

SCO ID: 0690-A241013928

AGREEMENT NUMBER A241013928

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:
CONTRACTING AGENCY NAME
California Governor's Office of Emergency Services (Cal OES)
CONTRACTOR NAME
911 Authority, LLC

2. The term of this Agreement is: Two (2) years from January 8, 2025, or upon approval by CDT-OSTP, whichever is later, through January 7, 2027, with two (2) one (1) year options to extend at the State's sole discretion.

3. The maximum amount of this Agreement is: \$450,000.00
(Four Hundred Fifty Thousand Dollars and Zero Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of Agreement A241013928 for the California Governor's Office of Emergency Services (Cal OES) Cybersecurity Assessments for NG 9-1-1 and 988 Systems:

<i>EXHIBIT TITLE</i>	<i>PAGES</i>
Attachment 1: Appendix A - Statement of Work	20
Exhibit A: Work Authorization (WA)	2
Exhibit B: Work Authorization Acceptance Document (WAAD)	2
Exhibit C: Project Milestone Report (PMR)	2
Exhibit D: Cost Worksheet	1
Exhibit E: General Provisions for Electronic Vendor Application of Qualifications (eVAQ) #19-001 - Telecom	81
Exhibit F: Cloud Computing Services Software as a Service (SaaS) Special Provisions -Telecom (rev. 05/03/2021)	7
Attachment 13: Understanding and Approach	12

* EVAQ0002113 in its entirety
* RFQ A241013928 in its entirety
* Bidder's Response in its entirety, include Best and Final Offer (BAFO)

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as is attached hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR	
CONTRACTOR NAME (If other than an individual, state whether a corporation, partnership, etc.) 911 Authority, LLC	
CONTRACTOR AUTHORIZED SIGNATURE 	DATE SIGNED Dec 4, 2024
PRINTED NAME AND TITLE OF PERSON SIGNING Joel McCamley, President/COO	
ADDRESS 19 Colonnade Way #234, State College, PA 16803	
STATE OF CALIFORNIA	
CONTRACTING AGENCY NAME California Governor's Office of Emergency Services (Cal OES)	
CONTRACTING AGENCY AUTHORIZED SIGNATURE 	DATE SIGNED Dec 5, 2024
PRINTED NAME AND TITLE OF PERSON SIGNING Eric Swanson, Deputy Director, Finance and Administration	
CONTRACTING AGENCY ADDRESS 3650 Schriever Avenue, Mather, CA 95655	

Department of Technology (CDT),
Office of Statewide Technology Procurement (OSTP)
Use Only



APPROVED
Date Dec 5, 2024
Signed 

EXEMPT PER:

ATTACHMENT 1: APPENDIX A - STATEMENT OF WORK

1. Background and Purpose

The Governor's Office of Emergency Services (Cal OES), Public Safety Communications (PSC), CA 9-1-1 Emergency Communications Branch (CA 9-1-1 Branch) is authorized by statute Government Code (GC) Sections 53100-53121 and GC 53123.2 (c) to manage and oversee the statewide 9-1-1 emergency communications system. The authority to oversee the expenditures of State Emergency Telephone Number Account (SETNA) funds is provided in the California Department of Finance's Manual of State Funds, 0022. The CA 9-1-1 Branch is responsible for administering the SETNA which provides funding to California Public Safety Answering Points (PSAPs) for 9-1-1 systems and services.

The Next Generation 9-1-1 (NG9-1-1) and 988 systems in California follow the National Emergency Number Association (NENA) i3 Call Flow per Figure 1 in NENA-STA-010.2-2016 https://cdn.ymaws.com/www.nena.org/resource/resmgr/standards-archived/nea-sta-010.2_i3_architectu.pdf NENA Detailed Functional and Interface Standards for the NENA i3 Solution. Each region shall provide NENA i3 call flow to support interoperability between their Region and the Prime.

Cal OES requires a statewide cybersecurity assessment of the NG 9-1-1 network. Cal OES has begun the buildout of the NG 9-1-1 network using five (5) different contracts to provide a NENA i3 compliant system for California. The Contractor shall complete an evaluation of the disaster recovery and cyber-related vulnerability / risk assessment to ensure the NG 9-1-1 network possesses the highest degree of resiliency, reliability, redundancy, and serviceability.

Contractor is expected to perform penetration tests, as well as network vulnerability/risk assessments on all NG 9-1-1 and 988 related infrastructure, including Next Gen Cloud Based 9-1-1 Call Processing Equipment (NG 9-1-1 CPE), the NG 9-1-1 network, and the 988 network as well as the 988 hardware/software suite (Call Processing Equipment (CPE), Customer Resource Management software (CRM), and Mobile Dispatch Software (MDS) in California. The contractor shall provide regular reports to the CA 9-1-1 Branch, with detailed information regarding the health and stability of these three components.

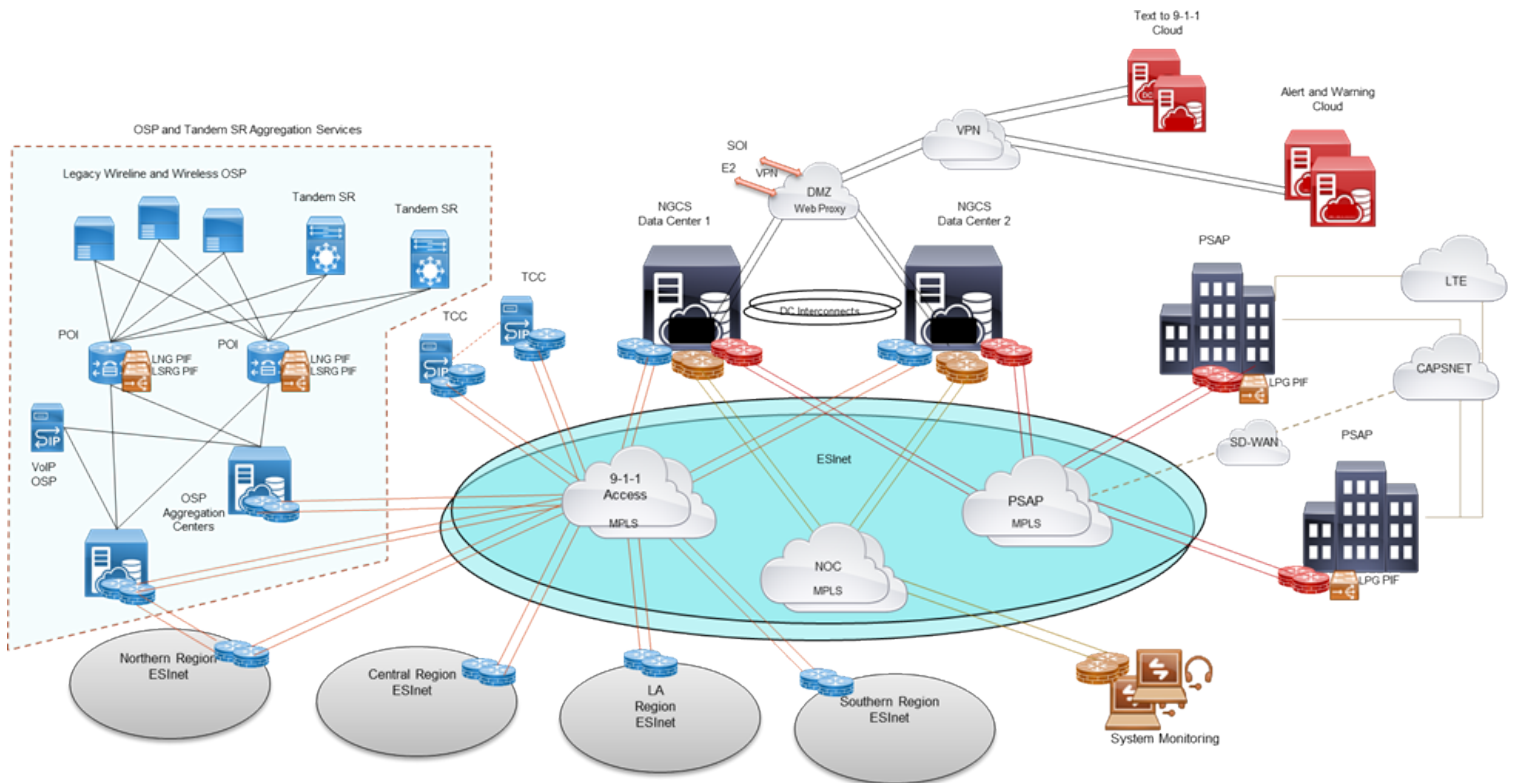
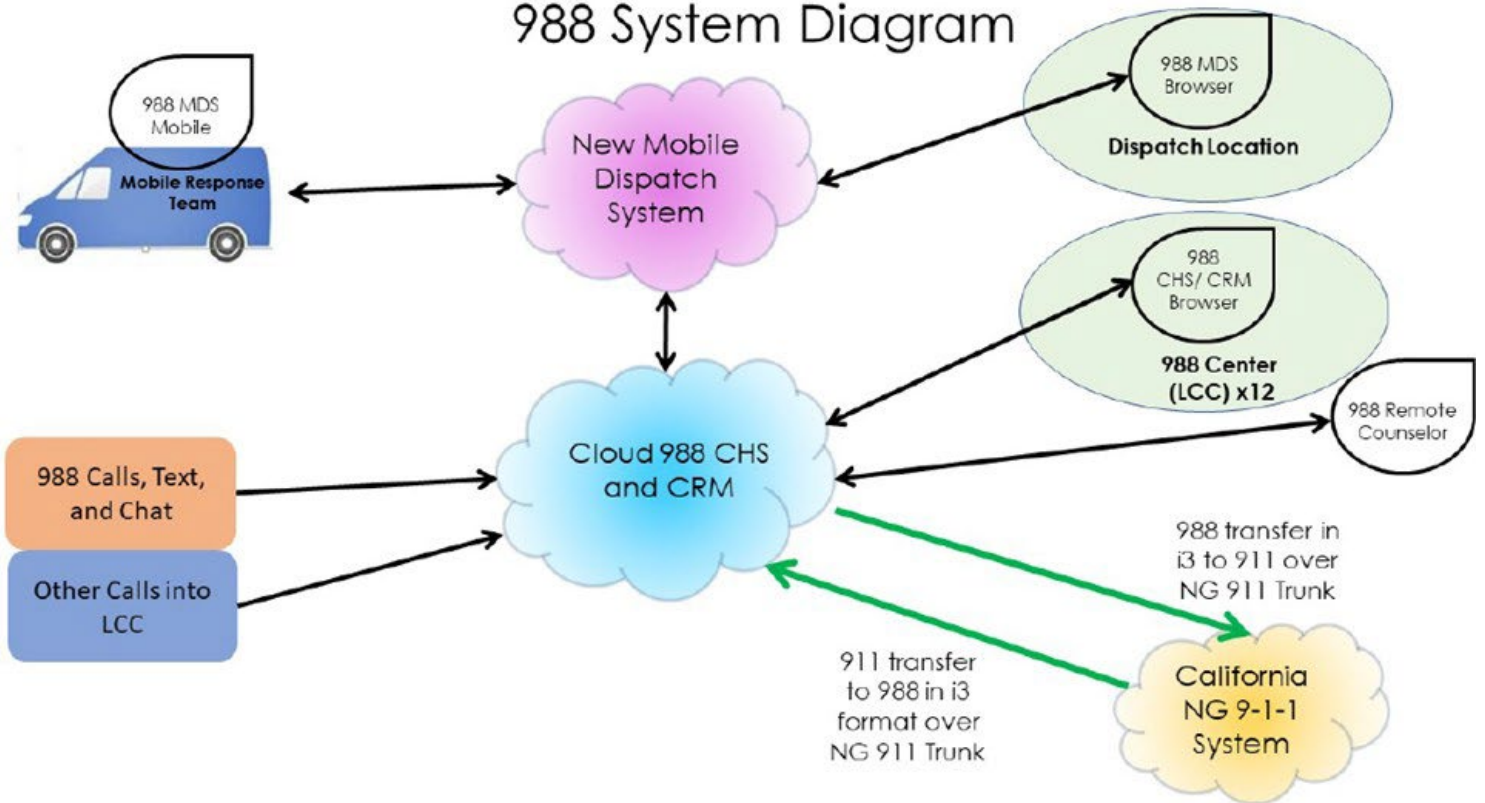


