaser Work Order Manager; and
l) Provide signature block for both parties.

12.4. Individual Work Orders may include additional or conflicting terms and conditions as determined by the Purchaser. In the event of any conflict, the Work Order shall prevail.

12.5. Where applicable, all Work Orders shall comply with Executive Order 10-07 regarding Performance-Based Contracting

## 13. Commencement of Work

13.1. First Tier - Under the provisions of chapter 39.29 RCW, this Contract is required to be filed with the Office of Financial Management (OFM). No contract, or any amendment thereto, required to be so filed is effective, and no work shall be commenced nor payment made, until ten (10) working days following the date of filing and, if required, until approved by OFM. In the event that OFM fails to approve the Contract, the Personal Service Specifications of this Contract and all related references shall be null and void, however, any Purchased Service Specifications and related references remain in full force and effect. Upon execution of a Work Order, Contractor will be required to register in the statewide vendor registration database maintained by the Office of Financial Management (OFM) for processing of vendor payments. Purchasers who are Washington state agencies cannot make payments to Contractor until the Contractor is registered. Registration materials are available at: http://www.ofm.wa.gov/isd/vendors.asp .

13.2. Second Tier - No work shall be performed by Contractor until a Work Order is executed by Contractor and Purchaser.

## 14. Ownership/Rights in Data

14.1. Any custom additions and modifications to Contractor's Preexisting Material (defined below) and all data and work products produced pursuant to this Master Contract and any Work Order shall collectively be called "Work Product." Purchaser shall have and retain all ownership, right, title, interest and all intellectual property rights to Work

Product. To the extent that any such rights in the Work Product vest initially with the Contractor by operation of law or for any other reason, Contractor hereby perpetually and irrevocably assigns, transfers and quitclaims such rights to Purchaser. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

14.2. Contractor warrants that it is the owner of the Work Product and Preexisting Material and that it has full rights to assign and license the same to Purchaser.

14.3. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law.

14.4. During the Term and any time thereafter, Contractor shall execute all documents and perform such other proper acts as Purchaser may deem necessary to secure for Purchaser the rights pursuant to this section, and when so obtained or vested, to maintain, renew, and restore the same.

14.5. Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product. Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors shall not copy, disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

14.6. Contractor hereby grants to Purchaser a non-exclusive, royalty-free, irrevocable license to use, publish, translate, reproduce, deliver, perform, display, and dispose of materials and know-how that are delivered under this Contract, but that do not originate therefrom ("Preexisting Material").

14.7. Contractor shall exert best efforts to advise DIS and Purchaser of all known or potential infringements of publicity, privacy or of intellectual property rights of the Preexisting Material furnished under this Contract. DIS and Purchaser shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any Preexisting Material delivered under this Contract. Purchaser shall have the right to modify or remove any restrictive markings placed upon the Preexisting Material by Contractor.

## 15. Access to Data

Contractor shall upon written request provide access to data generated under this Contract and any Work Order to DIS, to Purchaser, to the Joint Legislative Audit and Review Committee, and to the State Auditor, as requested, at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of Contractor's reports, including computer models and methodology for those models.

## 16. Security

While on DIS or any Purchaser's premises, Contractor, its agents, employees, and Subcontractors shall conform in all respects with any and all of Purchaser's physical, fire, safety, and other security regulations.

16.1. Facility Access.

Contractor understands that Purchaser's building entrances may be controlled for access. In the event Contractor performs any work at Purchaser's buildings, Contractor agrees to become familiar with Purchaser's building and security policies, and further agrees to observe and comply with all Purchaser's building and security policies or procedures.

Contractor understands that in order to obtain access to Purchaser's premises, Contractor may have to be issued a security badge by Purchaser. Contractor shall provide certain personal information, including valid government-issued photo identification, prior to obtaining a security badge when required by Purchaser. Contractor further understands that Purchaser will collect and retain such personal information for so long as the Work Order is in effect and such individual(s) has access to the premises. Purchaser reserves the right to conduct background checks and deny an application for a security badge. Failure of Contractor to comply with Purchaser's security and safety policies and procedures is sufficient grounds for revoking, modifying, suspending or terminating access to Purchaser's facilities. Upon the earlier of termination of the Work Order, or suspension or termination of access to Purchaser's facilities, Contractor shall return all security badges.

16.2. Remote Access to Network.

Contractor understands that in order to obtain remote access to Purchaser's Local Area Network (LAN), email, or supported computing environments through a remote access connection ("Remote Access"), Contractor must comply with Purchaser's Remote Access policy and any other applicable policies or procedures. Contractor shall, prior to access, complete and sign any applicable agreements or forms. Remote Access is conditioned upon final approval by Purchaser.

16.3. System Security

Contractor aknowledges and understands that it may be required to access Purchaser's computer networks in performing a Work Order under this Contract and that in providing such access to Contractor, Purchaser places special confidence and trust in Contractor. Contractor acknowledges and understands that any access granted by Purchaser to its computer networks shall be limited, restricted and conditioned upon Contractor's compliance with certain DIS policies and practices. Contractor warrants that it will perform all work for or on behalf of Purchasers in full compliance with Information Services Board Security Policy, Standards and Guidelines, the Use of DIS Networks Policy, and any other security documents and best practices provided by DIS ("Security Policies"). Contractor agrees that DIS's Security Policies shall serve as the standard for network security and warrants that it shall exercise its best efforts to comply with the Security Policies with respect to 1) any electronic transfer of code or data; 2) prevention of unauthorized access; and 3) prevention of any and all undisclosed programs, extraneous code, Self Help code, unauthorized code, or other data that may be reasonably expected to damage data, code, software, systems or operations of DIS's network, system or data. Vendor staff may be required by Purchaser to complete a certain minimum level of Security Awareness Training coursework depending on the skill and experience levels required by Purchaser. Minimum expectations and recommended coursework are set forth here: http://isb.wa.gov/policies/it_security_awareness_expect_contractors.aspx.

16.4. Safety

Contractor shall observe and comply with WISHA and OSHA regulations, all applicable safety and environmental laws and regulations, and all of Purchaser's rules, guidelines, policies and procedures relating to safety, workplace conditions, health and the

environment, including but not limited to physical, fire, evacuation, accidents, hazardous materials or situations, or other safety regulations and policies.

## 17. Contractor Commitments, Warranties and Representations

Any written commitment by Contractor within the scope of this Contract or any Work Order shall be binding upon Contractor. Failure of Contractor to fulfill such a commitment may constitute breach and shall render Contractor liable for damages under the terms of this Contract or any Work Order, as applicable. For purposes of this section, a commitment by Contractor includes: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by Contractor in its Response or contained in any Contractor or manufacturer publications, written materials, schedules, charts, diagrams, tables, descriptions, other written representations, and any other communication medium accompanying or referred to in its Response or used to effect the sale to DIS or Purchaser.

17.1. Contractor shall use best efforts to ensure that personnel assigned to a Work Order are available until the completion of that Work Order. Any proposal by Contractor for changes, replacement, or substitution of Work Order personnel during the Term of the Work Order shall be submitted to the Purchaser Work Order Administrator in writing. The Purchaser Work Order Administrator shall have the sole discretion to accept or reject such proposal.

17.2. As a condition to accepting Contractor's proposal for personnel changes, Purchaser may require Contractor to compensate Purchaser for any training and administrative costs incurred by Purchaser in association with such replacement. Such compensation will be in the form of a credit against Contractor's monthly invoice charges to Purchaser by Contractor (a) not billing Purchaser for hours worked during the first ten (10) Business Days replacement personnel begin work, if the method of compensation agreed to in the Work Order is by hourly rates (time and material); or (b) crediting Purchaser an amount not to exceed $5,000 per person replaced, if the method of compensation agreed to in the Work Order is by deliverables (fixed cost).

17.3. If Purchaser does not accept Contractor's proposed change and Contractor is unable to provide acceptable personnel to Purchaser within ten (10) Business Days after the originally assigned personnel have left, then Purchaser may terminate the Work Order Pursuant to Section 57 *Termination for Convenience*.

