



Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California
CONTRACT USER INSTRUCTIONS
****MANDATORY****

CONTRACT NUMBER:	1-15-70-03C
DESCRIPTION:	PC Servers - HP
CONTRACTOR(S):	NWN Corporation
CONTRACT TERM:	6/11/2015 through 6/10/2017
STATE CONTRACT ADMINISTRATOR:	Christina Nunez 916-375-4482 Christina.nunez@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions.

Signature on File

Christina Nunez, Contract Administrator

Date: 6/11/2015

Contract (Mandatory) 1-15-70-03C Contract User Instructions

1. SCOPE

The State's contract with NWN Corporation (contractor) provides Hewlett Packard (HP) PC Servers at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-15-70-03C. The contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of HP PC Servers to the State.

The contract term is for two (2) years with an option to extend the contract for three (3) additional one (1) year period or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT USAGE/RULES

A. State Departments

- The use of this contract is mandatory for all State of California departments.
- Ordering departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2 and 3, as applicable.
- Prior to placing orders against this contract, departments must have been granted IT purchasing authority by the Department of General Services, Procurement Division (DGS/PD) for the use of this statewide contract. The department's current purchasing authority number must be entered in the appropriate location on each purchase document. Departments that have not been granted purchasing authority by DGS/PD for the use of the State's statewide contracts may access the Purchasing Authority Application at <http://www.dgs.ca.gov/pd/Resources/publications/SCM2.aspx> or may contact DGS/PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.
- Departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

B. Local Governmental Agencies

- Local governmental agency use of this contract is optional.
- Local government agencies are defined as "any city, county, city and county, district or other governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges", empowered to expend public funds for the acquisition of products, per Public Contract Code Chapter 2, Paragraph 10298 (a) (b). While the State makes this contract available to local governmental agencies, each local governmental agency should determine whether this contract is consistent with its procurement policies and regulations.
- Local governmental agencies shall have the same rights and privileges as the State under the terms of this contract. Any agencies desiring to participate shall be required to adhere to the same responsibilities as do State agencies and have no authority to amend, modify or change any condition of the contract.
- Local governmental agencies must have a DGS agency billing code prior to placing orders against this contract. DGS agency billing codes may be obtained by emailing the DGS billing code contact with the following information:

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- Local governmental agency
- Contact name
- Telephone number
- Mailing address
- Facsimile number and e-mail address

DGS Billing Code Contact: Marilyn.ebert@dgs.ca.gov

- C. Unless otherwise specified within this document, the term “ordering agencies” will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each article.

3. DGS ADMINISTRATIVE FEES

A. State Departments

The DGS will bill each State department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

Current fees are available online in the Procurement Division Price Book located at:
<http://www.dgs.ca.gov/ofs/Pricebook.aspx> (Click on “Purchasing” under Procurement Division.)

B. Local Governmental Agencies

For all local government agency transactions issued against the contract the Contractor is required to remit the DGS/PD an Incentive Fee of an amount equal to 1% of the total purchase order amount excluding taxes and freight. This Incentive Fee shall not be included in the agency’s purchase price, nor invoiced or charged to the purchasing entity. All prices quoted to local governmental agency customers shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees.

4. SB/DVBE OFF-RAMP PROVISION

The PC Server – HP Statewide Contract 1-15-70-03C is **mandatory** for use by all State of California departments except when the “SB/DVBE Off-Ramp” provision is utilized. The SB/DVBE Off-Ramp provision allows a State department to, at its option, purchase contract items from a certified Small Business (SB), including a “microbusiness” (MB), or a Disabled Veteran Business Enterprise (DVBE) in accordance with the rules outlined within this document.

Note: The rules outlined herein are exclusive to the PC Server - HP Statewide Contract 1-15-70-03C and do not affect any other contract. Departments may not use the SB/DVBE Off-ramp provision to buy outside of the mandatory statewide contract if the rules cannot be applied. In these situations, the purchase must be made through the mandatory statewide contract.