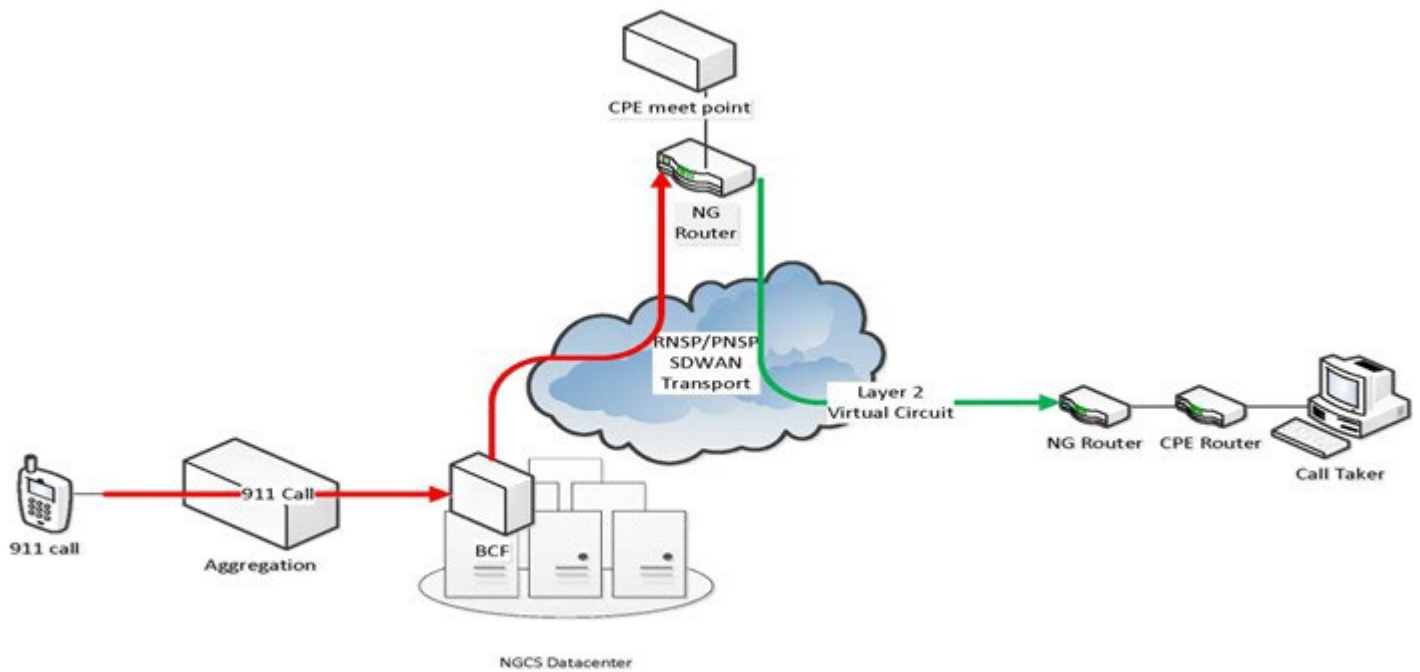
Figure 1: Cal OES NG 9-1-1 Network

Cal OES requires a statewide cybersecurity assessment of the 988 network, CPE, CRM, and MDS. Cal OES has begun the buildout of the 988 network using one (1) contract to provide a NENA i3 V2 compliant system for California. The Contractor shall complete an evaluation of the disaster recovery and cyber-related vulnerability / risk assessment to ensure the 988 network, CPE, CRM, and MDS systems possess the highest degree of resiliency, reliability, redundancy, and serviceability.

988 System Diagram



Cal OES requires a statewide cybersecurity assessment of NG 9-1-1 CPE. Cal OES has begun deploying NG 9-1-1 CPE using a Master Purchase Agreement contract to provide PSAPs with a choice between 6 manufacturers, and 3 resellers. The Contractor shall complete an evaluation of the disaster recovery and cyber-related vulnerability / risk assessment to ensure all Call Processing Equipment possess the highest degree of resiliency, reliability, redundancy, and serviceability.



*Cloud CPE will have their own routers and be responsible for routing to their own workstations

1.1. Objective

This Statement of Work (SOW) shall be the Contract between the CA 9-1-1 Branch and the Contractor to provide two (2) qualified consultant resources for the NG 9-1-1 network, NG9-1-1 CPE, 988 Network, and 988 CRM, CPE, and MDS Cybersecurity Assessments. The NG 9-1-1 network will connect to all 443 PSAPs in California and that will interconnect the four (4) Regions and the Prime network service providers. The 988 network will connect to twelve (12) Lifeline Crisis Centers (LCCs) which will each have a connection into the NG 9-1-1 network. The NG 9-1-1 CPE is cloud and data center based. Vendors in this space use transport from the NG 9-1-1 network to deliver 9-1-1 calls. The Data Centers and cloud based infrastructure of these CPE providers will need assessing and testing. The 988 CPE, CRM, and MDS are similar in architecture to NG9-1-1 CPE and will require similar assessment and testing.

The Contractor shall complete information and data gathering on these networks and peripherals, and shall complete a cybersecurity vulnerability assessment of services designated by Cal OES.