## 18. Minority and Women's Business Enterprise (MWBE) Participation

With each invoice for payment and within thirty (30) days of Purchaser Contract Administrator's request, Contractor shall provide Purchaser an *Affidavit of Amounts Paid.* The *Affidavit of Amounts Paid* shall either state that Contractor still maintains its MWBE certification, or state that its Subcontractor(s) still maintain(s) its/their MWBE certification(s) and specify the amounts paid to each certified MWBE Subcontractor under this Contract. Contractor shall maintain records supporting the *Affidavit of Amounts Paid* in accordance with this Contract's **Review of Contractor's Records** section.

## 19. Protection of Purchaser's Confidential Information

(See Section 50 below for Purchaser's obligations to protect Contractor's Proprietary Information.)

19.1. Contractor acknowledges that some of the material and information that may come into its possession or knowledge in connection with or in performance of this Contract or a Work Order may consist of Confidential Information. Contractor agrees to hold Confidential Information in strictest confidence and not to make use of Confidential Information for any purpose other than the performance of this Contract or any Work Order, to release it only to authorized employees or Subcontractors requiring such information for the purposes of carrying out this Contract or any Work Order, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make the information known to any other party without Purchaser's express written consent or as provided by law. Contractor agrees to release such information or material only to employees or Subcontractors who have signed a nondisclosure agreement, the terms of which have been previously approved by Purchaser. Contractor agrees to implement physical, electronic, and managerial safeguards, including but not limited to those prescribed by the Purchaser, to prevent unauthorized access to Confidential Information. Contractors that may come into contact with medical data or Protected Health Information will be required to complete a Business Associate agreement, as required by federal or state laws, including HIPAA, prior to the commencement of any work.

19.2. Immediately upon expiration or termination of this Contract or any Work Order, Contractor shall, as applicable, at DIS's or Purchaser's option: (i) certify to DIS or Purchaser that Contractor has destroyed all Confidential Information; or (ii) return all Confidential Information to DIS or Purchaser; or (iii) take whatever other steps DIS or Purchaser requires of Contractor to protect DIS's or Purchaser's Confidential Information.

19.3. DIS and Purchasers reserve the right to monitor, audit, or investigate the use of Confidential Information collected, used, or acquired by Contractor through this Contract or any Work Order. The monitoring, auditing, or investigating may include, but is not limited to, salting databases.

19.4. In the event of the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the Purchaser (Data Breach), Vendor agrees to comply with all applicable state and federal statutory provisions, including but not limited to RCW 19.255.010 and RCW 42.56.590. If a data compromise and/or identity theft occurs and is found to be the result of Vendor's acts or omissions, Vendor shall assume complete responsibility for notification of affected parties, and be liable for all associated costs incurred by DIS or Purchaser in responding to or recovering from the Data Breach.

19.5. Violation of this section by Contractor or its Subcontractors may result in termination of this Contract and any Work Order and demand for return of all Confidential Information, and/or payment of monetary damages, or penalties.

## 20. Network and Security Requirements

20.1. All Services implemented in the state of Washington must be compliant with the security policy and standards of the Information Services Board. The ISB Security Policy is available at: http://isb.wa.gov/policies/400p.doc . The ISB Security Standards are available at: http://isb.wa.gov/policies/401s.doc . Contractor represents and warrants that it will comply with all applicable elements of the ISB Security Policy and the ISB Security Standards in its performance of any Services under a Work Order.

20.2. Purchasers who use the State's TCP/IP backbone network, K-20 network, or Inter Governmental Network ("IGN") must consult with the DIS Service Desk Manager regarding business rules and escalation procedures to be set forth in any Work Order with respect to state networks and state network security.

DIS Service Desk Manager:
State of Washington
Department of Information Services
1115 Washington St. SE, OB-2
PO Box 42445
Olympia, WA 98504-2445

Phone number: (360) 902-3224
Fax number: (360) 586-4045
Email: larryd@dis.wa.gov

20.3. For state network problem escalation, the DIS Service Desk will be the initial point of contact for Contractor or Purchaser concerning any problems with the state networks. DIS Service Desk can be reached at 1-888-241-7597, or (360) 753-2454.

## 21. Enterprise Active Directory and Authentication for users internal to the state government

21.1. The Washington Enterprise Active Directory (EAD) is an identity management directory service and security system. This allows the State to manage and administer user accounts, authentication, security policies, and organizational resources such as user id and passwords, computers, printers, and servers within the State Governmental Network (SGN).

21.2. Contractor represents and warrants that any Services provided under any Work Order shall, where applicable, fully leverage the EAD and that any Systems implemented in the State of Washington with internal state users shall be authenticated using the State of Washington Enterprise Active Directory Implementation (EAD) for user authentication on the SGN.

21.3. Contractor recognizes that the state has a single sign-on strategy in place to minimize the establishment of multiple user stores for authentication and any inconsistent application implemented is likely to cause damage and irreparable harm. Contractor represents and warrants that any Work Product produced under any Work Order shall be consistent with this single sign-on strategy.

## 22. SecureAccess Washington®/ Fortress Anonymous and Authentication for users external to the state government

22.1. Contractor represents and warrants that any Services provided under any Work Order shall, when applicable, fully leverage the available security gateways of the SGN and that any Systems implemented in the State of Washington for users external to state government shall be protected by either the SecureAccess Washington gateway, http://techmall.dis.wa.gov/services/SecureAccessWa.aspx, the Transact Washington gateway, http://techmall.dis.wa.gov/services/Transact.aspx, or Fortress Anonymous http://techmall.dis.wa.gov/services/Fortress.aspx.

22.2. Contractor represents and warrants that any systems implemented in the State of Washington with external (non-SGN) users shall be authenticated using the State of Washington SecureAccess Washington Gateway and that Contractor will not create a separate user store in fulfilling any Purchaser's Work Order.

22.3. The Purchaser agency shall be responsible for allowing or denying access and for validating individuals requesting access for any applications owned by it.

### 23. Enterprise Architecture Integration Architecture Standards

Contractor represents and warrants that, where applicable, Contractor's Services will be compliant with the state of Washington's Enterprise Architecture Integration Architecture Standards, which govern the planning and construction of all applications that share data with other agencies. The state's complete list of EA Integration Architecture Standards and supporting architectural reference documents are available at: http://isb.wa.gov/policies/Default.aspx#700 .

## Purchaser's Authority and Responsibilities

### 24. Purchaser Use of Master Contract

24.1. This Master Contract may be used only by Purchasers who have a Customer Service Agreement with DIS and is not for personal use. Purchaser shall comply with all the terms and conditions of this Master Contract, including but not limited to **Contractor's Proprietary Information**.

24.2. Reference of this Master Contract Number and/or Purchaser's signature on any related Work Order document signifies agreement to comply with these requirements. Failure to abide by these requirements may result in Purchaser forfeiting the right to make future purchases under this or other DIS Master Contracts.

### 25. Purchaser Work Order Administrator

Purchaser shall assign a Purchaser Work Order Administrator for each Purchaser Work Order. The Purchaser Work Order Administrator shall be the principal point of contact for the Contractor Work Order Manager and shall provide oversight of Contractor activities and performance conducted thereunder. Purchaser shall notify the Contractor Work Order Manager in writing, when there is a new Purchaser Work Order Administrator assigned to a Work Order.

### 26. Second Tier Competition

Purchaser shall conduct a second tier competition based on the specific requirements for individual projects among the Contractors with Master Contracts in the pertinent Technical Service Category. Purchaser shall use the Work Request Template attached to this Contract as Schedule B to facilitate the acquisition process.

26.1. Selection Process - Purchased Services

Purchaser shall conduct Second Tier acquisitions of Purchased Services consistent with the ISB *IT Investment Policy* and the ISB *IT Investment Standards* (http://isb.wa.gov/policies/investment.aspx).

26.2. Selection Process - Personal Services

Purchaser shall conduct Second Tier acquisitions of Personal Services consistent with the ISB *IT Investment Policy* and the ISB *IT Investment Standards*

(http://isb.wa.gov/policies/investment.aspx) and chapter 39.29 RCW and the State Administrative and Accounting Manual (SAAM) chapter 15 (http://www.ofm.wa.gov/policy/15.htm).

## Master Contract Administration

### 27. Notices

27.1. Any notice or demand or other communication required or permitted to be given under this Contract or applicable law shall be effective only if it is in writing and signed by the applicable party, properly addressed, and delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid certified mail, return receipt requested, to the parties at the addresses provided in this section. For purposes of complying with any provision in this Contract or applicable law that requires a "writing," such communication, when digitally signed with a Washington State Licensed Certificate, shall be considered to be "in writing" or "written" to an extent no less than if it were in paper form.