A. SB/DVBE Offramp Provision Usage Rules

In order to utilize the SB/DVBE Off-ramp provision, departments must comply with the following usage rules:

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Requirement	Description / Procedure
Purchasing Authority	Departments must have approved Purchasing Authority Category for SB/DVBE Option per GC section 14838.5(a) granted by the DGS/PD in order to utilize the SB/DVBE Off-Ramp provision as identified within the statewide contract..
Transaction Limits	Transactions must be less than \$250,000 excluding sales and use tax, finance charges, postage, and handling charges.
Supplier Certifications	SB/DVBE Offramp purchases must be made to a supplier with a current California SB or DVBE certification. State departments can verify certifications at the following website: http://www.bidsync.com/DPXBisCASB .
Price Quotations	<p>Departments must obtain price quotations from California-certified SB, MB, or DVBE supplier(s) as follows:</p> <ul style="list-style-type: none"> ➤ For purchases between <u>\$0 and under \$5,000</u>, departments must obtain at least one (1) phone quote or written quote. ➤ For purchases between <u>\$5,000 and under \$250,000</u>, departments must obtain at least two (2) price quotations. Refer to SCM Volume 3, Chap.4. <p><u>Note:</u> Quotes must be obtained from suppliers of the same certification type (SB or DVBE).</p>
Evaluation	<p>State departments must document in the procurement file that the products being purchased are:</p> <ol style="list-style-type: none"> 1) <u>The same brand and model</u> as the products available from the statewide contract including product description, functional requirements, and manufacturer warranties as provided in the statewide contract; <u>and</u> 2) <u>Equal to or less expensive</u> than the pricing offered from the statewide contract for the equivalent products based on the total order value before taxes.
Identifying Off Ramp purchases	<p>Departments electing to exercise the Off Ramp provision by conducting a SB/DVBE Option purchase <u>must</u>, when executing the resulting purchase document, enter "OFF RAMP" in the box titled "Leveraged Procurement Agreement No." on the STD.65.</p> <p>Refer to the following example for identifying Off Ramp purchases.</p>

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STATE OF CALIFORNIA - GENERAL SERVICES PROCUREMENT DIVISION PURCHASING AUTHORITY PURCHASE ORDER STD. 65 (REV. 7/2003)			CONTRACT REGISTRATION NUMBER CP1234567	AGENCY ORDER NUMBER 12-HQ-0092	AMENDMENT NO.
S Department of General Services H 707 3rd Street, 2nd Floor I West Sacramento, CA 95605 P Attn: Jane Doe T (916) 375-1111 O			SUPPLIER: The numbers identified above MUST be shown on Invoice & Packing Slip.		DATE 01/10/2012
			B Department of General Services I 707 3rd Street, 2nd Floor L West Sacramento, CA 95605 L Attn: John Doe T (916) 375-1111 O		PAGE OF PAGE 1 1
			AGENCY BILLING CODE 99999		
			PURCHASING AUTHORITY NUMBER 9G-0113-DGS-HQ1		
			LEVERAGED PROCUREMENT AGREEMENT NO. OFF RAMP		

B. Off Ramp Documentation

Requirement	Description / Procedure
Off Ramp Documentation	<p>The procurement file must be documented to support the contract award and the action taken including the following documents:</p> <ul style="list-style-type: none"> • Copy of Statewide Contract User Instructions in support of executing a SB/DVBE purchase outside of the mandatory contact. • Statewide contract pricing sheet, highlighting the equivalent products being purchased and used for evaluation. • SB or DVBE price quotes obtained. • SB or DVBE certification verification. <p>Refer to SCM Volume 3 for additional documentation requirements.</p>

5. EXEMPT PURCHASES

To purchase PC Server equipment outside of the mandatory statewide contracts for PC Servers, State departments must receive an approved exemption from the DGS/PD Contract Administrator. Please refer to <http://www.dgs.ca.gov/pd/Programs/Leveraged/contracts/exemptionprocess.aspx> for information and the required justification forms regarding the exemption process.

These special exemption purchases must be documented within the individual procurement file and will be acquired under the department-approved IT purchasing authority guidelines stated in the SCM Volume 3.

6. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agencies and/or contractors shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance, outstanding deliveries, etc.

