

State of California
SOFTWARE LICENSING PROGRAM (SLP)
AMENDMENT # 2



Contractor: CDW Government LLC
Contract Number: SLP-17-70-0025L
SLP Contract Term: 06/27/2017 through 07/31/2020
Contract Base: VMware Offer Number VMware-SLP2017

This amendment is being issued to:

- Update the provision **"CONTRACTOR QUARTERLY REPORTS"**
- Update the provision **"AVAILABLE PRODUCTS AND/OR SERVICES"**
- Add the provision **"UNAVAILABLE PRODUCTS AND/OR SERVICES"**
- Remove the provision **"SOFTWARE APPLIANCES"**.
- Revise the **"IMPLEMENTATION SERVICES"** provision.
- Remove the provision **"MAXIMUM ORDER LIMIT IS \$2,000,000(Local Governments are Exempt)"**
- Add the provision **"ORDER REQUIREMENTS AND MAXIMUM ORDER LIMIT"**
- Update the provision **"ORDERING PROCEDURES"**
- Add the provision **"CONTRACT EXTENSIONS"**
- Update the provision **"PRODUCTIVE USE REQUIREMENTS"**
- Incorporate the [Cloud Computing – Software as a Service \(SaaS\) General Provisions effective 6/07/2019](#)
- See page 2 for provisions referenced above.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

For State of CA:

For Contractor:

For

Patrick Mullen
Manager
Multiple Award Programs Section
Procurement Division
Department of General Services

Date

11/4/2019

Signature
Manager, Program Management

Printed Title
Mark A. Ellis

Printed Name
CDW Government LLC

Company Name
09/27/2019

Date

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CONTRACTOR QUARTERLY REPORTS

Contractors are required to submit a detailed report quarterly to the DGS Procurement Division, Software Licensing Program. A separate report is required for each contract, as differentiated by alpha suffix (if applicable). Contractors with resellers are responsible for reporting reseller ordering activity. Any report that does not follow the required format or that excludes information will be deemed incomplete and returned to the contractor.

All SLP contractors, including certified Small Businesses and Disabled Veteran Business Enterprises, will be required to pay DGS-PD a 1.25% incentive fee for all orders placed by local government agencies via a SLP contract. This policy however, does not affect orders placed by State government offices. State agencies will continue to be billed the applicable administrative use fee by the DGS-PD.

The SLP Quarterly Business Activity Report form separates sales to State and local government agencies.

SLP Quarterly Business Activity Reports are due in the SLP Unit within two weeks after the end of each quarter as shown below:

Quarter 1	Jan 1 to Mar 31	Due Apr 15
Quarter 2	Apr 1 to Jun 30	Due Jul 15
Quarter 3	Jul 1 to Sep 30	Due Oct 15
Quarter 4	Oct 1 to Dec 31	Due Jan 15

Each contractor is required to remit to the DGS-PD an incentive fee equal to 1.25% of the total of all local government agency orders (excluding sales tax and freight) placed against their SLP contract(s) for the applicable quarter.

The check covering this fee shall be made payable to the Department of General Services, Software Licensing Program, and be attached to the supporting SLP Quarterly Report.

Mail report and check to:

Department of General Services
Procurement Division, SLP Unit
Quarterly Report Processing
PO Box 989052, MS 2-202
Attn: Software Licensing Program
West Sacramento, CA 95798-9052

SLP Quarterly Reports which include a check made payable to the DGS-SLP Unit must be mailed via hard-copy, and cannot be accepted via facsimile or e-mail.

New contracts for contractors with existing contracts, and extensions or renewals of existing contracts, will be approved ONLY if the contractor has submitted to the SLP Unit all quarterly reports, due. Each quarterly report is required within two weeks of the end of March, June, September, and December of each calendar year. A report is required even when there is no activity.

The report must include the agency name, purchase order number, purchase order date, state agency billing code, pre-tax total order cost, agency contact name, address and phone number, and total dollars for the quarter. Tax must NOT be included in the quarterly report, even if the agency includes tax on the purchase order.

A sample quarterly report indicating required format and information is attached for your reference (Attachment A).

AVAILABLE PRODUCTS AND/OR SERVICES

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This contract provides for the purchase and warranty of software, software maintenance, software as a service, technical support, installation, and implementation services.

Only products from the manufacturer listed below are available within the scope of this contract:

- **VMware**

UNAVAILABLE PRODUCTS AND/OR SERVICES

The following products and/or services are not available under this contract:

- **STANDALONE HARDWARE**
- **CONSULTING**
- **STANDALONE INSTALLATION SERVICES**

INSTALLATION SERVICES

- Installation Services can only be purchased when they are incidental to and in support of software purchased under this SLP contract.
- Installation Services must not exceed the total cost of the software.

IMPLEMENTATION SERVICES

Before procuring Implementation Services, state departments should conduct an analysis and use their own due diligence to determine if these services are the most cost effective solution that meets their business needs and security requirements.

Requirements

- State departments must complete a Statement of Work (SOW) for all Implementation services.

- Job titles/categories are limited to those identified in the SLP price list.
- Hourly rates must not exceed those identified in the SLP price list.
- Implementation services can only be purchased when they are in support of software purchased under the SLP.
- Time and Material pricing must not exceed the job Title hourly rate times the number of hours to complete the job.