**To Contractor at:**

Ombrella Inc.
Attention: Laurie Simon
25 Central Way, Suite 330
Kirkland, WA 98033
Phone: (425) 202-4888
Fax: (425) 898-2729
Email: legal@ombrellausa.com

**To DIS at:**

State of Washington Department of Information Services
**Attn: ITPS Master Contract Administrator**

| *If by US Postal Service* | *If by Overnight Courier* |
|---|---|
| PO Box 42445 | 1110 Jefferson St SE |
| Olympia, WA 98504 | Olympia WA 98501 |

Phone: 360.902.3551
Fax: 360.586.1414
Email: itps@dis.wa.gov

or to **Purchasers** at the address listed on their Work Order.

27.2. Notices shall be effective upon receipt or four (4) Business Days after mailing, whichever is earlier. The notice address as provided herein may be changed by written notice given as provided above.

### 28. ITPS Program Manager

DIS shall appoint an ITPS Program Manager for the Information Technology Professional Services Program who will provide oversight of the activities conducted hereunder. The ITPS Program Manager shall be the principal contact for Contractor concerning business activities under this Contract. DIS shall notify Contractor Account Manager, in writing, if and when there is a new ITPS Program Manager assigned to this Contract.

## 29. Contractor Account Manager

Contractor shall appoint a Contractor Account Manager for the State's account under this Contract. The Contractor Account Manager will be the principal point of contact for the ITPS Program Manager for the duration of this Contract and will provide oversight of Contractor activities conducted hereunder. Contractor Account Manager will serve as the focal point for business matters, performance matters, and administrative activities under this Contract. Contractor shall notify DIS in writing, when there is a new Contractor Account Manager assigned to this Contract. The Contractor Account Manager information is:

Contractor Account Manager: *Susan Gilhang*
Address: *25 Central Way, Suite 330 Kirkland, WA 98033*
Phone: *(425) 202-4888* Fax: *(425) 898-2729*
Email: *susan@ombrellausa.com*

## 30. Section Headings, Incorporated Documents and Order of Precedence

30.1. The headings used herein are inserted for convenience only and shall not control or affect the meaning or construction of any of the sections.

30.2. Each of the documents listed below is, by this reference, incorporated into this Contract as though fully set forth herein.

a) Schedules A, B, C, and D (as applicable);
b) DIS' RFQQ (Exhibit A);
c) Contractor's Response to DIS' RFQQ (Exhibit B);
d) All Contractor or manufacturer publications, written materials and schedules, charts, diagrams, tables, descriptions, other written representations and any other supporting materials Contractor made available to DIS or Purchaser and used to effect the sale of Services to Purchaser.

30.3. In the event of any inconsistency in this Contract, the inconsistency shall be resolved in the following order of precedence:

a) Applicable federal and state statutes, laws, and regulations;
b) Sections 1 through 70 of this Contract;
c) Schedule A, B, C, and D (as applicable);
d) DIS' RFQQ (Exhibit A);
e) Contractor's Response to DIS' RFQQ (Exhibit B);
f) All Contractor or manufacturer publications, written materials and schedules, charts, diagrams, tables, descriptions, other written representations and any other supporting materials Contractor made available to DIS or Purchaser and used to effect the sale of Services to Purchaser.

## 31. Entire Agreement

This Contract, and any written amendments hereto, set forth the entire agreement between the parties with respect to the subject matter hereof. Any understandings, agreements, representations, or warranties not contained in this Contract or in a written amendment hereto shall not be binding on either party except as provided in the section titled **Contractor Commitments, Warranties and Representations**. Except as provided herein, no alteration of any of the terms, conditions, delivery, Price, quality, or Specifications of this Contract will be effective without the written consent of both parties.

## 32. Authority for Modifications and Amendments

No modification, amendment, alteration, addition, or waiver of any section or condition of this Contract or any Work Order under this Contract shall be effective or binding unless it is in writing and signed by DIS and/or Purchaser's Work Order Administrator, as applicable, and the Contractor, as applicable. Only DIS shall have the express, implied, or apparent authority to alter, amend, modify, add, or waive any section or condition of this Contract.

## 33. Independent Status of Contractor

In the performance of this Contract and any Work Order, the parties will be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint venturers, or associates of one another. The parties intend that an independent contractor relationship will be created by this Contract and any Work Order. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. Contractor shall not make any claim of right, privilege or benefit which would accrue to an employee under chapter 41.06 RCW or Title 51 RCW for any work conducted under this Contract or any Work Order.

## 34. Governing Law

This Contract and any Work Order shall be governed in all respects by the law and statutes of the state of Washington, without reference to conflict of law principles. The jurisdiction for any action hereunder shall be exclusively in the Superior Court for the state of Washington. The venue of any action hereunder shall be in the Superior Court for Thurston County or the county in which Purchaser is located within the state of Washington.

## 35. Rule of Construction as to Ambiguities

Each party to this Contract acknowledges that such party has reviewed this Contract and participated in its drafting and agrees that no provision of this Contract shall be construed against or interpreted to the disadvantage of a party by reason of such party having or being deemed to have drafted, structured or dictated such provision or provisions.

## 36. Subcontractors

Contractor may, with prior written permission from Purchaser Work Order Administrator, enter into subcontracts with third parties for its performance of any part of Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of Contractor to Purchaser for any breach in the performance of Contractor's duties. For purposes of this Contract and any Work Order, Contractor agrees that all Subcontractors shall be held to be agents of Contractor. Contractor shall be liable for any loss or damage to DIS or Purchasers, including but not limited to personal injury, physical loss, harassment of DIS or Purchaser's employees, or violations of the **Patent and Copyright Indemnification, Protection of Purchaser's Confidential Information**, and **Ownership/Rights in Data** sections of this Contract or any Work Order occasioned by the acts or omissions of Contractor's Subcontractors, their agents or employees. The **Patent and Copyright Indemnification, Protection of Purchaser's Confidential Information, Ownership/Rights in Data, Publicity** and **Review of Contractor's Records** sections of this Contract and any Work Order shall apply to all Subcontractors.

## 37. Assignment

37.1. With the prior written consent of DIS, which consent shall not be unreasonably witheld, Contractor may assign this Contract including the proceeds hereof, provided

that such assignment shall not operate to relieve Contractor of any of its duties and obligations hereunder, nor shall such assignment affect any remedies available to DIS or Purchasers that may arise from any breach of the sections of this Contract, or warranties made herein or any Work Order including but not limited to, rights of setoff.

37.2. DIS may assign this Contract to any public agency, commission, board, or the like, within the political boundaries of the state of Washington, provided that such assignment shall not operate to relieve Purchaser of any of its duties and obligations hereunder.

## 38. Publicity

38.1. The execution of this Contract or any Work Order with Contractor is not in any way an endorsement of Contractor or Contractor's Services by DIS or Purchaser, as applicable, and shall not be so construed by Contractor in any advertising or other publicity materials.

38.2. Contractor agrees to submit to DIS or Purchaser, as applicable, all advertising, sales promotion, and other publicity materials relating to this Contract and Services furnished by Contractor wherein DIS or Purchaser's name is mentioned, language is used, or Internet links are provided from which the connection of DIS or Purchaser's name therewith may, in DIS or Purchaser's judgment, be inferred or implied. Contractor further agrees not to publish or use such advertising, sales promotion materials, publicity or the like through print, voice, the World Wide Web, or any other communication media in existence or hereinafter developed without the express written consent of DIS or Purchaser, as applicable, *prior* to such use.

## 39. Review of Contractor's Records

39.1. Contractor and its Subcontractors shall maintain books, records, documents and other evidence relating to this Contract, including but not limited to Minority and Women's Business Enterprise participation (if applicable), protection and use of Purchaser's Confidential Information, and accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature invoiced in the performance of this Contract. Contractor shall retain all such records for six (6) years after the expiration or termination of this Contract. Records involving matters in litigation related to this Contract shall be kept for either one (1) year following the termination of litigation, including all appeals, or six (6) years from the date of expiration or termination of this Contract, whichever is later.