For contractor performance issues, ordering agencies must submit a completed [Supplier Performance Report](#) via email or facsimile to the State Contract Administrator identified in Article 33 (Contract Administration). The ordering agency should include all relevant information and/or documentation (i.e. Purchase documents).

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7. CONTRACT ITEMS

Contract items do not consist of Core and Non-Core items. All HP PC Server products offered in the contractor’s catalog shall be available at a discount off the OEM list price as described below.

Product Categories	RACK Product Discount %	BLADE Product Discount %	Tower Product Discount %
Hardware	38.6%	37.6%	49.5%
Accessories	38.6%	37.6%	49.5%
Microsoft Operating Systems	38.6%	37.6%	49.5%
All Other Software	38.6%	37.6%	49.5%
Additional Warranties	24%	24%	24%
Value Added Services	24%	24%	24%

Definitions

Hardware – Parts located inside the server

Accessories – Parts located outside the server

Microsoft Operating System – Microsoft OS Software

All Other Software – Software other than Microsoft OS

Additional Warranties – Upgraded or additional warranties beyond the warranty included with purchase

Value Added Services – Services related to PC Servers (e.g. installation; asset tagging; equipment take back)

8. SPECIFICATIONS

All HP PC Servers shall have x86 architecture. The purchase of hardware, accessories, operating systems, software, warranties, and value added services will be ancillary to the purchase of the servers themselves.

9. CUSTOMER SERVICE

The Contractor will have a customer service unit that is dedicated to this contract. The customer service unit provides office and personnel resources for responding to inquiries, including telephone and email coverage weekdays during the hours of 8:00 a.m. - 5:00 p.m., PT.

The customer service unit shall be staffed with individuals that:

- Are trained in the requirements of this contract;
- Have the authority to take administrative action to correct problems that may occur; and
- Are designated for training and general customer service follow-up.

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The Contractor's customer service unit shall respond to all customer inquiries within one (1) business day of initial contact.

Contact	Phone	Email
Michelle Carlsen	(916) 637-2150	mcarlsen@nwnit.com
NWN Sales Support Team	(916) 637-2200	SCA_Sales_Team@nwnit.com

10. ELECTRONIC CATALOG/CONTRACT WEBSITE CONTENTS

An Electronic Catalog / Contract Website specific to the Statewide Contract for PC Servers - HP is available and contains the following data elements at minimum:

- Detailed line item descriptions of HP PC Server models and related products;
- Detailed line item description of HP PC Server related value added services;
- Warranty/PPM information;
- State-specific contract current pricing/discount;
- SB/DVBE participation information;
- Contractor's customer service contact information;
- Commercially-available OEM price lists (current and archives)

The Electronic Catalog/Contract Website is located at the following web address:

<http://www.nwnit.com/contracts/pc-servers/>

11. PRE-ORDER CONFIGURATION CONSULTATION (OFFER GENERATION)

There is no pre-order configuration associated with this contract.

12. OFFER FORMAT

The Contractor shall provide an offer to ordering agencies in MS Excel spreadsheet format. Prior to submitting a purchase order to the contractor, all offers must be approved by DGS, PD (not applicable to local governmental agencies).

The authorization process requires submission of the Contractor's offer spreadsheet (showing company letterhead) to the State's Contract Administrator and must include the following data elements:

- Contractor letterhead
- Offer/Quote "prepared by" name and contact information
- Offer/Quote number
- Date of Offer/Quote
- Date of the OEM's publically available price index (MSRP/MSIP)
- Ordering agency name
- Ordering agency contact person
- Contract number
- Contract expiration date
- Table consisting of:
 - Manufacturer's Part Number/SKU
 - Quantity

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- Description of Item
- MSRP/Index Price
- Contract Discount
- Contract Unit Price
- Extended Price (Quantity x Contract Price)
- Subtotals of taxable and non-taxable items
- Rate and calculated tax
- Applicable fees
- Grand total

13. ELECTRONIC WASTE RECYCLING FEE

There is no electronic waste recycling fee associated with this contract.

14. PRODUCT SUBSTITUTIONS

There are no product substitutions associated with this contract.