2. Term of the Contract

Effective upon approval of the California Department of Technology (CDT), Statewide Technology Procurement (STP), the term of the contract is two (2) years with the option to extend two (2) one (1) year extensions at the original rates evaluated and considered.

The Cal OES CA 9-1-1 Branch at its sole discretion, may exercise its option to execute, two (2) one (1)

year terms to perform the NG 9-1-1 Cybersecurity assessment, and knowledge transfer at the rates identified in the EXHIBIT D: COST WORKSHEET, for a maximum contract term of four (4) years.

Upon contract execution, the Contractor shall not be authorized to deliver or commence the performance of services as described in this SOW until written approval has been obtained from Cal OES. Any delivery or performance of service that is commenced prior to the signing of the contract shall be considered voluntary on the part of the Contractor and non-compensable.

3. Amendment

The Agreement may be amended, consistent with the terms and conditions of the Agreement, and by mutual consent of both parties, subject to approval by the CDT Office of Statewide Technology Procurement under Public Contract Code (PCC) Section 12100. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved by oversight agencies if required. No oral understanding not incorporated in the Agreement is binding on any of the parties.

4. Location and Availability

Contractor work shall be performed within the Contractor's own offices, remotely, and/or within the Cal OES 9-1-1 Branch computer lab as needed and as requested by Cal OES. In addition to this in-person work in the 9-1-1 Branch computer lab in Sacramento, there will be a minimum of one (1) required in-person leadership meeting with Cal OES in Sacramento, California per year that the contract is active. The State will provide a set of collaboration tools to facilitate remote development. Contractor staff shall be based in the United States and remote work is not guaranteed. For the required meetings, and in the event onsite services are required, the State will provide five at least (5) business days advance notice to the Contractor to participate in meetings and/or perform work at the address below.

California Governor's Office of Emergency Services
Public Safety Communications
CA 9-1-1 Branch
601 Sequoia Pacific Blvd., MS 9-1-1
Sacramento, CA 95811

Normal hours of access are Monday through Friday, 7:00 a.m. to 5:00 p.m. Pacific Time (PT), excluding State holidays. The Contractor is required to perform work duties within the normal hours of work. The Contractor must make prior arrangements and receive approval from the State for access to the project office outside these normal working hours. State holidays are listed on the California Department of Human Resources (Cal HR) website at the link below, and are subject to change:

<http://www.calhr.ca.gov/employees/Pages/state-holidays.aspx>

The Contractor may be required to occasionally adjust their work hours to accommodate the needs of the project.

5. Contract Representatives

All notices required by, or relating to, this Agreement shall be provided in writing and shall be sent to the parties identified below. If a Contract Manager changes, each party shall notify the other party in writing. All such notices shall be deemed duly given if deposited, postage prepaid, in the United States mail or emailed and directed to the prevailing addresses.

STATE DEPARTMENT: CAL OES	
Contract Manager:	Andrew Mattson
Title:	Program Management Division Chief
E-mail:	Andrew.Mattson@caloes.ca.gov
Telephone Number:	(916) 894-5018
CONTRACTOR: 911 AUTHORITY, LLC	
Contract Manager:	Joel V. McCamley
Title:	President/COO
E-mail:	joel@911authority.com
Telephone Number:	(814) 242-5526

6. CONTRACTOR KEY STAFF QUALIFICATIONS

The Contractor shall be responsible for providing all necessary staff to implement all services within this contract to support cybersecurity analysis of the NG 9-1-1 network, NG9-1-1 CPE, 988 CPE, CRM, and MDS, and the 988 network.

Contractor staff must be available to start work on the project within 30 days of Contract execution.

STAFF QUALIFICATIONS

The Contractor shall provide a team of two (2) qualified staff that collectively meet the following minimum

qualifications. The actual number of resources and number of hours assigned per resource after Contract award shall be the sole discretion of Cal OES.

A. Mandatory Qualifications:

1. Candidate(s) must have a minimum of two (2) years' experience within the past three (3) years performing cloud development, security architecture, and operational services for the US Federal Government, a State, or a large commercial entity (Fortune 1000). This experience must be with either Amazon Web Services (AWS) or Microsoft Azure services and must include configuration definition, compliance assurance, security monitoring strategy and implementation, high availability implementation, disaster recovery strategy and implementation, and complex cloud network environments.
2. Candidate(s) must have two (2) years' experience in SecDevOps environments and maintaining security in Continuous Integration and Continuous Deployment (CI/CD) processes.
3. Candidate(s) must have two (2) years' experience with Next Generation 9-1-1 technology.
4. Candidate(s) must have five (5) years or more in enterprise level cyber security as a security architect and/or security engineer and/or security analyst.

B. Desirable Qualifications:

1. Two (2) or more years' experience providing cybersecurity services to the State of California.
2. A valid Certified Cloud Security Professional (CCSP) certification OR certifications, both as an AWS Professional and a Microsoft Certified Solutions Expert.
3. A valid Certified Information Systems Security Professional (CISSP) certification.

6.1. SUBCONTRACTORS

- a. The Contractor will act as prime contractor under this Agreement. In addition to identifying all personnel proposed to work under this Agreement, the Contractor shall also identify its subcontractor affiliation, as applicable.
- b. Cal OES reserves the right to approve all subcontractors prior to the performance of any work by the subcontractor.
- c. Nothing contained in this Agreement shall create any conceptual relationship between Cal OES and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor is fully responsible to Cal OES for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them.
- d. If a subcontractor is a California Certified Small Business (SB) and/or Disabled Veteran Business Enterprise (DVBE), the Contractor shall identify the amount paid to certified subcontractors shall be identified on the Contractor's invoice(s).
- e. The Contractor's obligation to pay its subcontractors is independent of Cal OES' obligation to make payments to the Contractor. As a result, Cal OES shall have no obligation to pay or to enforce the payment of any monies to any subcontractor.

7. Project (Contractor) Tasks and Deliverable Requirements

The Contractor shall conduct initial information and data gathering and help clarify the scope of an onsite vulnerability assessment. The assessment shall include the following:

7.1. INFORMATION AND DATA GATHERING

The Contractor shall conduct an initial kickoff meeting at the CA 9-1-1 Branch office located in Sacramento, CA. The meeting shall discuss details, scope, and expectations in order to formulate strategies for the onsite vulnerability assessment. The Contractor shall perform an initial evaluation and architecture review of the NG 9-1-1 CPE, NG 9-1-1 network, 988 network, and 988 CPE, CRM, and MDS to include the Prime Network Service Provider (PNSP) and all four (4) Region Network Service Providers (RNSPs).

- a. The NG 9-1-1 network connects via multiple IP connections to all 443 Public Safety Answering Points (PSAPs), multiple data centers for each RNSP and the PNSP, 9-1-1 aggregation locations, and other points of interconnect. The goal of the information and data gathering effort shall be to identify the locations that will be used as part of the Cybersecurity Assessment. Due to the size and scope of the NG 9-1-1 system in California, Cal OES anticipates that a sample data set will be used to complete the analysis to reduce the time and cost of the project yet maintain the integrity of the analysis.
- b. Information and data gathering shall comprise of onsite visits to facilitate the initial kickoff meeting and interviews with system Subject Matter Experts (SMEs). The onsite visits for the 9-1-1 assessment may include PSAPs.

7.2. NG 9-1-1 CPE, NG9-1-1 Network, 988 Network, and 988 software

- a. Review system documentation
- b. Conduct interviews with SMEs within the PSAPs, LCCs, and within CalOES
- c. Document validation of the NG 9-1-1 network, 988 network, 988 CPE, CRM, and MDS, and NG 9-1-1 CPE networks
- d. Perform architecture review of specifications to identify design weaknesses and flaws to include but not limited to:
 1. Profile threat vectors and attack surfaces
 2. Examine hardening specifications
 3. Evaluate system design to fulfill security objectives
 4. Evaluate input validation and authentication methods
 5. Review configuration management and sensitive data handling processes
 6. Identify critical areas in application functions
 7. Assess compounding architectural risks
 8. Explain methods attackers use for system compromise

9. Assess change management policy and effectiveness.
10. Identify support staff and resource gaps.
 - A. Sufficiency
 - B. Competency
 - C. 365 x 7 x 24 Availability
11. Network architecture review (NG 9-1-1, 988, 988 CPE, CRM, and MDS, and NG 9-1-1CPE)
 - A. Design weaknesses
 - B. Areas of concern
12. Evaluate disaster recovery.
 - A. Recommendations for PSAP recovery and back up
13. Identify vulnerabilities.
 - A. Maintenance gaps
 - B. Preventative maintenance
14. Assess network monitoring.
15. Records/retention and tracking of inventory.
 - A. Revision levels, spares management, firewall logs
16. Assess capacity monitoring and trend analysis
17. Identify other gaps and evaluate for best practice.

