



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: | 1-17-70-05B |
| DESCRIPTION: | Desktop Monitors (HP) |
| CONTRACTOR(S): | NWN Corporation |
| CONTRACT TERM: | 07/01/2017 through 06/30/2020 |
| STATE CONTRACT ADMINISTRATOR: | Lillian Jue 916-441-9644 lillian.jue@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: <http://www.documents.dgs.ca.gov/pd/contracts/forms/rfp/Exhibit%208.22%20IT%20General%20Provisions.pdf>

Cal eProcure link: www.caleprocure.ca.gov

| ORDER PLACEMENT INFORMATION | | <company name> |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| U.S. Mail | Contact | Contractor Contract Manager |
| NWN Corporation 2969 Prospect Park Drive, Suite 225 Rancho Cordova, CA 95670 | NWN Corporation Contact: Tim Meade Phone: (916) 637-2200 Fax: (916) 596-4800 SCA_Sales_Team@nwnit.com | NWN Corporation Contact: Matt Niemann Phone: (916) 637-2135 Fax: (916) 596-4800 mniemann@nwnit.com |
| Contractor Website: The website hyperlink will be provided in a future date. | | |

Date: 07/01/2017

Lillian Jue, Contract Administrator

Contract (Mandatory) 1-17-70-05B Contract User Instructions

1. SCOPE

The State's contract with NWN Corporation (contractor) provides Desktop Monitors at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-17-70-05B. 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, warranty issues, customer service and distribution of Desktop Monitors to the State.

The contract term is for three (3) years with an option to extend the contract for two (2) additional one (1) year periods 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/Programs/Delegated.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: 916-375-4400

- 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 Price Book & Directory of Services located at: <http://www.dgs.ca.gov/ofs/home.aspx> (Go to Price Book and 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 Desktop Monitor Statewide Contract 1-17-70-05B 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 Desktop Monitor Statewide Contract 1-17-70-05B 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.

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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:

| 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: www.caleprocure.ca.gov |
| 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 H I P T O | | SUPPLIER: The numbers identified above MUST be shown on Invoice & Packing Slip. | DATE 01/10/2012 | PAGE OF PAGE 1 1 |
| Department of General Services 707 3rd Street, 2nd Floor West Sacramento, CA 95605 Attn: Jane Doe (916) 375-1111 | | B I L L T O Department of General Services 707 3rd Street, 2nd Floor West Sacramento, CA 95605 Attn: John Doe (916) 375-1111 | 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 Desktop Monitor units other than what is currently available on the contract pricing worksheet requires 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 34 (Contract Administration). The ordering agency should include all relevant information and/or documentation (i.e. Purchase documents).

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7. CONTRACT ITEMS

| Desktop Monitor Contract Discount Group | Contract Discount |
|------------------------------------------------|--------------------------|
| Desktop Monitors (Hardware) | 53% |
| Options / Upgrades | 50% |
| Value Added Services | 17% |

A. Core Items

All items in Attachment A, Contract Pricing, must meet or exceed all mandatory Common Configuration Requirements detailed in Attachment B – Exhibit 8.19D, Configuration Spec and Technical Worksheet – Monitor Category. Upgrades and Options are intended to augment proposed configurations. Extended Warranty Options are available as Options/Upgrades and are intended to augment the warranty furnished with the contract equipment. Offers for core items at a lesser discount will not be considered.

- Value Added Services and Statements of Work

Contractor shall provide the value added services listed in Attachment A, Contract Pricing, related to Desktop Monitors as specified by Attachment B – Exhibit 8.19D, Configuration Spec and Technical Worksheet – Monitor Category. A statement of work (SOW) may be required when some Value Added Services are ordered. If required the SOW must be created by the ordering agency and submitted to the DGS/PD Contract Administrator for approval prior to the Contractor’s acceptance of the order.

B. Non-Core Products

Only products meeting or exceeding the specifications of Attachment B – Exhibit 8.19D, Configuration Spec and Technical Worksheet – Monitor Category, within the scope of the Desktop Monitors may be purchased under this contract. Non-Core items meeting or exceeding the specifications may be quoted by the Contractor and require approval by the DGS/PD State Contract Administrator. The DGS/PD Contract Administrator has the unilateral option to approve additional non-core items on a one-time basis at the request of an agency. The base criteria to consider non-core items are:

- All items are directly related to the common configuration.
- The discounts and the List Price from the OEM’s most current publically available Index meet the contract discount for that type of item.
- Items do not conflict with any other mandatory statewide commodities contract.