15. PROMOTIONAL PRICING

During special pricing promotions, the Contractor shall offer State and local agency purchasers the promotional pricing or the discount percentage off list, per IFB DGS 1309-017 Section 6.7.2, Promotional Pricing, whichever is lower.

The Contractor shall notify the CA of all promotional pricing changes. Notification shall include at a minimum:

- Promotion start and end dates.
- Models, products, and services included in the promotion.
- Promotional pricing.

Promotional pricing shall not be cause for a permanent change in pricing. Promotional pricing shall not be cause for Contractor Refresh.

Promotional items shall come with all benefits of the statewide contract terms and conditions and shall include all provisions such as warranty and delivery.

16. PURCHASE EXECUTION

A. State Departments

1) Purchase Documents

State departments must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the Office of State Publishing web site: <http://www.dgs.ca.gov/pd/Forms.aspx> (select Standard Forms). All offers/quotes require DGS, PD approval prior to submitting purchase documents to the Contractor.

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Ship To Address

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- Purchase Order Date
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Part/SKU Number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price

2) Statement of Work

A Statement of Work (SOW) written by the ordering agency is required for all IT purchases. Purchases for IT goods only do not require a SOW unless the complexity of the order deems it necessary.

3) Blanket Orders

The use of blanket orders against this statewide contract is not allowed.

4) American Recovery and Reinvestment Act (ARRA) - Supplemental Terms and Conditions

Ordering departments executing purchases using ARRA funding must attach the ARRA Supplemental Terms and Conditions document to their individual purchase documents. Departments are reminded that these terms and conditions supplement, but do not replace, standard State terms and conditions associated with this leveraged procurement agreement.

- [ARRA Supplemental Terms and Conditions](#)

Note: Additional information regarding ARRA is available by clicking here to access the email broadcast dated 08/10/09, titled [Supplemental Terms and Conditions for Contracts Funded by the American Recovery and Reinvestment Act](#).

B. Local Governmental Agencies

Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number is used by State departments only).

C. Documentation

All ordering agencies will submit a copy of executed purchase documents to:

DGS - Procurement Division (IMS# Z-1)
Attn: Data Entry Unit
707 Third Street, 2nd Floor, MS 2-212
West Sacramento, CA 95605-2811

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17. MINIMUM ORDER

There is no minimum order; however the purchase of hardware, accessories, operating systems, software, warranty, and value added services will be ancillary to the purchase of a PC Server. Such ancillary purchases shall be available throughout the life of the contract and shall only be purchased with the purchase of a PC Server or following the purchase of a PC Server from the PC Server – HP contract.

18. ORDERING PROCEDURE

A. Ordering Methods:

Ordering agencies are to submit appropriate purchase documents directly to the contractor(s) via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The contractor's Order Placement Information is as follows:

ORDER PLACEMENT INFORMATION		
U.S. Mail	Facsimile	Email
NWN Corporation 11931 Foundation Place, Suite 250 Gold River, CA 95670	(916) 596-4800	SCA_Sales_Team@nwnit.com

Note: When using any of the ordering methods specified above, all State departments must conform to proper State procedures.

19. ORDER ACCEPTANCE

The Contractor shall accept orders from any State department or local governmental agency. The Contractor shall not accept purchase documents for this contract that:

- Are incomplete;
- Are submitted without CA approval (not applicable to local governmental agencies)
- Contain non-contract items;
- Contain non-contract terms and conditions; or
- Does not include a Statement of Work (SOW). A SOW is required for all IT services. Purchases for IT-Goods only do not require a SOW unless the complexity of the order deems it necessary.

The Contractor must not refuse to accept orders from any State department or local governmental agency for any other reason without written authorization from the CA.

20. ORDER RECEIPT ACKNOWLEDGEMENT

The Contractor will provide ordering agencies with an order receipt acknowledgement, via e-mail or facsimile, within one (1) business day after receipt of purchase document. The Order Receipt Acknowledgement shall include the following information:

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)

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- Contractors Order Number
- Description of Goods/Service
- Purchase Order Total Cost
- Anticipated Delivery Date
- Identificaiton of any Out of Stock/Discontinued Items

21. OUT OF STOCK REMEDY

Upon receipt of order acknowledgment identifying out of stock items, the ordering agencies shall have the following options:

- Request back order; or
- Cancel the item from the order with no penalty.