7.3. DELIVERABLES

- a. A completed Next Generation 9-1-1 Security Audit Checklist, as outlined in NENA 75-502, is required for the NG 9-1-1 network, NG9-1-1 CPE, 988 network, and 988 CPE, CRM, and MDS. CA 9-1-1 Branch shall define checklist items to be completed after contract execution.
- b. NENA 75-502 Security Audit Checklist: https://cdn.ymaws.com/www.nena.org/resource/resmgr/Standards/NENA_75-502.1_NG-SEC_Audit_C.pdf
- c. The following deliverables will be required for the NG9-1-1 CPE, NG 9-1-1 network, 988 network, and 988 CPE, CRM, and MDS.
 1. Outline – A written outline of the vulnerability assessment report must be provided. This outline will provide the basis for the final report deliverable. The outline must contain sufficient detail to indicate that all pertinent areas of the vulnerability assessment will be addressed and should include all areas in which risks and vulnerabilities will be reviewed, e.g., physical, operating system, application, data, emergency preparedness, backup, disaster recovery, etc. This deliverable is due ten (10) working days after the start of each task. Cal OES will provide written comments within ten (10) working days after receipt of the draft outline.
 2. Provide detailed report of assessment.

3. Provide NG9-1-1 network, NG 9-1-1 CPE, 988 network, and 988 CPE, CRM, and MDS Vendor findings along with path taken to reconciliation.

d. Final report

The final report must address all of Cal OES' written comments on the outline. The final report must include the complete vulnerability assessment for the system. The final report deliverable is due twenty (20) working days from the receipt of Cal OES' comments on the outline. Cal OES will have ten (10) working days to review the final report and provide written comments. The Contractor must incorporate or address all of Cal OES' written comments before the deliverable will be accepted as final. The final deliverable is due five (5) working days after receipt of Cal OES's written comments.

8. ACCEPTANCE OF PROJECT TASKS/DELIVERABLES

8.1. ACCEPTANCE

It shall be Cal OES's sole determination as to whether a project task/deliverable identified in this Agreement or in a supplemental EXHIBIT A: WORK AUTHORIZATION (WA) has been successfully completed and acceptable to Cal OES. Acceptance criteria shall consist of the following:

- A. The approval process is outlined in [SECTION 14. Performance](#). A signed EXHIBIT B: WORK AUTHORIZATION ACCEPTANCE DOCUMENT (WAAD) is required for each project task/deliverable identified in a WA.
- B. The Contractor shall meet all timelines, as agreed to in the Contract or in WA.

At Cal OES' request, the Contractor shall submit EXHIBIT C: PROJECT MILESTONE REPORT (PMR) for review and acceptance or rejection to the Cal OES Contract Manager.

The Contractor shall provide an approved WAAD or PMR, which will be signed by the Contractor and Cal OES Contract Manager upon acceptance of a deliverable. Signed acceptance is required from the Cal OES Contract Manager before processing an invoice for payment.

9. CONTRACTOR REPORTING REQUIREMENTS

9.1. Security Threats and Emergencies

The Contractor shall immediately notify Cal OES via phone and/or email upon detection of any cybersecurity threat or active attack on the NG 9-1-1 network, Cloud CPE, 988 Call Handling Equipment (CHE), and/or 988 MDS.

9.2. MONTHLY STATUS REPORTS

The Contractor must submit monthly written status reports in MS Word format to the Cal OES Contract

Manager or as directed. The status reports shall detail the current status and future activities of this Contract. Status reports are **not** considered deliverables under the terms of this Contract. The status reports shall include, but not limited to, the following information:

- a. A summary of the work completed during the reporting period, showing actual versus planned work.
- b. The tasks that are behind schedule, the overall impact on the project, and the approach for remediation.
- c. The status of the overall engagement and all phases/projects, including discussion of risks, problems encountered, solutions, and proposed solutions.
- d. The tasks expected to be completed in the next reporting period.
- e. An accounting of Contractor's staff hours for the reporting period and for the Contract to date (i.e. time sheets).
- f. Ad hoc reporting as required.

10. Contractor's Responsibilities

- a. The Contractor shall provide all equipment and/or software necessary to perform the required duties outlined herein.
- b. The Contractor shall designate a primary contact person to whom all project communications may be addressed and who has the authority to act on all aspects of the services.
- c. If a Contractor's employee is unable to perform due to illness, resignation, or other factors beyond the Contractor's control, the Contractor shall provide qualified and suitable substitute personnel.
- d. The Contractor shall notify Cal OES, in writing, of any changes to the personnel assigned to the tasks. The substitute personnel shall meet all requirements and must be approved in advance of any performance under the Agreement by Cal OES. Refer to [SECTION 13. Personnel Changes](#) for additional details.

11. State's Responsibilities

- a. Cal OES will designate a person to whom all Contractor communication will be addressed, and who has the authority to act on all aspects of the services. This person will review the SOW and associated documents with the Contractor to ensure understanding of the responsibilities of both parties.
- b. Cal OES will provide access to department staff and management, offices, and operation areas, as required, to complete the tasks and activities defined under this Agreement.
- c. Cal OES will provide a minimum of ten (10) business days for the timely review and approval of information and documentation provided by the Contractor to perform its obligations.

12. Work Authorizations

- a. Each EXHIBIT A: WORK AUTHORIZATION (WA) shall consist of a detailed statement of the

purpose, objective, or goals to be undertaken by the Contractor and all information requested to be provided per WA.

- b. All WA must be in writing and signed by the Contractor and the Cal OES Contract Manager before beginning the work identified in the WAs.
- c. Cal OES has the right to require the Contractor to stop or suspend work on any WA.
- d. Personnel resources will not be expended at a cost to the Cal OES on task/deliverable accomplishment(s) in excess of the estimated work hours identified in the WA unless the procedure below is followed:
 1. If, in performance of the work, the Contractor determines that a WA under this Contract cannot be accomplished within the estimated work hours, the Contractor shall immediately notify Cal OES in writing of the revised estimate of the work hours which will be required to complete the WA in full. Upon receipt of such notification, Cal OES may:
 - A. Authorize the Contractor to expend the estimated additional work hours or service in excess of the original estimate necessary to accomplish the WA;
 - B. Alter the scope of the WA in order to define tasks that can be accomplished within the remaining estimated work hours; or
 - C. Terminate the WA.
 2. Cal OES will notify the Contractor, in writing, of its decision within seven (7) calendar days after receipt of the Contractor's notification. If written notice to proceed is given via an amended WA signed by the Contractor and Cal OES, the Contractor may expend the estimated additional work hours for the agreed upon services. Via the written approved and signed WA, Cal OES agrees to reimburse the Contractor for such additional work hours.

13. Personnel Changes

The Contractor must obtain prior approval in writing from the Cal OES Contract Manager before attempting to add or change key staff. This includes substitutions made between submission of the Quote and the actual start of the project, as well as additional staffing changes that may occur during the course of the Contract.

The State reserves the right at its sole discretion to require the Contractor to replace any assigned staff, key staff or additional staff, at any time for reasons that may include, but are not limited to, poor performance, lack of experience, or unprofessional behavior / harassment in the workplace (subject to compliance with applicable law and departmental policies). The State will notify the Contractor in writing when exercising that right. Within 30 calendar days of such notification, the Contractor shall provide a replacement candidate that meets or exceeds the requirements of this SOW.

The Contractor's proposed additional or replacement staff must possess equal or better qualifications and ratings. The additional/replacement staff hourly rate must be less than or equal to the rates as

specified in EXHIBIT D: COST WORKSHEET. The Contractor must submit, for consideration of any additional or replacement staff, ATTACHMENT 12: KEY STAFF QUALIFICATIONS WORKBOOK that indicates how the proposed staff meets or exceeds all the minimum requirements and any of the desirable project characteristics that were evaluated as part of the award and the resulting Contract. Additional or replacement staff may be subject to fingerprinting and a background check. The Contractor's request to replace staff must be approved in writing by the State prior to the replacement staff beginning work.

The State reserves the right to approve or deny any or all additional or replacement project team members assigned by the Contractor to this project. If any of the proposed additional or replacement staff are rejected and a qualified replacement is not provided to the State for approval within 20 State business days of the rejection, the Contractor will be in material breach of the Contract unless the State provides an extension in writing before the deadline is exceeded. The State shall not compensate the Contractor for any time or effort required to prepare a new staff member for performing tasks on the Project.

The State recognizes that changes to subcontractor(s) may be necessary and in the best interests of the State; however, advance notice of the proposed change and the reasons for such change must be made to the State no less than ten (10) State business days prior to the existing subcontractor's termination. If this should occur, the State Contract Manager or designee must approve any changes to the subcontractor(s) prior to the termination of the existing subcontractor(s) and retention of the new subcontractor(s). This also includes any changes made between submittal of the Quote response and actual start of the Contract. All replacement subcontractor(s) must meet all minimum requirements of the Contract.