NOTE: Implementation Services under this contract must be paid in arrears.

ORDER REQUIREMENTS AND MAXIMUM ORDER LIMIT

- Unless otherwise determined by an individual ordering agency purchasing authority, no SLP order may be executed by a State agency that exceeds that agency's purchasing authority threshold. State agencies with approved purchasing authority, along with their dollar thresholds can be obtained at the [List of State Departments with Approved Purchasing Authority](#).
- Agencies must adhere to the detailed requirements in the State Contracting Manual (SCM) when using SLP contracts. The requirements for the following bullets are in the SCM, Volume 3, (for IT): If soliciting offers from a certified DVBE, include the Disabled Veteran Business Enterprise Declarations form (Std. 843) in the Request for Offer. This declaration must be completed and returned by the DVBE prime contractor and/or any DVBE subcontractors. (See the SCM Volume 3, Chapter 3)

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- This is not a bid transaction, so the small business preference, DVBE participation goals, protest language, intents to award, evaluation criteria, advertising, etc., are not applicable.
- If less than 3 offers are received, State agencies must document their file with the reasons why the other suppliers solicited did not respond with an offer.
- Assess the offers received using best value methodology, with cost as one of the criteria.
- Issue a Purchase Order to the selected contractor.
- For SLP transactions under \$10,000, only one offer is required if the State agency can establish and document that the price is fair and reasonable. The fair and reasonable method can only be used for non-customizable purchases.

Local governments set their own order limits, and are not bound by the order limits on the cover page of this contract.

ORDERING PROCEDURES

1. Order Form

State departments shall use a Contract/Delegation Purchase Order (Std. 65) for purchases and services.

Local governments shall, in lieu of the State's Purchase Order (Std. 65), use their own purchase order document.

Electronic copies of the State Standard Forms can be found at the Office of State Publishing web site:
<http://www.dgs.ca.gov/osp> (select Standard Forms). The site provides information on the various forms and use with the Adobe Acrobat Reader. Beyond the Reader capabilities, Adobe

Acrobat advanced features may be utilized if you have Adobe Business Tools or Adobe Acrobat 4.0 installed on your computer. Direct link to the [Standard Form 65](http://www.osp.dgs.ca.gov/pdf/std065.pdf):
(<http://www.osp.dgs.ca.gov/pdf/std065.pdf>)

2. Purchase Orders

All Ordering Agency purchase order documents executed under this SLP must contain the applicable SLP contract number as show on page 1.

1. State Departments:

Std. 65 Purchase Documents – State departments not transacting in FI\$Cal must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the DGS-PD website at <http://www.dgs.ca.gov/pd/Forms.aspx> (select Standard STD Forms).

FI\$Cal Purchase Documents – State departments transacting in FI\$Cal will follow the FI\$Cal procurement and contracting procedures.

2. Local Governmental Departments:

Local governmental agencies may use their own purchase document for purchase execution.

The agency is required to complete and distribute the order form. For services, the agency shall modify the information contained on the order to include the service period (start and end date), and the monthly cost (or other intermittent cost), and any other information pertinent to the services

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being provided. The cost for each line item should be included in the order, not just system totals.

The contractor must immediately reject orders that are not accurate. Discrepancies are to be negotiated and incorporated into the order prior to the products and services being delivered.

3. Service and Delivery after Contract Expiration

Purchase orders must be issued before the SLP contract end term expires.

Also, purchase order amendments cannot be issued to add product and software maintenance if the SLP contract end term has expired.

CONTRACT EXTENSIONS

The initial term of this SLP contract is 3 years

and may be extended for an additional 2-years, however an amendment must be issued prior to contract end date. **NOTE: Extensions are optional and are at the discretion of the state.**

PRODUCTIVE USE REQUIREMENTS

The customer in-use requirement applies to all procurements of information technology equipment and software, per the SCM, Volume 3, Chapter 2, Section 2.B6.2 and SCM, Volume FI\$Cal, Chapter 2, Section 2.E3.2.

Each equipment or software component must be in current operation for a paying customer and the paying customer must be external to the contractor's organization (not owned by the contractor and not owning the contractor).

To substantiate compliance with the Productive Use Requirements, the SLP contractor must provide upon request the name and address of a customer installation and the name and telephone number of a contact person.

The elapsed time such equipment or software must have been in operation is based upon the importance of the equipment or software for system operation and its cost. The following designates product categories and the required period of time for equipment or software operation prior to approval of the replacement item on SLP.

Category 1 - Critical Software: Critical software is software that is required to control the overall operation of a computer system or peripheral equipment. Included in this category are operating systems, data base management systems, language interpreters, assemblers and compilers, communications software, and other essential system software.

<u>Cost</u>	<u>Installation</u>	<u>Final Bid Submission</u>
More than \$100,000	8 months	6 months
\$10,000 up to \$100,000	4 months	3 months
Less than \$10,000	1 month	1 month

Category 2 - All Information Technology Equipment and Non-Critical Software: Information technology equipment is defined in State Administrative Manual (SAM) § 4819.2.

<u>Cost</u>	<u>Installation</u>	<u>Final Bid Submission</u>
More than \$100,000	6 months	4 months

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<u>Cost</u>	<u>Installation</u>	<u>Final Bid Submission</u>
\$10,000 up to \$100,000	4 months	3 months
Less than \$10,000	1 month	1 month