Contractor will provide notification to the ordering agencies regarding out-of-stock items which have been back ordered.

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products.

22. DISCONTINUED ITEM REMEDY

Upon receipt of order acknowledgment identifying discontinued items, the ordering agencies shall have the following options:

- Amend purchase document to reflect an alternate item; or
- Cancel the item from the order.

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products without approval from the CA.

23. DELIVERY SCHEDULES

Delivery for orders placed against this contract shall be in accordance with the following:

A. Locations

Deliveries are to be made (statewide) to the location specified on the individual purchase order, which may include, but not limited to inside buildings, high-rise office buildings, and receiving docks.

B. Schedule

Delivery of ordered product shall be completed in full within thirty (30) calendar days after receipt of an order (ARO). Since receiving hours for each ordering agency will vary by facility, it will be the Contractor's responsibility to check with each facility for their specific delivery hours before delivery occurs. The Contractor must notify the ordering agency within 12 hours of scheduled delivery time, if delivery cannot be made within the time frame specified on the Order Receipt Confirmation.

Contractor is requested to make deliveries in Los Angeles County, Orange County, San Bernardino Metropolitan Area, and San Diego Metropolitan Area during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM.

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C. Security Requirements

Deliveries may be made to locations inside secure institutional grounds (such as the California State Prisons) that require prior clearances to be made for delivery drivers. Since security clearance procedures for each facility may vary, it will be the Contractor's responsibility for contacting the secure location for security clearance procedures, hours of operation for deliveries and service, dress code, and other rules of delivery.

24. EMERGENCY/EXPEDITED ORDERS

Not Applicable.

25. FREE ON BOARD (F.O.B.) DESTINATION

All prices are F.O.B. destination; freight prepaid by the contractor, to the ordering organization's receiving point. Responsibility and liability for loss or damage for all orders will remain with the contractor until final inspection and acceptance, when all responsibility will pass to the ordering organization, except the responsibility for latent defects, fraud, and the warranty obligations.

26. PALLETS

Unless otherwise specified on the ordering agency's purchase order document, standard commercially available pallet sizes should be used. All pallets shall be of sturdy construction and adequate condition to assure delivery of the goods without damage to the goods or safety hazards.

Exchange pallets may be available; however, the State assumes no responsibility for the availability to exchange pallets. Delivery drivers shall not remove more pallets from the location than delivering at time of delivery.

27. SHIPPED ORDERS

All shipments must comply with the General Provisions – Informatin Technology (rev 09/05/2014), Paragraph 12 entitled "Packing and Shipment". The General Provisions are available at:
http://www.documents.dgs.ca.gov/pd/contracts/forms/rfp/Exhibit%2011_27_ITGeneral_Provisions.pdf

28. PACKING SLIP

A packing slip will be included with each shipment, which will include at least the following information in no particular order:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Line item description
- Quantity ordered
- Quantity included in shipment
- Any back ordered or out of stock items and availability date of unfilled and partial shipment
- Number of parcels
- Destination
- All information contained on the packing label

29. PACKING LABEL

A packing label will also be included with each order shipped and include the following items, visible on the outside of the box:

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- Authorized Purchaser
- Address
- Department and floor
- Authorized Purchaser Contact Name
- Authorized Purchaser Telephone Number

30. HAZARDOUS MATERIALS DOCUMENTATION

For products that contain hazardous chemicals, as defined by California Code of Regulations, Title 8, Section 339, the Contractor must provide a Material Safety Data Sheet (MSDS), via facsimile or email, to the ordering agency upon written request.

31. INSTALLATION

Installation is available on the contract as a Value Added Service and shall be offered at the quoted discount off list price for VAS per Article 7, Contract Items. All VAS shall be included in the Statement of Work.

32. INSPECTION AND ACCEPTANCE

In accordance with the General Provisions – Information Technology (GSPD-401IT, 9/05/2014), unless otherwise noted in the ordering agency’s SOW, rejection of deliverables shall take place within fifteen (15) days of delivery for purchases of Commercial Hardware or Commercial Software or thirty (30) days of delivery for all other purchases. Otherwise such deliverables and services will be deemed to have been accepted by the State.