14. Performance

Cal OES shall be the sole judge of the acceptability of all work performed and all work products produced by the Contractor as a result of this SOW or any WA. Should the work performed or products produced by the Contractor fail to meet Cal OES conditions, requirements, specifications, guidelines, or other applicable standards, the following process will be employed, except as superseded by other binding processes:

- A. Cal OES will notify the Contractor in writing within five (5) State business days after the Contractor completes each phase of service of any acceptance problems by identifying the specific inadequacies and/or failures in the services performed and/or the products produced by the Contractor. The cost related to rework of unacceptable work products shall not be billed to Cal OES.
- B. The Contractor shall, within five (5) States business days after initial problem notification, respond to Cal OES by submitting a detailed explanation describing precisely how the identified services and/or products actually adhere to and satisfy all applicable requirements, and/or a proposed

corrective action plan to address the specific inadequacies and/or failures in the identified services and/or products. Failure by the Contractor to respond to Cal OES' initial problem notification within the required time limits may result in immediate termination of the Agreement. In the event of such termination, Cal OES shall pay all amounts due the Contractor for all work accepted before the termination commenced.

- C. Within five (5) State business days after receipt of the Contractor's detailed explanation and/or proposed corrective action plan, Cal OES will notify the Contractor in writing whether it accepts or rejects the explanation and/or plan. If Cal OES rejects the explanation and/or plan, the Contractor shall submit a revised corrective action plan within three (3) business days of notification of rejection. Failure by the Contractor to respond to Cal OES' notification of rejection by submitting a revised corrective action plan within the required time limits may result in immediate termination of the Agreement. In the event of such termination, Cal OES will pay all amounts due the Contractor for all work accepted before the termination commenced.
- D. Cal OES will, within three (3) State business days of receipt of the revised corrective action plan, notify the Contractor in writing whether it accepts or rejects the revised corrective action plan proposed by the Contractor. Rejection of the revised corrective action plan may result in immediate termination of the Agreement. In the event of such termination, Cal OES will pay all amounts due the Contractor for all work accepted before the termination commenced.

15. Escalation Process

The parties acknowledge and agree that certain technical and project-related problems or issues may arise and that such matters shall be brought to Cal OES's attention. Problems or issues shall normally be reported in regular status reports or meetings. However, there may be instances where the severity of the problem(s) justifies escalated reporting. To this extent, the Contractor shall determine the level of severity and notify the appropriate Cal OES personnel. The notified Cal OES staff and the time taken to report the problem or issue shall be at a level commensurate with the severity of the problem or issue. The Cal OES personnel include, but are not limited to, the following:

First level: CA 9-1-1 Branch Manager

Second level: Assistant Director Public Safety Communications

Third level: Deputy Director Logistics

16. OTHER CONTRACT CONSIDERATIONS

- a. The Contractor shall act as the prime contractor under this Contract. In addition to identifying all personnel proposed to work under this Contract, the Contractor shall also identify its subcontractor affiliation(s), as applicable.
- b. Cal OES reserves the right to approve all subcontractors prior to the performance of any work by the subcontractor(s).
- c. Nothing contained in this Contract shall create any conceptual relationship between the State and

any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor is fully responsible to Cal OES for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them.

- d. If a subcontractor is a California Certified Small Business (SB) and/or Disabled Veteran Business Enterprise (DVBE), the Contractor shall identify the amounts paid to certified subcontractors on the Contractor's invoice(s).
- e. The Contractor's obligation to pay its subcontractors is independent of the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any monies to any subcontractor.
- f. Military and Veteran Code (MVC) 999.5(d), Government Code (GC) 14841, and California Code of Regulations (CCR) 1896.78(e) requires all Prime Contractors that had DVBE firm perform any element of work for a contract to report DVBE information.
- g. Prime Contractors must maintain records supporting the information that they have made all payments to DVBE subcontractor(s). The Prime DVBE Subcontracting form is located at: <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std817.pdf> and the instructions are located at: <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/File-a-DVBE-Subcontractor-Report>. Prime Contractors shall email completed forms to: jairo.turnil@caloes.ca.gov.

17. INSURANCE REQUIREMENTS

1. General Provisions Applying to All Policies

- a. **Coverage Term** – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least 30 days prior to the expiration of this insurance. Any new insurance must comply with the original contract terms of the contract;
- b. **Policy Cancellation or Termination & Notice of Non-Renewal** – Contractor is responsible to notify the State within five (5) business days of any cancellation, non-renewal or material change that affects required insurance coverage. New certificates of insurance are subject to the approval of the Department of General Services and the Contractor agrees no work or services will be performed prior to obtaining such approval. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract;
- c. **Premiums, Assessments and Deductibles** – Contractor is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program;
- d. **Primary Clause** – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State;
- e. **Insurance Carrier Required Rating** – All insurance companies must carry an AM Best rating of at least "A–" with a financial category rating of no lower than VII. If the Contractor

is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required;

- f. **Endorsements**– Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance;
- g. **Inadequate Insurance** – Inadequate or lack of insurance does not negate the contractor’s obligations under the contract;
- h. **Available Coverages/Limits** – All coverage and limits available to the contractor shall also be available and applicable to the State;
- i. **Satisfying an Self Insured Retention (SIR)** - All insurance required by this contract must allow the State to pay and/or act as the contractor’s agent in satisfying any SIR. The choice to pay and/or act as the contractor’s agent in satisfying any SIR is at the State’s discretion;
- j. **Use of Subcontractors**- In the case of Contractor’s utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insured’s under Contractor’s insurance or supply evidence of subcontractor’s insurance to The State equal to policies, coverages, and limits required of Contractor.

2. **Contract Insurance Requirements**

Contractor shall display evidence of the following on a certificate of insurance evidencing the following coverages:

a. **Commercial General Liability**

Contractor shall obtain, at Contractor’s expense, and keep in effect during the term of this Contract, Commercial General Liability Insurance covering bodily injury, and property damage in a form and with coverages that are satisfactory to the State. This insurance shall include personal and advertising injury liability, products, completed operations, and contractual liability coverage for the indemnity provided under this Contract. Coverage shall be written on an occurrence basis in an amount not be less than \$1,000,000 per occurrence. Annual aggregate limit shall not be less than \$2,000,000. **The State of California, its officers, agents, and employees are to be covered as additional insureds with respect to liability arising out of work or operations.**

b. **Automobile Liability**

Contractor shall maintain motor vehicle liability with limits of not less than \$1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. **The State of California, its officers, agents, and employees are to be covered as additional insureds with respect to liability arising out of work or operations.**

c. **Workers’ Compensation and Employer’s Liability**

Workers’ Compensation insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per

accident for bodily injury or disease. **Policy shall be endorsed to include a waiver of subrogation in favor of State of California.**

- d. **Technology Professional Liability/Errors and Omissions Insurance** appropriate to the Contractors profession and work hereunder, with limits not less than \$1,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Contractor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
- e. The Policy shall include, or be endorsed to include, **property damage liability coverage** for damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the State in the care, custody, or control of the Contractor. If not covered under the Contractors liability policy, such “property” coverage of the may be endorsed onto the Contractors Cyber Liability Policy as covered property as follows:

3. **Cyber Liability Coverage** in an amount sufficient to cover the full replacement value of, damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the State that will be in the care, custody, or control of the Contractor.

a. **If Policy is written on a claims-made basis provide the following:**

- i. The Retroactive Date must be shown, and must be before the date of the Contract or the beginning of contract work;
- ii. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work;**
- iii. If coverage is canceled or non-renewed, and not replaced **with another claims-made policy form with a Retroactive Date prior to** the Contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of **five (5) years** after completion of work.

Other Required Insurance Provisions

Certificate of Insurance must contain all of the following provisions:

1. Name and address of the insurance company, the policy number, and the beginning and ending dates of the policy;
2. Statement requiring the Insurer to provide written notice to Cal OES 30 calendar days prior to canceling Contractor's policy;
3. Statement that CA 9-1-1 Branch, its officers, agents, servants and employees are included as additional insured on the policy, but only insofar as the services under this Contract are concerned;

4. Statement that neither CA 9-1-1 Branch, nor any of its agencies, will be responsible for any premium or assessment on said policies;
5. The Contractor shall submit the certificate of insurance, identifying the California Governor's Office of Emergency Services contract number, to CA 9-1-1 Branch at the following address:

California Governor's Office of Emergency Services

Procurement and Logistical Services

Attention: Public Safety Communications, 9-1-1 Branch

3650 Schriever Avenue

Mather, CA 95655

To expedite processing, certificates may be emailed to: CA911Branch@CalOES.ca.gov

18. Federal Tax Administration Requirements

Subject to the Internal Revenue Service (IRS), federal tax information (FTI) requirements, if an unfavorable response is received by the IRS, this contract will be terminated immediately, per General Provisions – Information Technology (GSPD-401), clause 23, Termination for Default.