39.2. All such records shall be subject at reasonable times and upon prior notice to examination, inspection, copying, or audit by personnel so authorized by the DIS Master Contract Administrator, and/or the Office of the State Auditor and federal officials so authorized by law, rule, regulation or contract, when applicable, at no additional cost to the State. During this Contract's Term, Contractor shall provide access to these items within Thurston County, Washington or the county where Purchaser is located. Contractor shall be responsible for any audit exceptions or disallowed costs incurred by Contractor or any of its Subcontractors.

39.3. Contractor shall incorporate in its subcontracts this section's records retention and review requirements.

39.4. It is agreed that books, records, documents, and other evidence of accounting procedures and practices related to Contractor's cost structure, including overhead, general and administrative expenses, and profit factors shall be excluded from Purchaser's review unless the cost or any other material issue under this Contract is calculated or derived from these factors.

## General Provisions

### 40. Patent and Copyright Indemnification

40.1. Contractor, at its expense, shall defend, indemnify, and save DIS and any Purchaser harmless from and against any claims against DIS or Purchaser that any Work Product supplied hereunder, or Purchaser's use of the Work Product within the terms of this Contract or any Work Order, infringes any patent, copyright, utility model, industrial design, mask work, trade secret, trademark, or other similar proprietary right of a third party worldwide. Contractor shall pay all costs of such defense and settlement and any penalties, costs, damages and attorneys' fees awarded by a court or incurred by DIS or Purchaser provided that DIS or Purchaser:

a) Promptly notifies Contractor in writing of the claim, but DIS' or Purchaser's failure to provide timely notice shall only relieve Contractor from its indemnification obligations if and to the extent such late notice prejudiced the defense or resulted in increased expense or loss to Contractor; and

b) Cooperates with and agrees to use its best efforts to encourage the Office of the Attorney General of Washington to grant Contractor sole control of the defense and all related settlement negotiations.

40.2. If such claim has occurred, or in Contractor's opinion is likely to occur, Purchaser agrees to permit Contractor, at its option and expense, either to procure for Purchaser the right to continue using the Work Product or to replace or modify the same so that they become noninfringing and functionally equivalent. If use of the Work Product is enjoined by a court and Contractor determines that none of these alternatives is reasonably available, Contractor, at its risk and expense, will take back the Work Product and provide Purchaser a refund equal to the entire amount Purchaser paid to Contractor for Contractor's provision of the Work Product.

40.3. Contractor has no liability for any claim of infringement arising solely from:

a) Contractor compliance with any designs, specifications or instructions of Purchaser;

b) Modification of the Work Product by Purchaser or a third party without the prior knowledge and approval of Contractor; or

c) Use of the Work Product in a way not specified by Contractor;

unless the claim arose against Contractor's Work Product independently of any of these specified actions.

### 41. Save Harmless

Contractor shall defend, indemnify, and save DIS and Purchaser harmless from and against any claims, including reasonable attorneys' fees resulting from such claims, by third parties for any or all injuries to persons or damage to property of such third parties arising from intentional, willful or negligent acts or omissions of Contractor, its officers, employees, or agents, or Subcontractors, their officers, employees, or agents. Contractor's obligation to defend, indemnify, and save DIS

and Purchaser harmless shall not be eliminated or reduced by any alleged concurrent DIS or Purchaser negligence.

Contractor waives its immunity under Title 51 RCW (Industrial Insurance) to the extent required to indemnify, defend and hold harmless Purchaser, DIS, the state of Washington and agencies, officials, agents or employees of the state.

## 42. Insurance

42.1. Contractor shall, during the Term of this Contract, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in the state of Washington and having a rating of A-, Class VII or better, in the most recently published edition of *Best's Reports*. In the event of cancellation, non-renewal, revocation or other termination of any insurance coverage required by this Contract, Contractor shall provide written notice of such to DIS within one (1) Business Day of Contractor's receipt of such notice. Failure to buy and maintain the required insurance may, at DIS' sole option, result in this Contract's termination.

42.2. The minimum acceptable limits shall be as indicated below, with no deductible for each of the following categories:

a) Commercial General Liability covering the risks of bodily injury (including death), property damage and personal injury, including coverage for contractual liability, with a limit of not less than $1 million per occurrence/$2 million general aggregate;

b) Business Automobile Liability (owned, hired, or non-owned) covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability, with a limit of not less than $1 million per accident;

c) Employers Liability insurance covering the risks of Contractor's employees' bodily injury by accident or disease with limits of not less than $1 million per accident for bodily injury by accident and $1 million per employee for bodily injury by disease; and

d) Umbrella policy providing excess limits over the primary policies in an amount not less than $3 million.

42.3. Purchaser may require Contractor to provide Professional Liability Errors and Omissions insurance in their Work Request and subsequent Work Order as follows:

Professional Liability Errors and Omissions, with a deductible not to exceed $25,000, and coverage of not less than $1 million per occurrence/$2 million general aggregate. Contractor will pay for insurance premiums to continue such claims made policies or to provide tails for two (2) years beyond the expiration or termination of this Contract.

42.4. Purchasers may require additional coverage or terms as included in a Work Request and subsequent Work Order.

42.5. Contractor shall pay premiums on all insurance policies. DIS shall be named as an additional insured on all general liability and automobile liability policies, and Contractor shall provide a copy of the policy endorsement(s) designating DIS as an additional named insured. Such policies shall also reference this Contract number T12-MST-613 and shall have a condition that they not be revoked by the insurer until forty-five (45) calendar days after notice of intended revocation thereof shall have been given to DIS by the insurer.

42.6. All insurance provided by Contractor shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State and shall include a severability of interests (cross-liability) provision.

42.7. Contractor shall include all Subcontractors as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each Subcontractor. Subcontractor(s) shall comply fully with all insurance requirements stated herein. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

42.8. Contractor shall furnish to DIS copies of certificates and endorsements of all required insurance within thirty (30) calendar days of this Contract's Effective Date, and copies of renewal certificates and endorsements of all required insurance within thirty (30) calendar days after the renewal date. These certificates of insurance must expressly indicate compliance with each and every insurance requirement specified in this section. Failure to provide evidence of coverage may, at DIS' sole option, result in this Contract's termination.

42.9. Contractor shall provide insurance certification to the Purchaser under a Work Order when requested. Failure to provide evidence of coverage may, at Purchaser's sole option, result in termination of the Work Order.

42.10. By requiring insurance herein, DIS does not represent that coverage and limits will be adequate to protect Contractor. Such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to DIS or any Purchaser in this Contract or any Work Order.

## 43. Industrial Insurance Coverage

Prior to performing work under this Contract, Contractor shall provide or purchase industrial insurance coverage for its employees, as may be required of an "employer" as defined in Title 51 RCW, and shall maintain full compliance with Title 51 RCW during the course of this Contract. DIS or Purchaser will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for Contractor, or any Subcontractor or employee of Contractor that might arise under the industrial insurance laws during the performance of duties and services under this Contract.

## 44. Licensing Standards

Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements and standards necessary in the performance of this Contract. (See, for example, chapter 19.02 RCW for state licensing requirements and definitions.)

## 45. Antitrust Violations

Contractor and Purchaser recognize that, in actual economic practice, overcharges resulting from antitrust violations are usually borne by Purchaser. Therefore, Contractor hereby assigns to Purchaser any and all claims for such overcharges as to goods and Services purchased in connection with this Contract or any Work Order, except as to overcharges not passed on to Purchaser, resulting from antitrust violations commencing after the date of the bid, quotation, or other event establishing the Price under this Contract or any Work Order.

## 46. Compliance with Civil Rights Laws

During the performance of this Contract and any Work Order, Contractor shall comply with all federal and applicable state nondiscrimination laws, including but not limited to: Title VII of the Civil Rights Act, 42 U.S.C. §12101 *et seq.*; the Americans with Disabilities Act (ADA); and Title 49.60 RCW, Washington Law Against Discrimination. In the event of Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation or policy, this Contract may be rescinded, canceled, or terminated in whole or in part under the **Termination for Default** sections, and Contractor may be declared ineligible for further contracts with the State.

## 47. Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

## 48. Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written instrument signed by the parties.

## 49. Treatment of Assets

49.1. Title to all property furnished by Purchaser shall remain in Purchaser. Title to all property furnished by Contractor, for which Contractor is entitled to reimbursement, other than rental payments, under this Contract or any Work Order, shall pass to and vest in Purchaser pursuant to the **Ownership/Rights in Data** section. As used in this section **Treatment of Assets**, if the "property" is Contractor's proprietary, copyrighted, patented, or trademarked works, only the applicable license, not title, is passed to and vested in Purchaser.