33. CONTRACT ADMINISTRATION

Both the State and the contractor have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

Administrator Information	DGS/PD (State Contract Administrator)	NWN Corporation (Contractor)
Contact Name:	Christina Nunez	Mathew Niemann
Telephone:	(916) 375-4482	(916) 637-2135
Facsimile:	(916) 375-4613	(916) 596-4800
Email:	Christina.nunez@dgs.ca.gov	mniemann@nwnit.com
Address:	DGS/Procurement Division Attn: Christina Nunez 707 Third Street, 2 nd Floor, MS 201 West Sacramento, CA 95605	NWN Corporation Attn: Matt Niemann 11931 Foundation Place, Suite 250 Gold River, CA 95670

34. RETURN POLICY

Contractor will accept all products for return within 30 calendar days of delivery for credit or refund. Contractor may impose a Restocking Fee per Article 36, Restocking Fees.

Note: Products returned should be in the packaging as delivered and include all documentation. Lost or damaged packaging materials and/or documentation shall be supplied by the Contractor. The Contractor shall not charge for these materials in excess of the Contractor’s cost or the ten (10) percent Restocking Fee, whichever is lower. The Contractor shall provide the CA and/or ordering department(s) a copy of the Contractor’s material cost, if requested, within ten (10) days of request.

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All returns shall be picked up within seven (7) working days of notification. Notification is defined as notice in writing, by facsimile or e-mail.

35. CREDIT POLICY

The Contractor shall offer credit/refund for the following items:

- Items shipped in error
- Items that are returned within 30 calendar days of delivery (less applicable restocking fee)
- Defective or freight-damaged items

In all cases, the ordering agency shall have the option of taking an exchange or receiving a credit, or receiving a refund.

The Contractor will be responsible for the credit or replacement of all products, including those covered by manufacturer warranties. Contractor cannot require the ordering agency to deal directly with the manufacturer.

36. RESTOCKING FEES

The Contractor will not impose a restocking fee on the ordering agency for the following situations:

- Items returned that were damaged upon receipt
- Incorrect items shipped

Re-stocking fees for all other reasons shall be ten percent (10%) of the value of the items needing re-stocking.

The packaging and documentation provisions of Article 34, Return Policy, shall apply to re-stocked items.

The Contractor will not be required to accept returns more than 30 days after delivery. The State will be responsible for return transportation costs to the Contractor if so accepted after 30 days after delivery.

37. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering organization. Invoices will contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (Contract Number)
- Agency Order Number (Purchase Order Number)
- Agency Billing Code
- Ordering Agency Name
- Delivery Address of the Order
- Product(s) description
- Contractor's product stock keeping unit number (SKU)
- State Contract Price(s) per unit(s) and extended price
- Quantities of merchandise issued
- Date ordered
- Date delivered
- Listing of returns or back ordered items
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

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38. PAYMENT

A. Terms

Payment terms for this contract are net forty-five (45) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

B. CAL-Card Use

State departments may use the CAL-Card for the payment of invoices. Use of the CAL-Card requires the execution of Purchasing Authority Purchase Order (Std. 65) as referenced in Article 16 (Purchase Execution) and must include all required documentation applicable to the purchase.

The CAL-Card is a payment mechanism, not a procurement approach and, therefore, does not relieve departments from adhering to all procurement laws, regulations, policies, procedures, and best practices, including those discussed in the State Contracting Manual (SCM) Volume 1 and Volume 2. This includes but is not limited to the application of all sales and use tax laws, rules and policies as applicable to the purchase.

C. Payee Data Record

Each State accounting office must have a copy of the Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. State departments should contact the contractor for copies of the Payee Data Record.

39. CAL-CARD INVOICING

All CAL-Card invoices are to be processed separately from other payment methods and include the elements identified in Article 37, Invoicing. CAL-Card invoices shall be submitted to the CAL-Card account holder. The total invoice amount for each CAL-Card order must reflect a zero balance due or credit, if applicable, and state "paid by CAL-Card".