Non-Core Items must be offered at the same core discount appropriate for the product type: Desktop Monitors (Hardware), Options/Upgrades, or Value Added Services. Offers for non-core items may be offered at a greater discount than the contract discount. Offers for non-core items at a lesser discount will not be considered.

Products outside the scope of the Desktop Monitor Category may not be purchased from this contract. State departments may request an Exemption and these requests require approval by the DGS/PD State Contract Administrator. Refer to Article 5, Exempt Purchases.

8. SPECIFICATIONS

All products listed on Attachment A, Contract Pricing, must conform to Attachment B – Exhibit 8.19D, Configuration Spec and Technical Worksheet – Monitor Category.

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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.

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

| Contact | Phone | Email |
|-----------|----------------|------------------------------------------------------------------------|
| Tim Meade | (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 Desktop Monitors is available and contains the following data elements at minimum:

- Detailed line item descriptions of Desktop Monitors (hardware), upgrade/downgrade (downgrades cannot be below minimum requirements) options, and value added services;
- Warranty/PPM information
- State-specific contract current pricing;
- SB/DVBE participation information;
- Quote generation
- Contractor’s customer service contact information
- Publicly available OEM price lists (current and archives)

| Contract Website |
|----------------------------------------------------------|
| The website hyperlink will be provided in a future date. |

11. PRE-ORDER CONFIGURATION CONSULTATION (OFFER GENERATION)

The contractor shall provide pre-sale pre-order technical consultation and configuration assistance to ordering departments in order to assure acquired configurations are operationally designed for the ordering agency’s technology needs. Ordering agencies will assure that the contractor has been appraised on the technical needs of the systems and components acquired under the contract.

12. OFFER FORMAT

The Contractor shall provide an offer to ordering agencies in MS Excel spreadsheet format. Purchase of Non-Core items may not take place without the written authorization of the State’s Contract Administrator. The authorization process requires submission of the Contractor’s offer format spreadsheet showing company letterhead) which must include the following data elements:

- Contractor letterhead

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- 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
- Contract Line Item Number
- Quantity
- Core/Non-Core (Y/N)
- Description of Item
- Manufacturer’s Part Number/SKU
- 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
- Note that “Items with “N” in Core/Non-Core Column require approval by the State’s CA prior to purchase.

13. ELECTRONIC WASTE RECYCLING FEE

The contractor will comply with the Electronic Waste Recycling Act of 2003 requiring retailers to collect a recycling fee from consumers on covered electronic devices, starting January 1, 2005. California Public Resources Code Section 42463(f) defines a "covered electronic device" as a video display device containing a screen greater than four inches measured diagonally. The fees must be shown on all purchase orders. See the code identified above for more information and exceptions to this definition or go to http://www.boe.ca.gov/sptaxprog/tax_rates_stfd.htm#6 for a breakdown of the current fees.

14. PRODUCT SUBSTITUTIONS/DISCONTINUED ITEMS

Products and configurations meeting or exceeding the category requirements shall be available throughout the duration of the contract term. The contract provides for technology refresh as models are discontinued or cease production and must be approved by the CA. These changes will be made in the form of a contract supplement, and will not be effective until the supplement’s release.

The Contractor shall not substitute products or configurations or modify catalog information without written approval from the DGS/PD State Contract Administrator.

The Contractor(s) will maintain the contract discount as bid throughout the original term of the contract and any extension(s), including upon approved substitution.

If no substitute product is available that meets or exceeds the specifications due to fundamental technology or market change, the State may alter the common configurations to meet the updated marketplace standards. Obsolescence of a configuration may be determined at the discretion of the State.

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

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line Item number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price
- Electronic Waste Recycling Fee

2) FI\$CAL Purchase Documents

State departments transacting in FI\$CAL will follow the FI\$CAL procurement and contracting procedures.

3) Blanket Orders

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

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).