49.2. Any Purchaser property furnished to Contractor shall, unless otherwise provided herein or approved by Purchaser, be used only for the performance of this Contract or any Work Order.

49.3. Contractor shall be responsible for any loss of or damage to property of Purchaser that results from Contractor's negligence or that results from Contractor's failure to maintain and administer that property in accordance with sound management practices.

49.4. Upon loss or destruction of, or damage to any Purchaser property, Contractor shall notify Purchaser thereof and shall take all reasonable steps to protect that property from further damage.

49.5. Contractor shall surrender to Purchaser all Purchaser property upon completion, termination, or cancellation of any Work Order.

49.6. All reference to Contractor under this section shall also include Contractor's employees, agents, or Subcontractors.

### 50. Contractor's Proprietary Information

Contractor acknowledges that DIS and Purchaser are subject to chapter 42.56 RCW and that this Contract and any Work Orders shall be a public record as defined in chapter 42.56 RCW. Any specific information that is claimed by Contractor to be Proprietary Information must be clearly identified as such by Contractor. To the extent consistent with chapter 42.56 RCW, DIS and Purchaser shall maintain the confidentiality of all such information marked Proprietary Information in their possession. If a public disclosure request is made to view Contractor's Proprietary Information, DIS or Purchaser, as applicable, will notify Contractor of the request and of the date that such records will be released to the requester unless Contractor obtains a court order from a court of competent jurisdiction enjoining that disclosure. If Contractor fails to obtain the court order enjoining disclosure, DIS or Purchaser, as applicable, will release the requested information on the date specified.

## Disputes and Remedies

### 51. Disputes

51.1. In the event a bona fide dispute concerning a question of fact arises between Contractor and Purchaser and it cannot otherwise be resolved between the parties or by the ITPS Program Manager, either party may initiate the dispute resolution procedure provided herein.

51.2. The initiating party shall reduce its description of the dispute to writing and deliver it to the responding party. The responding party shall respond in writing within five (5) Business Days. The initiating party shall then have five (5) Business Days to review the response. The parties shall then have five (5) Business Days to negotiate in good faith to resolve the dispute.

a) If the dispute is not resolved by the parties during this negotiation period, either party may request a Dispute Resolution Panel to be convened by requesting it in writing and identifying the first panel member. Within five (5) Business Days of receipt of the request, the other party will designate the second panel member. Those two panel members will appoint a third individual to the dispute resolution panel within the next five (5) Business Days.

b) The Dispute Resolution Panel will review the written descriptions of the dispute, gather additional information as needed, and render a decision on the dispute in the shortest practical time.

c) Each party shall bear the cost for its panel member and its attorneys' fees and share equally the cost of the third panel member.

51.3. Both parties agree to exercise good faith in dispute resolution and to settle disputes prior to using a Dispute Resolution Panel whenever possible. Unless irreparable harm will result, neither party shall commence litigation against the other before the Dispute Resolution Panel has been invoked and issued its decision on the matter in dispute.

51.4. Purchaser and Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Contract that are not affected by the dispute.

51.5. If the subject of the dispute is the amount due and payable by Purchaser for Services being provided by Contractor, Contractor shall continue providing Services pending resolution of the dispute provided Purchaser pays Contractor the amount Purchaser, in

good faith, believes is due and payable, and places in escrow the difference between such amount and the amount Contractor, in good faith, believes is due and payable.

## 52. Non-Exclusive Remedies

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

## 53. Liquidated Damages

Liquidated Damages may be applicable under Purchaser Work Orders. Purchaser shall include any Liquidated Damages clause in its Work Order.

## 54. Failure to Perform

If Contractor fails to perform any substantial obligation under this Contract or any Work Order, DIS and/or Purchaser, as applicable, shall give Contractor written notice of such Failure to Perform. If after thirty (30) calendar days from the date of the written notice Contractor still has not performed, then DIS or Purchaser may withhold all monies due and payable to Contractor, without penalty to DIS or Purchaser, until such Failure to Perform is cured or otherwise resolved.

## 55. Limitation of Liability

55.1. The parties agree that Contractor, DIS and Purchaser shall not be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except a claim related to bodily injury or death, or a claim or demand based on breach of the Security of the System, patent, copyright, or other intellectual property right infringement, in which case liability shall be as set forth elsewhere in this Contract or in the related Work Order. Except as set forth in this section, any further limitation of liability shall be only as set forth in Purchaser's Work Order. This section does not modify any sections regarding liquidated damages or any other conditions as are elsewhere agreed to herein between the parties. The damages specified in the sections titled **Termination for Default** and **Review of Contractor's Records** are not consequential, incidental, indirect, or special damages as that term is used in this section.

55.2. Contractor, DIS and Purchaser shall not be liable for damages arising from causes beyond the reasonable control and without the respective fault or negligence of Contractor, DIS or Purchaser. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of a governmental body other than DIS or Purchaser acting in either a sovereign or contractual capacity, war, explosions, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the delays must be beyond the reasonable control and without fault or negligence of Contractor, DIS, or Purchaser, or their respective Subcontractors.

55.3. If delays are caused by a Subcontractor without its fault or negligence, Contractor shall not be liable for damages for such delays, unless the Services to be performed were obtainable on comparable terms from other sources in sufficient time to permit Contractor to meet its required performance schedule.

55.4. Contractor, DIS and Purchaser shall not be liable for personal injury to another party or damage to another party's property except personal injury or damage to property proximately caused by such party's respective fault or negligence.

## Master Contract Termination

### 56. Termination for Default

56.1. If Contractor violates any material term or condition of this Contract or any Work Order, as applicable, or fails to fulfill in a timely and proper manner its material obligations under this Contract, or any Work Order, as applicable, then the DIS Master Contract Administrator or Purchaser shall give Contractor written notice of such failure or violation, and the failure or violation shall be corrected by Contractor within thirty (30) calendar days or as otherwise agreed. If such breach is not capable of cure within thirty (30) days, Contractor must commence cure within such thirty (30) day period and diligently pursue completion of such cure. If Contractor's failure or violation is not so corrected, this Contract may be terminated immediately by written notice from DIS to Contractor, or a Work Order may be terminated by written notice to Contractor from Purchaser.

56.2. In the event of termination of an Work Order by Purchaser or this Contract by DIS, Purchaser or DIS shall have the right to procure the Services that are the subject of this Contract on the open market and Contractor shall be liable for all damages, including, but not limited to: (i) the cost difference between the original Master Contract price for the Services and the replacement costs of such Services acquired from another vendor; (ii) if applicable, all administrative costs directly related to the replacement of the Work Order or this Master Contract, such as costs of competitive bidding, mailing, advertising, applicable fees, charges or penalties, staff time costs; and, (iii) any other direct costs to Purchaser or DIS resulting from Contractor's breach. DIS and Purchaser shall have the right to deduct from any monies due to Contractor, or that thereafter become due, an amount for damages that Contractor will owe DIS or Purchaser for Contractor's default.

56.3. If either DIS or Purchaser violates any material term or condition of this Contract or any Work Order, as applicable, or fails to fulfill in a timely and proper manner its obligations under this Contract or a Work Order, as applicable, then Contractor shall give DIS or Purchaser, as appropriate, written notice of such failure, which shall be corrected by DIS or Purchaser within thirty (30) calendar days, or as otherwise agreed. If such failure to perform is not so corrected, Purchaser's Work Order may be terminated by written notice from Contractor to Purchaser or, if appropriate, this Master Contract may be terminated by written notice from Contractor to DIS.

56.4. If the failure to perform is without the defaulting party's control, fault, or negligence, the termination shall be deemed to be a **Termination for Convenience**.

56.5. This section shall not apply to any failure(s) to perform that results from the willful or negligent acts or omissions of the aggrieved party.

### 57. Termination for Convenience

57.1. When, at the sole discretion of DIS, it is in the best interest of the State, DIS may terminate this Contract, in whole or in part, by fourteen (14) calendar days written notice to Contractor.

57.2. Purchaser may terminate a Work Order upon fourteen (14) calendar days written notice to Contractor. If a Work Order is so terminated, Purchasers are liable only for payments for Services received and accepted by Purchaser prior to the effective date of termination.