For additional information regarding DGS/PD's CAL-Card program, see the following website:
<http://www.dgs.ca.gov/pd/Programs/CALCard.aspx>

40. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the contractor is listed below. State departments can verify that permits are currently valid at the following website: www.boe.ca.gov. State departments must adhere to the file documentation required identified in the State Contracting Manual Volume 2 and Volume 3, as applicable.

Contractor Name	Seller Permit #
NWN Corporation	100937005

41. ACCESSIBILITY COMPLIANCE/ VOLUNTARY PRODUCT ACCESSIBILITY TEMPLATE (VPAT)

Contract products are compliant with requirements for accessibility based on Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

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42. WARRANTY

The Contractor must honor all manufacturers' warranties and guarantees for a period of three (3) years from the date of acceptance on all products offered as part of this contract (excluding 3rd party software). The Contractor shall bear all material and labor costs for repair of equipment defects and failure. The contract prices include the manufacturer's warranty cost.

During the warranty period, the Contractor must:

- Honor all manufacturers' warranties and guarantees on all products offered through the contract.
- Continue to provide warranty service after contract termination until expiration of warranties for products that have been sold under the contract.
- Provide all labor, parts, and travel necessary to keep the products in good operating condition and preserve its operating efficiency in accordance with its technical specifications.
- Pay any necessary shipment and insurance costs.

The warranty services listed shall include all products, software /firmware maintenance costs and costs of labor (excluding 3rd party software), parts, travel, factory overhaul, rehabilitation, transportation, and substitute product(s) as necessary. If it is necessary to remove any products from an authorized purchaser's location where onsite warranty is specified, the Contractor will provide substitute products at the time of removal. Substitute products will be comparable to or better than the products removed. In instances where it is necessary for the Contractor to return the products to the factory, the Contractor will be responsible for all costs of the products from the time it leaves the authorized purchaser's site until it is returned to the site in good operating condition.

Only new standard parts or parts equal in performance to new parts will be used in effecting repairs. Parts that have been replaced will become the property of the Contractor except in instances where the State chooses to keep the hard drives. Replacement parts installed will become the property of the authorized purchaser.

Warranty services during the warranty period will not include electrical work external to the products, the furnishing of supplies, or adding or removing accessories, attachments, or other devices not provided under this contract. Warranty services also will not include repair of damage resulting from transportation by the authorized purchaser between State or local sites or from accident, unless the accident is caused by negligent or intentional acts or omissions of Contractor or its agents.

43. QUALITY ASSURANCE GUARANTEES

The Contractor shall represent and warrant that PC Server products provided shall be free from defects in material and workmanship, given normal use and care, over the period of the manufacturer warranty. The terms of this IFB will supersede any language to the contrary on purchase orders, invoices, or other sources. The Contractor must use new products, parts, and components for all new equipment purchased by the State. The Contractor may use parts that are equal in performance to new parts for warranty replacement repair parts only as long as it does not violate manufacturers' warranty.

44. EQUIPMENT REPLACEMENT DURING WARRANTY

If the product provided fails to perform in accordance with technical specifications and functional descriptions contained or referenced in the awarded contract agreement and is subject to warranty response three (3) or more times during any ninety (90) day period, the Contractor will, upon the authorized purchaser's request, replace the product at no cost. The replacement product will be delivered no later than thirty (30) working days after the authorized purchaser's request is received by the Contractor. Replacement goods cannot be used, refurbished or recycled, and must be of equal or greater value.

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45. PRINCIPAL PERIOD OF MAINTENANCE – WARRANTY

The Contractor must provide warranty in accordance with the following Principal Period of Maintenance (PPM) times after notification from an authorized purchaser of a problem with any of the goods included on this IFB.

- Metropolitan Areas shall be:
 - 8x5x2 response time (Eight (8) hours, typically 8:00 am to 5:00 pm, Pacific Time, five (5) days a week, Monday through Friday, two hour call back, excluding State holidays)
 - 8x5x8 NBD onsite. (Eight (8) hours, typically 8:00 am to 5:00 pm, Pacific Time, five (5) days a week, Monday through Friday, eight (8) hour Next Business Day onsite response time, excluding State holidays)

- Non-Metropolitan Areas shall be the same as Metropolitan Areas except the onsite response time shall be within 48 hours, excluding weekends and holidays.