19. Termination of Agreement

Cal OES reserves the right to terminate this Contract, subject to 30 days written notice to the Contractor. In the event of such termination, Cal OES will pay all amounts due to the Contractor for all services rendered and accepted prior to termination. Additional conditions for termination include, but are not limited to, the following:

- a. This Contract can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the Contract. In this instance, the Contract termination shall be effective as of the date indicated in Cal OES's notification to the Contractor.
- b. This Contract may be suspended or canceled without notice, at the option of the Contractor, if the Contractor or Cal OES's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by any governmental authority.
- c. The Contractor may submit a written request to terminate this Contract only if Cal OES should substantially fail to perform its responsibilities as provided herein.

20. Budget Detail and Payment Provisions

20.1. Invoicing and Payment

- a. For services satisfactorily rendered and upon receipt and approval of the invoice(s), the State agrees to pay the Contractor for services in accordance with the hourly rates specified in EXHIBIT D: COST WORKSHEET.
- b. A signed EXHIBIT B: WORK AUTHORIZATION ACCEPTANCE DOCUMENT (WAAD) or EXHIBIT C: PROJECT MILESTONE REPORT (PMR) is required from Cal OES Contract Manager before processing an invoice for payment.
- c. Invoices shall be submitted in triplicate not more frequently than monthly in arrears to the email or address provided below and must include:
 1. The Contractor name, address and phone number
 2. The Contract Number «Agreement Number»
 3. The Contractor's invoice number
 4. The invoice date
 5. Dates of services performed and/or deliverables completed
 6. Personnel name, classification, rate per hour and hours worked California Governor's Office of Emergency Services

Public Safety Communications
Attention: CA 9-1-1 Branch 9-1-1 Reconciliation Unit
601 Sequoia Pacific Blvd., MS9-1-1
Sacramento CA 95811
Email: CA911Invoicing@caloes.ca.gov

Any invoices submitted without the above referenced information may be returned to the Contractor for further re-processing.

20.2. Travel and Per Diem Expenses

The Contractor's cost related to items such as travel and per diem shall be inclusive of the hourly rate bid and are costs of the Contractor that will not be paid separately nor reimbursed under this Contract.

20.3. State Budget Contingency Clause

- a. Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927. Payment to small/micro businesses shall be made in accordance with and within the time specified in Chapter 4.5, Government Code 927 et seq.
- b. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Contract does not appropriate sufficient funds for the program, this Contract shall be of no further force and effect. In this event, CA 9-1-1 Branch shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Contract and Contractor shall not be obligated to perform any provisions of this Contract.

- c. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CA 9-1-1 Branch shall have the option to either cancel this Contract with no liability occurring to the CA 9-1-1 Branch, or offer an amendment to the Contract to reflect the reduced amount.

20.4. Final Billing

Invoices for services must be received by the state within 90 days following each state fiscal year, or 90 days following the end of the contract term, whichever comes first. The final invoice must include the statement "Final Billing."

20.5. Payments

Payment for services under this Agreement shall be made in accordance with the State of California's Prompt Payment Act (Government Code Section 927 et seq.).

20.6. Payment Method

Payment to the Contractor will be made on a time and materials basis per the hourly labor rate by resource classification as set forth in the Contract EXHIBIT D: COST WORKSHEET for all labor-related costs.

EXHIBIT A: WORK AUTHORIZATION (WA)

WA Number:

Amendment:

Title of WA:

Dates:

Background:

Work Description:

Start Date:

Completion Date:

Tasks:

Below is a list of tasks that were assigned in the planning meeting and require development or revision by the Contractor due to this WA.

Enter Tasks as they were defined in the planning meeting:

Cost:

NOT-TO-EXCEED COST					
	Staff Name	Classification	Labor Hours	Rate Per Hour	Cost
1					
2					
				Not-to-Exceed Cost Total	

Contractor Tasks and Responsibilities:

Acceptance Criteria:

State Responsibilities:

Approvals:

These tasks will be performed in accordance with this WA including any accompanying documentation, if applicable and the provisions of the Contract.

AUTHORIZED AND APPROVED:

CONTRACTOR OFFICIAL PRINT & SIGN NAME/ DATE

CAL OES OFFICIAL PRINT & SIGN NAME / DATE

EXHIBIT B: WORK AUTHORIZATION ACCEPTANCE DOCUMENT (WAAD)

Contractor Name:

Cal OES Contract Number: _____

Work Authorization Accept Document (WAAD) Number:

Work Authorization Title: _____

Work Authorization Completed Date:

Total Cost of Work Authorization:

\$ _____

Work Authorization Description:

Cal OES Acceptance or Rejection:

Approvals:

Contractor Contract Manager	Cal OES Contract Manager
Signature:	Signature

Approvals:	
Date:	Date:

EXHIBIT C: PROJECT MILESTONE REPORT (PMR)



Project Milestone Report

Project Name / Contract Number:		Prepared date/time:
Project Start Date:	Project End Date:	% Complete:
Cal OES Project Manager:		Contractor Project Manager:
Milestone Name:		Milestone Due Date:
Milestone Description:		
Cal OES Project Manager Name:		Contractor Project Manager Name:
Cal OES Project Manager Signature:		Contractor Project Manager Signature:
Agreement to Adjust Milestone Due Date		
		Adjusted Milestone Due Date:
Approved by Cal OES Date:		Approved by Contractor Date:
Cal OES Project Manager Name:		Contractor Project Manager Name:
Cal OES Project Manager Signature:		Contractor Project Manager Signature:
Reason for adjusted Milestone Due Date:		
Project Milestone Status:		
Green:	Yellow:	Red:
Project Milestone is within scope, budget, and schedule.	Project milestone is at risk.	Project milestone is in danger

Circle Project Milestone Status: Yellow			
Green		Yellow	
Red			
Current Milestone Life Cycle Phase (Check one):			
Concept	Planning	In Progress	Completed
Project Documentation		Resources	Services and Software
<input type="checkbox"/> Not started		<input type="checkbox"/> Available	<input type="checkbox"/> No updates needed
<input type="checkbox"/> In development		<input type="checkbox"/> Need to assess	<input type="checkbox"/> Software updates needed
<input type="checkbox"/> Revision update		<input type="checkbox"/> Need to hire	<input type="checkbox"/> Under development
<input type="checkbox"/> Sent for approval		<input type="checkbox"/> Release resource(s)	<input type="checkbox"/> Not applicable
<input type="checkbox"/> Other (specify) _____		<input type="checkbox"/> Other (specify) _____	<input type="checkbox"/> Other (specify) _____
Project Milestone Status:			
Project Milestone Risks:			

EXHIBIT D: COST WORKSHEET

The Contractor shall provide all labor, materials, and equipment necessary to provide services for Cybersecurity Assessments for NextGEN 9-1-1 and 988 in accordance with the specifications described in ATTACHMENT 1: APPENDIX A - STATEMENT OF WORK, at the hourly rate specified below.

The Contractor is required to provide one (1) hourly rate that applies to all resources for this project. Upon mutual consent between the Contractor and Cal OES, additional resource(s) may be onboarded in the future at the same or reduced hourly rate. Cal OES must approve the additional consultant in advance of onboarding. Refer to [SECTION 13. Personnel Changes](#) for additional details.