## 58. Termination for Withdrawal of Authority

In the event that DIS's or Purchaser's authority to perform any of its duties is withdrawn, reduced, or limited in any way after the commencement of this Contract or any Work Order and prior to normal completion, DIS may terminate this Contract, or Purchaser may terminate its Work Order(s), by seven (7) calendar days written notice to Contractor. No penalty shall accrue to DIS or Purchaser in the event this section shall be exercised. This section shall not be construed to permit DIS to terminate this Contract, or Purchaser to terminate any Work Order, in order to acquire similar Services from a third party.

## 59. Termination for Non-Allocation of Funds

If funds are not allocated to DIS to continue this Contract, or to Purchaser to continue any Work Order, in any future period, DIS may terminate this Contract, or Purchaser may terminate any Work Order by thirty (30) calendar days written notice to Contractor or work with Contractor to arrive at a mutually acceptable resolution of the situation. DIS or Purchaser will not be obligated to pay any further charges for Services including the net remainder of agreed to consecutive periodic payments remaining unpaid beyond the end of the then-current period(s). DIS or Purchaser agrees to notify Contractor in writing of such non-allocation at the earliest possible time. No penalty shall accrue to DIS or Purchaser in the event this section shall be exercised. This section shall not be construed to permit DIS to terminate this Contract, or Purchaser to terminate any Work Order, in order to acquire similar Services from a third party.

## 60. Termination for Conflict of Interest

DIS may terminate this Contract, or Purchaser may terminate any Work Order, by written notice to Contractor if DIS or Purchaser determines, after due notice and examination, that any party has violated chapter 42.52 RCW, Ethics in Public Service, or any other laws regarding ethics in public acquisitions and procurement and performance of contracts. In the event this Contract or any Work Order is so terminated, DIS or Purchaser, as applicable, shall be entitled to pursue the same remedies against Contractor as it could pursue in the event Contractor breaches this Contract or any Work Order, as applicable.

## 61. Termination Procedure

61.1. Upon termination of this Master Contract or any Work Order, DIS or Purchaser, in addition to any other rights provided in this Master Contract and applicable Work Order, may require Contractor to deliver to Purchaser any property specifically produced or acquired for the performance of such part of this Master Contract or Work Order as has been terminated. The section titled **Treatment of Assets** shall apply in such property transfer.

61.2. Unless otherwise provided herein, Purchaser shall pay to Contractor the agreed-upon Price, if separately stated, for the Services received by Purchaser, provided that in no event shall Purchaser pay to Contractor an amount greater than Contractor would have been entitled to if this Master Contract or Work Order had not been terminated. Failure to agree on such determination shall be a dispute within the meaning of the section of this Master Contract entitled **Disputes**. Purchaser may withhold from any amounts due Contractor such sum as Purchaser determines to be necessary to protect Purchaser from potential loss or liability.

61.3. Contractor shall pay any amounts due Purchaser as the result of termination within thirty (30) calendar days of notice of the amounts due. If Contractor fails to make

timely payment, Purchaser may charge interest on the amounts due at one percent (1%) per month until paid in full.

### 62. Covenant Against Contingent Fees

62.1. Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract or any Work Order upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, *except* bona fide employees or a bona fide established commercial or selling agency of Contractor.

62.2. In the event Contractor breaches this section, DIS shall have the right to annul this Contract without liability to DIS, and Purchaser shall have the right to either annul any Work Order without liability to Purchaser or, in Purchaser's discretion, deduct from payments due to Contractor, or otherwise recover from Contractor, the full amount of such commission, percentage, brokerage, or contingent fee.

## Activity Reporting, Administration Fee & Performance Reporting

### 63. DIS Master Contract Administration Fee and Collection

63.1. All purchases made under this Master Contract are subject to a DIS Master Contract Administration Fee, collected by Contractor and remitted to DIS.

63.2. The Master Contract Administration Fee is two percent (2.0% or .02) of the purchase price for Work Orders valued up to $1 million dollars, and will be one percent (1.0% or .01) for Work Orders originally valued at, or exceeding, $1 million dollars. The purchase price is defined as total invoice price less sales tax.

63.3. The Master Contract Administration Fee shall be included in all Contractor Prices listed in Schedule A of this Contract and shall not be invoiced as a separate line item to Purchaser.

63.4. Contractor shall hold the Master Contract Administration Fee in trust for DIS until the Fees are remitted to the DIS Master Contract Administrator, along with the Master Contract Activity Report.

### 64. Activity Reporting

64.1. Contractor shall submit to the DIS Master Contract Administrator a quarterly Activity Report of all Services purchased under this Master Contract. The report shall identify:

a) This Master Contract number;

b) The month in which the purchases occurred;

c) Each Purchaser, identified by state, local or educational entity, and each Work Order for each Purchaser making purchases during the reporting quarter;

d) The total amount of money invoiced (excluding sales tax) for each Work Order for each Purchaser;

e) The DIS Master Contract Administration Fee for each Work Order for each Purchaser;

f) The sum of money invoiced (excluding sales tax) for all Work Orders for each Purchaser and for all Work Orders for all Purchasers; and

g) The total amount of the DIS Master Contract Administration Fee.

64.2. Reports are required to be submitted electronically, in the Microsoft Excel format provided by DIS. Reports are to be sent electronically via E-mail to: itpsreports@dis.wa.gov.

64.3. The Activity Report and the DIS Master Contract Administration Fee shall be submitted on a quarterly basis in accordance with the following schedule:

| For activity in the months: | Report & Fee Due: |
|---|---|
| January, February, March | April 15th |
| April, May, June | July 15th |
| July, August, September | October 15th |
| October, November, December | January 15th |

64.4. This report may be corrected or modified by the DIS Master Contract Administrator with subsequent written notice to Contractor.

64.5. Activity Reports are required even if no activity occurred.

64.6. Upon request by DIS, Contractor shall provide, in the format requested, the contact information for all Purchasers during the Term of the Master Contract.

## 65. Electronic Funds Transfer

When agreed by DIS and Contractor, the DIS Master Contract Administration Fee can be paid through Electronic Funds Transfer (EFT) to an Automated Clearing House (ACH). Contractor can utilize the ACH Debit option, which is an arrangement between the Contractor and DIS' bank. Contractor initiates the action, specifying the amount of funds and the effective date of payment. On the effective date, the funds are withdrawn from Contractor's account and transferred to the DIS account. Contractor will be provided by separate instrument the DIS account information and a toll-free number to initiate the quarterly transaction. There is no additional cost to Contractor.

## 66. Failure to Remit Reports/Fees

66.1. Failure of Contractor to remit the Master Contract Activity Report together with the Master Contract Administration Fee may be considered a failure to perform on the part of Contractor, which may result in DIS terminating this Master Contract with Contractor.

66.2. The DIS Contract Administrator will notify Contractor of any Purchaser who has forfeited its right to purchase under this Master Contract. After such notification, any sale by Contractor to a forfeiting Purchaser may be considered failure to perform by Contractor.

66.3. If the performance issues are resolved, DIS, at its option, may reinstate a Contractor's participation or a Purchaser's right to purchase.

## 67. Periodic Contractor Performance Evaluation and Report

67.1. Purchasers will periodically evaluate Contractor's Performance in a Contractor Performance Report. The report is designed to evaluate impacts and outcomes achieved as a result of Contractor's delivery of Services and aid Purchasers in referrals. Each evaluation will include an assessment of the Contractor's efforts toward achieving Purchaser's objectives.

67.2. If DIS receives three (3) or more negative performance reports reports regarding the Contractor from Purchasers in a one (1) year period during the Term of this Contract, and Contractor fails to provide, in DIS' sole opinion, adequate remedy, this Contract may be terminated.

67.3. DIS will consider such evaluations when determining administrative actions including but not limited to any extension to the Term of this Contract.

## Master Contract Execution

### 68. Authority to Bind

The signatories to this Contract represent that they have the authority to bind their respective organizations to this Contract.

### 69. Counterparts

This Contract may be executed in counterparts, in a single original, or duplicate originals. As applicable, each counterpart or each duplicate shall be deemed an original copy of this Contract signed by each party, for all purposes.

### 70. Facsimile Execution

The parties agree that this Contract may be executed by facsimile signature, and shall be effective as of the date of such facsimile signature. If executed by facsimile, the parties agree to provide original signature pages within ten (10) business days of facsimile execution.