18. MINIMUM ORDER

The minimum order shall be one (1) Monitor.

19. 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 |
| 2969 Prospect Park Drive, Suite 225 Rancho Cordova, CA 95670 | (916) 596-4800 | SCA_Sales_Team@nwnit.com |

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

20. 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 of non-core items
- Contain non-contract items; or
- Contain non-contract terms and conditions.

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.

21. ORDER RECEIPT CONFIRMATION

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

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Purchase Order Total Cost
- Anticipated Delivery Date
- Identification of any Out of Stock/Discontinued Items
- Contractor's Order Number
- Description of Goods

22. 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.

23. DISCONTINUED ITEM REMEDY

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

- Amend purchase document to reflect State-approved substitute item (per Article 14, Product Substitutions/Discontinued Items)
- Cancel the item from the order.

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

24. 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 30 days after receipt of an order (ARO) unless otherwise agreed to by the agency. 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.

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.

25. EMERGENCY/EXPEDITED ORDERS

Not Applicable.

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

All prices are F.O.B. destination; freight prepaid by the contractor, **to the ordering agency's final 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.

27. 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.

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28. SHIPPED ORDERS

All shipments shall be in accordance with the General Provisions, section 12 entitled "Packing and Shipment".

<http://www.documents.dgs.ca.gov/pd/contracts/forms/rfp/Exhibit 8.22 IT General Provisions.pdf>

29. 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

30. 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:

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

31. 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.

32. INSTALLATION

Installation is available on the contract as a Value Added Service as described in Attachment B – Exhibit 8.19D Configuration Spec and Technical Worksheet – Monitor Category. This line item may require a Statement of Work. Please refer to Article 7.A.

Physical installation includes coordination of installation with State representative, power-up, installation of latest firmware, installation of software and updates, removal of the equipment that is being replaced, and dunnage. Testing and diagnostics must include execution of a suite of hardware and software. The basic configuration must be completed and accepted by a State representative. Installation shall include electronic documentation, including configuration instructions, at no additional price.

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33. INSPECTION AND ACCEPTANCE

In accordance with the General Provisions, unless otherwise noted in the ordering agency’s SOW, rejection of deliverables must be processed within 30 days of delivery or it shall be deemed as accepted by the State.

<http://www.documents.dgs.ca.gov/pd/contracts/forms/rfp/Exhibit 8.22 IT General Provisions.pdf>

34. 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) | Granite Data Solutions (Contractor) |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Contact Name: | Lillian Jue | NWN Corporation |
| Telephone: | (916) 441-9644 | (916) 637-2135 |
| Facsimile: | (916) 375-4613 | (916) 596-4800 |
| Email: | lillian.jue@dgs.ca.gov | mniemann@nwnit.com |
| Address: | DGS/Procurement Division Attn: Lillian Jue 707 Third Street, 2 nd Floor, MS 201 West Sacramento, CA 95605 | NWN Corporation Attn: Matt Niemann 2969 Prospect Park Drive, Suite 225 Rancho Cordova, CA 95670 |

35. RETURN POLICY

Contractor will accept all products for return at no cost to the ordering agency within 30 calendar days of delivery, and refund the customer in full. Contractor may impose a Restocking Fee per Article 37. 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. 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.

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.

36. 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
- 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.

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37. 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
- Items that are returned within 30 calendar days of delivery
- Items that are returned, but exchanged for other items within 30 calendar days.

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 35, Return Policy, shall apply to re-stocked items.

The Contractor will not be required to accept returns more than 60 days after delivery. The State will be responsible for return transportation costs to the Contractor if so accepted after 60 days after delivery.

38. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering agency. The Contractor's invoice must identify, at a minimum, the information listed below:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (State's 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
- If applicable, discounts shall be clearly indicated on each invoice as a written statement.
- Totals for each order. Each invoice shall have a total for all orders, a total for all credits, and amount due from each agency
- Any other mutually agreed upon requirements the State may later deem necessary

Invoices shall be submitted to the ordering agencies within seven (7) calendar days from date of delivery.

39. 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.