Consultant Hourly Rate	\$ 175.00
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**EXHIBIT E: General Provisions for Electronic Vendor Application of Qualifications (eVAQ) #19-001-
Telecom**

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GENERAL PROVISIONS

FOR
ELECTRONIC VENDOR APPLICATION OF QUALIFICATIONS
(eVAQ) #19-001
Revised 09/19/2019

Issued by:

STATE OF CALIFORNIA

California Department of Technology Statewide
Procurement

PO Box 1910

Rancho Cordova, CA 95741

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Table of Contents

1.	DEFINITIONS.....	8
2.	PURPOSE	13
3.	CONTRACT FORMATION.....	13
4.	CONTRACT EFFECTIVE DATE	14
5.	IRREVOCABLE OFFER	14
6.	COMPLETE INTEGRATION.....	15
7.	SEVERABILITY/SURVIVAL CLAUSE.....	15
8.	INDEPENDENT CONTRACTOR.....	15
9.	APPLICABLE LAW.....	16
10.	COMPLIANCE WITH STATUTES AND REGULATIONS	16
11.	CONTRACTOR'S POWER AND AUTHORITY	18
12.	ASSIGNMENT.....	19
13.	WAIVER OF RIGHTS.....	19
14.	ORDER OF PRECEDENCE	19
15.	PACKING AND SHIPMENT	21
16.	TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES.....	21
17.	DELIVERY	22
18.	SUBSTITUTIONS	22
19.	SERVICE INTERRUPTIONS.....	22
20.	CUSTOMER IN-USE REQUIREMENTS.....	23
21.	INSPECTION, ACCEPTANCE AND REJECTION	23
22.	WARRANTY.....	24
23.	SAFETY AND ACCIDENT PREVENTION	27

State of California
Statewide Technology Procurement

24.	INSURANCE	27
25.	TERMINATION FOR NON-APPROPRIATION OF FUNDS	28
26.	TERMINATION FOR THE CONVENIENCE OF THE STATE	28
27.	TERMINATION FOR DEFAULT	29
28.	FORCE MAJEURE	31
29.	RIGHTS AND REMEDIES OF STATE FOR DEFAULT	31
30.	LIMITATION OF LIABILITY	32
31.	DE MINIMIS DELIVERABLE OR SERVICE REQUESTS (specific to CALNET contracts)	33
32.	STATEMENT OF ECONOMIC INTERESTS.....	34
33.	ACCESS TO FACILITIES/FACILITIES ACCESS POLICIES (specific to CALNET contracts)	34
34.	USE AND ADVERTISING USE OF DATA	35
35.	STATE COST RECOVERY	35
36.	PRICE GUARANTEE PERIOD	35
37.	CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY	36
38.	INDEMNIFICATION	36
39.	INVOICES & PAYMENTS.....	37
40.	REQUIRED PAYMENT DATE	39
41.	SERVICE TAXES, FEES, SURCHARGES, AND SURCREDITS.....	39
42.	NEWLY MANUFACTURED EQUIPMENT	40
43.	CONTRACT MODIFICATION.....	41
44.	CONFIDENTIALITY OF DATA	41
45.	NEWS RELEASES	42

46.	SOFTWARE LICENSE	42
47.	PROTECTION OF CONTRACTOR FURNISHED PROPRIETARY SOFTWARE AND OTHER PROPRIETARY DATA.....	43
48.	FUTURE RELEASES	43
49.	ENCRYPTION & AUTHORIZATION KEYS	44
50.	PATENT, COPYRIGHT AND TRADE SECRET INDEMNITY	44
51.	EXAMINATION AND AUDIT	46
52.	CONTINUING STANDARDS OF PERFORMANCE FOR CONTRACTOR SERVICES.....	48
53.	AVAILABILITY	51
54.	DISPUTES	51
55.	STOP WORK.....	53
56.	FOLLOW-ON CONTRACTS	54
57.	COVENANT AGAINST GRATUITIES	55
58.	NONDISCRIMINATION CLAUSE.....	56
59.	NATIONAL LABOR RELATIONS BOARD CERTIFICATION.....	56
60.	ASSIGNMENT OF ANTITRUST ACTIONS.....	57
61.	DRUG-FREE WORKPLACE CERTIFICATION	57
62.	AMERICANS WITH DISABILITIES ACT.....	58
63.	LIQUIDATED DAMAGES.....	58
64.	SET-OFF RIGHTS	59
65.	CONTRACTOR PERSONNEL	60
66.	PROVISIONING OF DELIVERABLES AND SERVICES	62
67.	UNANTICIPATED TASKS	62

State of California
Statewide Technology Procurement

68.	NEED FOR CONTRACTOR SERVICES DUE TO EMERGENCY	64
69.	NON-EXCLUSIVE AGREEMENT	64
70.	CHARGES	65
71.	ADMINISTRATIVE FEE.....	65
72.	CONTRACTOR COMMITMENTS AND REPRESENTATIONS.....	66
73.	SERVICE TO PUBLIC ENTITIES AND LOCAL GOVERNMENT AGENCIES	67
74.	AVAILABILITY OF REFRESHED TECHNOLOGY AND ADDITIONAL SERVICE ITEMS	67
75.	PRICING AND SERVICE REVIEW.....	69
76.	SERVICE COSTS.....	69
77.	INDIVIDUAL PRICE REDUCTIONS (specific to CALNET)	70
78.	“MOST FAVORED NATION” STATUS OF STATE (specific to CALNET) 70	
79.	FEDERAL UNIVERSAL SERVICE FUND.....	71
80.	EXISTING EQUIPMENT & TITLE TO EQUIPMENT	71
81.	UNLAWFUL USE.....	72
82.	MIGRATION	72
83.	DISENTANGLEMENT (MIGRATION-OUT).....	72
84.	REPORTS, DATA AND INVENTORY	74
85.	SUBCONTRACTORS	75
86.	GOVERNANCE	76
87.	SECURITY AND POLICIES	77
88.	DOCUMENTATION	78
89.	RIGHTS IN WORK PRODUCT	79

State of California
Statewide Technology Procurement

90.	USE TAX COLLECTION	80
91.	PRIORITY HIRING	80
92.	UNITED STATES (U.S.) BASED SERVICES	80

1. DEFINITIONS

Unless otherwise specified in the Statement of Work, Appendix A, Glossary, the following terms shall be given the meaning shown below.

- a) "**Acceptance Date**" means the date that the legal act of documenting that Equipment or Services conform to the requirements of the contract.
- b) "**Acceptance Tests**" means those tests performed during the Performance Period which are intended to determine compliance and reliability of Equipment and Software with the specifications and all other Attachments incorporated herein by reference and to determine the reliability of the Equipment.
- c) "**Application Program**" means a computer program intended to be executed for the purpose of performing useful work for the user of the information being processed. Application programs are developed or otherwise acquired by the user of the Hardware/Software system, but they may be supplied by the Contractor.
- d) "**Attachment**" means a mechanical, electrical, or electronic interconnection to the Contractor-supplied Machine or System of Equipment, manufactured by other than the original Equipment manufacturer that is not connected by the Contractor.
- e) "**Business Entity or Firm**" means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability company, sole proprietorship, joint stock company, consortium, or other private legal entity recognized by statute.
- f) "**Buyer**" means the State's authorized contracting official.
- g) "**Commercial Software**" means Software developed or regularly used that:
 - (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease, or license to the general public; (iii) has not been offered, sold, leased, or licensed to the public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of this Contract; or (iv) satisfies a criterion expressed in (i), (ii), or (iii) above and would require only minor modifications to meet the requirements of this Contract.
- h) "**Contract**" means this Contract or agreement (including any purchase order), by whatever name known or in whatever format used.

State of California
Statewide Technology Procurement

- i) "**Contractor**" means the business entity with whom the State enters into this Contract. Contractor shall be synonymous with "supplier", "vendor" or other similar term.
- j) "**Custom Software**" means Software that does not meet the definition of Commercial Software.
- k) "**Customer**" means the State, or for CALNET Contracts any government entity with an authorized Non-State Entity Service Provider Agreement (NESPA)
- l) "**Data Processing Subsystem**" means a complement of Contractor-furnished individual Machines, including the necessary controlling elements (or the functional equivalent), Operating Software and Software, if any, which are acquired to operate as an integrated group, and which are interconnected entirely by Contractor-supplied power and/or signal cables; e.g., direct access controller and drives, a cluster of terminals with their controller, etc.
- m) "**Data Processing System (System)**" means the total complement of Contractor-furnished Machines, including one or more central processors (or instruction processors), Operating Software which are acquired to operate as an integrated group.
- n) "**Deliverables**" means Equipment, Software, Information Technology, telecommunications technology, Hardware, documentation and other items (e.g. reports) to be delivered pursuant to this Contract, including any such items furnished incident to the provision of Services.
- o) "**Designated CPU(s)**" means the central processing unit of the computers or the server unit, including any associated peripheral units. If no specific "Designated CPU(s)" are specified on the Contract, the term shall mean any and all CPUs located at the site specified therein.
- p) "**Documentation**" means manuals and other printed materials necessary or useful to the State in its use or maintenance of the Equipment or Software provided hereunder. Manuals and other printed materials customized for the State hereunder constitute Work Product if such materials are required by the Statement of Work.
- q) "**Equipment**" is an all-inclusive term which refers either to individual Machines or to a complete Data Processing System or Telecommunication System or Subsystem, including its Hardware and Operating Software (if any).