***In Witness Whereof***, the parties hereto, having read this Contract in its entirety, including all attachments, do agree in each and every particular and have thus set their hands hereunto.

| **Approved**<br>State of Washington<br>Department of Information Services |
|---|
| Scott Smith<br>*Signature* JUN 29 2011 |
| SCOTT SMITH<br>*Print or Type Name* *Date* |
| TAS Program Coordinator<br>*Title* |

| **Approved**<br>Ombrella Inc. |
|---|
| *Signature* |
| LAURIE SIMON 6/8/11<br>*Print or Type Name* *Date* |
| FOUNDER + CEO<br>*Title* |

| **Approved as to Form** |
|---|
| State of Washington<br>Office of the Attorney General |
| Approval as to Form on file. |
| Signature |
| Print or Type Name<br>Assistant Attorney General |
| Title Date |

| **Contractor Information** |
|---|
| Contractor's UBI Number:<br>602 394 473 |
| |
| Minority or Woman Owned Business Enterprise<br>Yes W2F9220008<br>(Certification Number) |

# Schedule A
## *Price List*

**As of July 1, 2011**

**for**
**Master Contract Number T12-MST-613**
**with**
**Ombrella Inc.**

Ombrella Inc. is authorized to provide only the Services identified in this Schedule A at or below the Not-To-Exceed Hourly Rates (Prices) set forth below.

| Service(s) | Not-To-Exceed Hourly Rates | | | |
|---|---|---|---|---|
| | Junior | Journey | Senior | Expert |
| 1. IT Funding Request, Financial Analysis | | | | |
| 2. IT Business Analysis | | | | |
| 3. External IT Quality Assurance (IV&V) | | | | |
| 4. IT Project Management | $75.00 | $85.00 | $125.00 | |
| 5. Technology Architecture Development | | | | |
| 6. Security Analysis | | | | |
| 7. Enterprise Content Management | | | | |
| 8. Contingency & Disaster Recovery Planning | | | | |
| 9. Systems Analysis | | | | |
| 10. Network System Administration | | | | |
| 11. Software Quality Assurance & Testing | | | | |
| 12. Desktop Applications Development and Training | | | | |
| 13. Geographic Information Systems Application Development | | | | |
| 14. Workstation Installation & Support | | | | |
| 15. Client Server, Web & N-Tier Application Development | | | | |
| 16. General Mainframe Development | | | | |
| 17. General Database Administrator / Database Developer / Data Analyst | | | | |

# Schedule B
## *Work Request Template*

A sample of the current DIS second tier Work Request template can be found at http://techmall.dis.wa.gov/mastercontracts/ITPSdocs/ITPS%20New%20Work%20Request.doc.
The sample in this Schedule B is illustrative only. DIS reserves the right, at its sole discretion, to modify this template as it is deemed to be in the best interests of DIS and the Purchasers. The DIS Master Contract Administrator will make any revisions available to Purchasers and to the Contractor upon release.

A typical Work Request will contain, but not be limited to, the following items:

- Project or Task Objectives
- Scope and Description of Work, including Deliverables
- Timeline and Period of Performance
- Compensation and Payment
- Contractor Staff, Roles and Responsibilities
- Identification and approval of any subcontractors
- Retention requirements
- Insurance requirements (beyond what is in Master Contract)
- Purchaser Staff, Roles and Responsibilities
- Additional Purchaser Terms and Conditions Specific to the Work Request
- Evaluation Criteria and Response Instructions

SAMPLE – FOR ILLUSTRATIVE PURPOSES ONLY

| | | |
|---|---|---|
| | **STATE OF WASHINGTON**<br>**DEPARTMENT OF *INSERT PURCHASER NAME (PURCHASER)***<br>**ITPS WORK REQUEST** | **Purchaser Work Request No:**<br><br>**DIS Work Request (Tracking) No:** |

- This is a Second-Tier Work Request issued by the Purchaser named above pursuant to the Washington State Department of Information Services (DIS) Information Technology Professional Services (ITPS) program.
- Only if your firm has an ITPS Master Contract with DIS for the one or more Technical Service Categories and Skill Levels indicated below, may your firm submit a Response to this Work Request.
- All rights and obligations of the parties are subject to and governed by the terms of the Master Contract including any subsequent modifications incorporated herein.

**SCHEDULE**

| | |
|---|---|
| **Date Issued:** | |
| **Questions Due:**<br>**Answers Submitted:** | |
| **Response Due Date:** | *Insert Date & Time* |

**WORK PERIOD OF PERFORMANCE**

| | | | |
|---|---|---|---|
| **FROM:** | | **TO:** | |

**Purchaser Contract Manager**

| | |
|---|---|
| **Name** | |
| **Title:** | |
| **Address:** | |
| **Phone:** | |
| **FAX:** | |
| **E-mail:** | |

☐ American Recovery & Reinvestment Act funding

☐ Yes ☐ No The selected vendor will be assigned an Purchaser workstation(s) and assessed a workstation fee of $XXXX per month for each workstation.

**1. PERSONAL TECHNICAL SERVICES CATEGORY(S) REQUESTED**

☐ 1. IT Funding Request, Financial Analysis (WEBS CC 9241)
☐ 2. IT Business Analysis (WEBS CC 9242)
☐ 3. External IT Quality Assurance (WEBS CC 9243)
☐ 4. IT Project Management (WEBS CC 9244)

2. ☐ 5. Technology Architecture Development (WEBS CC 9245)
☐ 6. Security Analysis (WEBS CC 9246)
☐ 7. Enterprise Content Management (WEBS CC 9247)
☐ 8. Contingency & Disaster Recovery Planning (WEBS CC 9248)
☐ 9. Systems Analysis (WEBS CC 9249)

**3. PURCHASED TECHNICAL SERVICES CATEGORY(S) REQUESTED**

☐ 10. Network Administration (WEBS CC 9250)
☐ 11. Software Quality Assurance & Testing (WEBS CC 9251)
☐ 12. Desktop Applications Development & Training (WEBS CC 9252)
☐ 13. Geographic Information Systems Application Development (WEBS CC 9253)
☐ 14. Workstation Installation & Support (WEBS CC 9254)
☐ 15. Client Server, Web & N-Tier Application Development (WEBS CC 9255)
☐ 16. General Mainframe Development (WEBS CC 9256)
☐ 17. General Database Administrator/Database Developer/Data Analyst (WEBS CC 9257)

**4. EXPERIENCE LEVEL(S) REQUESTED**

☐ Junior a minimum of one (1) year of recent experience and demonstrated knowledge, skills and abilities
☐ Journey a minimum of three (3) years of recent experience & demonstrated superior knowledge, skills, and abilities
☐ Senior a minimum of five (5) years of recent experience & demonstrated superior knowledge, skills, and abilities
☐ Expert a minimum of eight (8) years of increasing levels of responsibilities, and supervisory or management responsibility

## I. REQUEST FOR SPECIFICATIONS

A. Title

B. Project Background

C. Project Scope of Work and Knowledge Transfer

1. Deliverables

## II. VENDOR's RESPONSE

A. Work Request Coordinator and Submission of Response

B. Work Request Response – Instructions to Vendors
*Attachments to e-mail shall be on Microsoft Word software. Zipped files cannot be received and cannot be used for the submission of proposals. INSERT PURCHASER NAME (PURCHASER) does not take responsibility for any problems in the e-mail. Faxed proposals will not be accepted.*

## III. EVALUATION AND SELECTION CRITERIA

A. Mandatory and Highly Desirable Experience and Qualifications
   a. Mandatory Experience and Qualifications:

   b. Highly Desired Experience and Qualifications:

B. References
   *a. Purchaser Should Request Vendor Performance Evaluations from DIS*

C. Oral Presentation/Interview (if used)
Weight Evaluation Criteria

## IV. ADMINISTRATION

### 1.Debriefing

All Vendors who submit a response to this solicitation will be given the opportunity for a debriefing conference if requested. The request for a debriefing conference must be made in writing and received by the Work Request Coordinator within three (3) calendar days after notification of the Apparent Successful Vendor. A debriefing will be scheduled within three (3) calendar days of the request. If additional time is required, the requesting party will be notified of the delay. Discussion will be limited to a critique of the requesting Vendor's proposal. Comparisons between proposals or evaluations of other proposals will not be allowed. Debriefing conferences may be conducted in person or by telephone and will be scheduled for a maximum of one (1) hour.