Metropolitan Areas

Counties

San Diego	Orange	Riverside	Los Angeles
San Francisco	Alameda	Sacramento	Santa Clara
San Bernardino	Yolo	Solano	Contra Costa
San Mateo			

Cities

Redding	Stockton	Bakersfield	Ventura
Tracy	San Quentin	Santa Rosa	Santa Barbara
Frontera	Fresno		

46. RECYCLED CONTENT

State departments are required to report purchases in many product categories. The Postconsumer-Content Certification Form (CIWMB 74) for the contractor(s) is attached (Attachment B).

47. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

The subcontractors to be used in the work performed for this contract are listed below. Their Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) certifications and percentage commitments for this contract are also listed.

State departments can verify that the certifications are currently valid at the following website:

<http://www.bidsync.com/DPXBisCASB>.

Name	Prime or Subcontractor	OSDS Certification #	SB Percent (%)	DVBE Percent (%)
Global Blue DVBE, Inc.	Subcontractor	1567640	0	2%

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State departments must identify subcontractors on individual purchase documents whenever subcontractors have been identified. Refer to SCM Volume 2 & 3, Chapter 3. Info Blocks 3.5.7 (SCM 2) and 3.4.7 (SCM 3) entitled "Bidder Declaration". Click on the Bidder Declaration Narrative for further information.

The Contractor has committed to DVBE participation at a total statewide contract level of 2%.

Individual orders may have no applicable participation or may have participation greater than that of the total contract commitment. The exact participation percentage levels for each purchase order will be determined on an order-by-order basis in cooperation with the Contractor prior to submittal of a Purchasing Authority Purchase Order (STD 65).

The DGS/PD, as the awarding department, has assessed the prime Contractor and subcontractor certifications and CUF during the solicitation evaluation process. As a result, when executing purchase documents pursuant to this contract it is not necessary for State departments operating under statewide contract purchasing authority to request the completion of a Bidder Declaration document or perform additional CUF analysis. The department should make a notation of this within their procurement file.

Exception: It is the responsibility of ordering departments to confirm CUF when value-added services are acquired by an ordering department and performed by certified SB/DVBE subcontractors consistent with commitments identified in the table above.

Any irregularities or concerns regarding prime or SB/DVBE sub-contractor responsibilities are to be immediately documented and reported to the State's contract administrator for further investigation. Information provided to the State's contract administrator includes, but is not limited to:

- Copy of executed purchase document
- Value-added service description
- Work performance issue or concern
- Department contact name, email, and phone number

Departments may request from the Contractor a monthly report providing the SB/DVBE participation levels on purchase orders.

48. TAKE BACK/TRADE IN

Before any Take Back or Trade-In can occur, ordering agencies must obtain approval for discarding their IT equipment from the DGS Surplus Property and Reutilization Program. In accordance with the State Administrative Manual (SAM), Chapter 5900, Information Technology-Disposal of IT Equipment, each agency must explore the reutilization of surplus IT equipment prior to requesting approval for recycling or attempting to use the equipment as a credit toward the purchase of new equipment.

This contract offers a Take Back service for *similar* equipment, including other OEM equipment. This Take Back service is for non-working equipment and is considered a value added service (VAS) which shall be offered at the discount off list price for VAS per Article 7, Contract Items. It is not mandatory that the ordering agency use the Take Back service offered. The equipment returned as part of the Take Back service shall be environmentally responsibly managed. To the greatest extent feasible, the equipment is to be refurbished for resale or recycled.

The State reserves the right to remove and retain data storage media, including but not limited to any hard disk drive(s) in the equipment, prior to Take Back.

See Attachment C, Take Back Program for more information.

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49. ELECTRONIC WASTE RECYCLING

The Contractor certifies that it complies with the applicable requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code. The Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.

50. ATTACHMENTS

- Attachment A – Contract Pricing
- Attachment B – Postconsumer Content Certification Workbook
- Attachment C – Take Back Program