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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 17 (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. State Financial Marketplace

The State reserves the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing/lease-purchase or operating lease via the State Financial Marketplace (GS \$Mart and/or Lease \$Mart). If payment is via the financial marketplace, the Supplier will invoice the State and the State will approve the invoice and the selected Lender/Lessor for all product listed on the State's procurement document will pay the supplier on behalf of the State.

D. 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.

40. CAL-CARD INVOICING

All CAL-Card invoices are to be processed separately from other payment methods and include the elements identified in Article 38, 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>.

41. 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 | 100-937005 |

42. 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) are determined to be relevant for this procurement.

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43. 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. The Contractor shall bear all material and labor costs for repair of equipment defects and failure. The bid price cost shall 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.
- Be the single point of contact for all warranty issues and subsequent resolution.

The warranty services listed shall include all products, software and firmware maintenance costs and costs of labor, 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 On-site 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.

All operating system software and firmware will be considered an integral component of the equipment and the Contractor will respond to all requests for warranty service for any failure.

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.

44. QUALITY ASSURANCE GUARANTEES

The Contractor(s) shall represent and warrant that Desktop Monitors 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 contract will supersede any language to the contrary on purchase orders, invoices, or other sources. Contractors must use new products, parts, and components for all new equipment purchased by the State. Contractors 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.

45. EQUIPMENT REPLACEMENT DURING WARRANTY

If the product(s) 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

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request, replace the product(s) at no price. The replacement product(s) will be delivered no later than fifteen (15) 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.

46. PRINCIPAL PERIOD OF MAINTENANCE

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 in this contract.

- Metropolitan Areas shall be 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 in metropolitan areas, excluding State holidays.
- Non-Metropolitan Areas shall be 8x5x2 (two (2) hour call back response time, excluding State holidays.) Remediation shall be underway within 48 hours.

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 | | |

- For Monitors only: NBD cross-ship Exchange of Replacement monitor.

47. RECYCLED CONTENT

There is no recycled content associated with this contract.

48. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

The small business (SB) and disabled veteran business enterprise (DVBE) certifications and percentages for the contractor(s) and subcontractor(s) are listed below. State departments can verify that the certifications are currently valid at the following website: www.caleprocure.ca.gov

| SUBCONTRACTOR INFORMATION | | | | |
|-------------------------------------|-----------------------------|-----------------------|-------------------------|-----------------------------------------------------------------------------------------------------|
| Name | OSDS Certification # | SB Percent (%) | DVBE Percent (%) | Work to be Performed |
| Global Blue DVBE, Inc. | 1567640 | 1.5% | 1.5% | Contract Reporting, Pre-Order Configuration Consulting |
| Shade & Putnam Technology Solutions | 1747904 | 1.5% | 1.5% | Imaging, Deployment & Logistics Asset Tagging, Delivery, Installation, Take Back & Trade-In Support |

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State departments must identify subcontractors on individual purchase documents whenever subcontractors have been identified.

The Contractor has committed to DVBE participation at total statewide contract levels of 3% and 3%, respectively.

Individual orders may have no applicable participation or may have participation greater than that of the total contract commitment. Ordering agencies must verify the participation amount with the contractor. 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).

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.

49. BIDDER DECLARATION/COMMERCIALLY USEFUL FUNCTION (CUF)

The DGS/PD, as the awarding department, has assessed the prime Contractor's certifications and CUF during the solicitation evaluation process. Consequently, 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.

50. 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. 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.

See Attachment C, Take Back/Trade In for more information.

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51. ELECTRONIC WASTE RECYCLING

The contractor will comply with the Electronic Waste Recycling Act of 2003 requiring retailers to collect a recycling fee from consumers on covered electronic devices, starting January 1, 2005. California Public Resources Code Section 42463(f) defines a "covered electronic device" as a video display device containing a screen greater than four inches measured diagonally. The fees must be shown on all purchase orders. See the code identified above for more information and exceptions to this definition or go to http://www.boe.ca.gov/sptaxprog/tax_rates_stfd.htm#6 for a breakdown of the fees.

52. ATTACHMENTS

Attachment A – Contract Pricing

Attachment B – Exhibit 8.19D – Configuration Spec and Technical Worksheet – Monitor Category

Attachment C – Take Back/Trade In

Attachment D – Supplier Performance Report