### 2. Protest Procedures

***A. Procedure***

This protest procedure is available to Vendors who submitted a Response to this solicitation and have received a debriefing conference. Protests are made:

1. To the Purchaser after the Purchaser has announced the ASV. Vendor protests shall be received, in writing, by the Purchaser within five (5) Business Days after the Vendor debriefing conference.

***B. Grounds for protest are:***

1. Arithmetic errors were made in computing the score;
2. The Purchaser failed to follow procedures established in the solicitation document or applicable state or federal laws or regulations; or
3. There was bias, discrimination or conflict of interest on the part of an evaluator. Protests not based on these criteria will not be considered.

### *C. Format and Content*

Vendors making a protest shall include in their written protest to the Purchaser all facts and arguments upon which the Vendor relies. Vendors shall, at a minimum, provide:

1. Information about the protesting Vendor; name of firm, mailing address, phone number and name of individual responsible for submission of the protest;
2. Information about the acquisition; issuing Purchaser, acquisition method;
3. Specific and complete statement of the Purchaser action(s) being protested;
4. Specific reference to the grounds for the protest; and
5. Description of the relief or corrective action requested.

### *D. The Purchaser Review Process*

Upon receipt of a Vendor's protest, the Purchaser will postpone signing a Contract with the ASV until the Vendor protest has been resolved.
The Purchaser will perform an objective review of the protest, by individuals not involved in the acquisition process being protested. The review shall be based on the written protest material submitted by the Vendor and all other relevant facts known to the Purchaser.
The Purchaser will render a written decision to the Vendor within five (5) Business Days after receipt of the Vendor protest, unless more time is needed. The protesting Vendor shall be notified if additional time is necessary.

### *E. The Purchaser Determination*

The final determination shall:

1. Find the protest lacking in merit and uphold the Purchaser's action;
2. Find only technical or harmless errors in the Purchaser's acquisition process conduct, determine the Purchaser to be in substantial compliance, and reject the protest;
3. Find merit in the protest and provide the Purchaser with options that may include:
    a) Correct errors and reevaluate all proposals; or
    b) Reissue the solicitation document; or
    c) Make other findings and determine other courses of action as appropriate.
4. Not require the Purchaser to award the Contract to the protesting party or any other Vendor, regardless of the outcome.

## 3. The Purchaser's Option To Extend

The Purchaser reserves the right to extend the Work Order issued under this Work Request for one (1) one year period at the Purchaser's option.

## 4. The Purchaser's Right to Cancel

The Purchaser reserves the right to cancel this Work Request at any time, reject any and all responses received, and/or not to execute a Work Order from this Work Request without penalty to the Purchaser. The release of this solicitation document does not obligate the Purchaser to contract for the services specified in this Work Request. The Purchaser shall not be liable for any costs incurred by a Vendor in preparation of a proposal submitted in response to this Work Request, in the conduct of an oral interview, or any other activity related to responding to this Work Request.

# Schedule C
## *Work Order Template*

**Personal Service Contracts**
A sample of a Model Information Technology Contract for Personal Services may be found on the Information Services Board Policies site for Model Contracts and User Instructions website: http://isb.wa.gov/policies/208r.doc. This model is used for those personal service contracts solicited under RCW 43.105.

A sample of the Office of Financial Management's Personal Service Contract may be found on their website located at http://www.ofm.wa.gov/contracts/resources/sample_psc.doc. This model is used for those personal service contracts solicited under RCW 39.29.

**Purchased Service Contracts**
A sample of the DIS Model Contract for Purchased Services can be found at http://isb.wa.gov/policies/207r.doc.
Note: Not every model or sample contract section will be required in every Work Order, nor will these model contracts sections satisfy every Work Order need. Work Order requirements will be selected from the most applicable model contract(s) plus other sources including but not limited to individual Purchaser terms and conditions, then tailored to meet specific functional and operational needs, i.e., scope of work to be performed or Services to be provided, and the protections necessary to that respective Work Order's purpose. DIS has also established a common template to be used by Purchasers for Work Orders under the ITPS Program. A sample of the current DIS Work Order template can be found at http://techmall.dis.wa.gov/mastercontracts/ITPSdocs/ITPS%20New%20Work%20Request.doc.

The details of the specific Services, project or tasks should be negotiated by Purchaser and Contractor and memorialized in a Work Order. The Master Contract requires that the Work Order, at a minimum, reference the Master Contract number and address the following areas:

- Project or Task Objectives
- Scope and Description of Work, including Deliverables
- Timeline and Period of Performance
- Compensation and Payment
- Contractor Staff, Roles and Responsibilities
- Purchaser Staff, Roles and Responsibilities
- Additional Purchaser Terms and Conditions Specific to the Work Order
- Signature Block

# Schedule D
## *MWBE Certification*

**for**
**Master Contract Number T12-MST-613**
**with**
**Ombrella Inc.**

**Amendment 12-01**
**to**
**Master Contract # T12-MST-613**
**for**
**Information Technology Professional Services (ITPS)**

This amendment 12-01 to Master Contract T12-MST-613 is entered into by and between the Department of Enterprise Services ("DES"), an agency of the state of Washington, and Ombrella Inc. ("Contractor").

Pursuant to Section 32, *Authority for Modifications and Amendments*, the parties agree to amend Contract T12-MST-613 as follows.

The purpose of this Amendment is to extend the term of this Contract and incorporate the Economic Price Adjustment clause of Section 4.

Now, therefore, the parties agree to amend the Contract as follows:

(1) **Pursuant to Section 2, *Term***, Contractor and DES hereby agree to extend the term of the Contract through June 30, 2013.

(2) **Pursuant to Section 4, Economic Price Adjustment,** the prices shown in **Schedule A** shall be increased by 2.3%, the percentage increase since April 2011 (the baseline index), of the Consumer Price Index, U.S. City Average, All Items, Not Seasonally Adjusted, (CPI-U, Series ID: CUUR0000SA0). **Schedule A shall be replaced in its entirety with the attached Schedule A.**

All other terms and conditions of the original Master Contract, as amended, shall remain in full force and effect.

This Amendment, effective July 1, 2012 is executed by the persons signing below, who warrant, respectively, that they have the authority to execute it on behalf of the party indicated.

**IN WITNESS WHEREOF**, the parties have read and understand this Amendment 12-01, and by their signatures below, agree to each and every particular.

| **ACCEPTED**<br>**Washington State**<br>**Department of Enterprise Services** | **ACCEPTED**<br>**Ombrella Inc.** |
|---|---|
| Roselyn Marcus | |
| Signature | Signature |
| Roselyn Marcus | William Douglass |
| Print or Type Name | Print or Type Name |
| Asst Director 07/05/2012 | Managing Partner 8/28/2012 |
| Title Date | Title Date |

# Schedule A
## *Price List*

## As of July 1, 2012

## for
## Master Contract Number T12-MST-613
## with
## Ombrella Inc.

Ombrella Inc. is authorized to provide only the Services identified in this Schedule A at or below the Not-To-Exceed Hourly Rates (Prices) set forth below.

| Service(s) | Not-To-Exceed Hourly Rates (in USD) | | | |
|---|---|---|---|---|
| | Junior | Journey | Senior | Expert |
| 1. IT Funding Request, Financial Analysis | | | | |
| 2. IT Business Analysis | | | | |
| 3. External IT Quality Assurance (IV&V) | | | | |
| 4. IT Project Management | 76.725 | 86.955 | 127.875 | |
| 5. Technology Architecture Development | | | | |
| 6. Security Analysis | | | | |
| 7. Enterprise Content Management | | | | |
| 8. Contingency & Disaster Recovery Planning | | | | |
| 9. Systems Analysis | | | | |
| 10. Network System Administration | | | | |
| 11. Software Quality Assurance & Testing | | | | |
| 12. Desktop Applications Development and Training | | | | |
| 13. Geographic Information Systems Application Development | | | | |
| 14. Workstation Installation & Support | | | | |
| 15. Client Server, Web & N-Tier Application Development | | | | |
| 16. General Mainframe Development | | | | |
| 17. General Database Administrator / Database Developer / Data Analyst | | | | |