- r) "**Equipment Failure**" is a malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment's intended function(s). If microcode or Operating Software residing in the Equipment is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment's intended functions shall be deemed to be an Equipment Failure.
- s) "**Facility Readiness Date**" means the date specified in the Statement of Work by which the State must have the site prepared and available for Equipment or Software delivery and/or installation.
- t) "**Goods**" means all types of tangible personal property, including but not limited to materials, supplies, and Equipment (including computer and Telecommunications Equipment).
- u) "**Hardware**" usually refers to computer Equipment and is contrasted with Software. See also Equipment.
- v) "**Installation Date**" means the date specified in the Statement of Work by which the Contractor must have commenced the Services, or installed Software or Equipment ready (certified) for use by the State.
- w) "**Information Technology**" refer to [California State Administrative Manual, Chapter 4819.2](#).
- x) "**Machine**" means an individual unit of a Data Processing System or Subsystem, separately identified by a type and/or model number, comprised of but not limited to mechanical, electro-mechanical, and electronic parts, microcode, and special features installed thereon and including any necessary software, e.g., central processing unit, memory module, tape unit, card reader, etc.
- y) "**Machine Alteration**" means any change to a Contractor-supplied Machine which is not made by the Contractor, and which results in the Machine deviating from its physical, mechanical, electrical, or electronic (including microcode) design, whether or not additional devices or parts are employed in making such change.
- z) "**Maintenance**" includes : (i) remedial maintenance performed by the Contractor or manufacturer as a result of Services, Equipment or Software failure, and which is performed as required, i.e. on an unscheduled basis; or (ii) maintenance performed on a scheduled basis by the Contractor or Manufacturer and is designed to keep the Equipment and/or Software in proper operating condition.

- aa) "**Manufacturing Materials**" means parts, tools, dies, jigs, fixtures, plans, drawings, and information produced or acquired, or rights acquired, specifically to fulfill obligations set forth herein.
- bb) "**Operating Software**" means those routines that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which interface the operator, other Contractor-supplied programs, and user programs to the Equipment.
- cc) "**Operational Use Time**" means for performance measurement purposes, that time during which Equipment is in actual operation by the State. For maintenance Operational Use Time purposes, that time during which Equipment is in actual operation and is not synonymous with power on time.
- dd) "**Ordering Document**" means the form used to request (also includes moves, adds, changes or deletes) services such as a Form 20, STD. 65 or other Customer authorized procurement document.
- ee) "**Performance Testing Period**" means a period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed equipment and software prior to its acceptance by the State.
- ff) "**Period of Maintenance Coverage**" means the period of time, as selected by the State, during which maintenance Services are provided by the Contractor for a fixed monthly charge, as opposed to an hourly charge for Services rendered. The Period of Maintenance Coverage consists of the Principal Period of Maintenance and any additional hours of coverage per day, and/or increased coverage for weekends and holidays.
- gg) "**Principal Period of Maintenance**" means any nine consecutive hours per day (usually between the hours of 7:00 a.m. and 6:00 p.m.) as selected by the State, including an official meal period not to exceed one hour, Monday through Friday, excluding holidays observed at the installation.
- hh) "**Scope of Work**" means description of work as mutually agreed upon by the Contractor and the Customer that is included as an attachment to Service Requests.
- ii) "**Services**" means any and all Services required to be performed by the Contractor pursuant to Contract.

- jj) **“Service Level Agreement (SLA)”** means an established set of metrics to be used to measure the level of service provided by the Contractor against the agreed to level of services.
- kk) **“Software”** means an all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Contractor, including operating software, Programming Aids, Application Programs.
- ll) **“Software Failure”** means a malfunction in the Contractor-supplied Software, other than Operating Software, which prevents the accomplishment of work, even though the Equipment (including its Operating Software) may still be capable of operating properly. For Operating Software failure, see definition of Equipment Failure.
- mm) **“State”** means the government of the State of California, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of California.
- nn) **“State Data”** means all data owned by the State, and submitted to, processed by, or stored by the Contractor under this Contract and includes, but is not limited to, all data that originated with the State or Users, all data provided by the State or Users, and data generated, manipulated, produced, reported by or otherwise emanating from or by applications run by the State or Users on the Services. For clarity, State Data is synonymous with “Customer Data”, “Customer Content”, or similar terms, as used in various provisions of the service agreements and incorporated into the Contract and includes the following:
 - i. **“Non-Public Data”** means data submitted to the Contractor, other than Personal Data, that is not subject to distribution to the public as public information. Non-Public Data includes Customer Proprietary Network Information (CPNI). It is deemed to be sensitive and confidential by the State because it contains information that may be exempt by statute, regulation, or policy from access by the general public as public information.
 - ii. **“Personal Data”** means Personal Information as defined by the California Information Practices Act (Civil Code Sections 1798 et seq.) submitted to the Contractor.
 - iii. **“Public Information”** means any information prepared, owned, used, or retained by the State and not specifically exempt from the disclosure requirements of the California Public Records Act

(Government Code Section 6250 et. seq.) or other applicable state or federal laws. For clarity, "Public Information" is also interchangeable with "Public Data".

- oo) "**Statement of Work**" or ("SOW") means a document provided by the California Department of Technology (CDT) which defines the timeline, and specifies the objectives, Services, Deliverables and tasks that the Contractor is expected to provide or perform, the responsibilities and expectations, indicating the type, level and quality of Service that is expected, all of which form a contractual obligation upon the Contractor.
- pp) "**System**" means the complete collection of Hardware, Software and services as described in this Contract, integrated and functioning together, and performing in accordance with this Contract.
- qq) "**Telecommunications**" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.
- rr) "**U.S. Intellectual Property Rights**" means intellectual property rights enforceable in the United States of America, including without limitation rights in trade secrets, copyrights, and U.S. patents.

2. PURPOSE

These General Provisions - electronic Vendor Application of Qualifications (eVAQ) #19-001 are part of the Contract entered into effective as of the Effective Date of the agreement between the State and Contractor.

3. CONTRACT FORMATION

- a) If this Contract results from a sealed bid offered in response to a solicitation conducted pursuant to Chapters 2 (commencing with Section 10290), 3 (commencing with Section 12100), 3.5 (commencing with Section 12120), 3.6 (commencing with Section 12125) of Part 2 of Division 2 of the Public Contract Code (PCC), or PCC Section 6611, then Contractor's bid is a firm offer to the State which is accepted by the issuance of this Contract and no further action is required by either party.
- b) If this Contract results from a solicitation other than described in subsection 3.a) above, Contractor's quotation or proposal is deemed a

firm offer and this Contract document is the State's acceptance of that offer.

- c) If this Contract resulted from a joint bid, it shall be deemed one indivisible Contract. Each such joint Contractor will be jointly and severally liable for the performance of the entire Contract. The State assumes no responsibility or obligation for the division of orders or purchases among joint Contractors.

4. CONTRACT EFFECTIVE DATE

Awarded Contracts signed by the Contractor shall not become effective until signed by the California Department of Technology ("Effective Date").

For CALNET Contracts, an awarded Contractor shall not begin implementation, i.e., selling Services or accepting the Customer orders until the CALNET Contractor Management and Organization (CALNET CMO) authorizes the Contractor in writing to do so, and naming a specific implementation start date for such activities. The CALNET CMO reserves the right to delay a Contractor's implementation of sales and Services of an awarded Contract to the extent determined by the CALNET CMO to be in the State's interest.

For all other Telecom Contracts the Contract Effective date is when the California Department of Technology approves the Contract, unless otherwise specified in the Statement of Work.

5. IRREVOCABLE OFFER

From the date that Contractor executes this Contract ("Signing Date") until such time as the State executes this Contract and Statewide Technology Procurement approves the award of this Contract to Contractor, and as such process is further described herein, this Contract constitutes the irrevocable, firm offer by Contractor to provide the Services to the State for the charges in accordance herewith. This Contract shall not be binding or of any legal force or effect on the State until the authorized execution of this Contract by the Department of Technology, as provided in Section 4 (Contract Effective Date).

Notwithstanding the foregoing, from the Signing Date until the Effective Date, Contractor shall actively continue planning and working with the State to ensure the timely completion of all tasks necessary and sufficient to prepare for and achieve a smooth and seamless conversion of the services related to the ongoing operation, support, and maintenance of the State's infrastructure related to services hereunder that is from the State and its current third party service-providers to Contractor. The State may exercise its option to extend by giving written notice of extension to Contractor prior to expiration of the Term. Contractor shall provide a reminder letter to the State ninety (90) calendar days prior to the end of the Term and each extension thereof if the State shall not have previously provided written notice to Contractor of its intent to extend the Contract prior to such dates.

6. COMPLETE INTEGRATION

This Contract, including any documents incorporated herein by express reference, is intended to be a complete integration and there are no prior, contemporaneous, different, or additional agreements pertaining to the subject matter of the Contract.

7. SEVERABILITY/SURVIVAL CLAUSE

Contracts shall automatically incorporate by reference all of the eVAQ terms and conditions which shall apply for the duration of the Contract. Vendors may utilize the eVAQ terms and conditions for multiple solicitations provided the eVAQ is valid and applicable. If any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect.

8. INDEPENDENT CONTRACTOR

Contractor and the agents and employees of Contractor, in the performance of this Contract, shall act in an independent capacity and not as officers or employees or agents of the State.

9. APPLICABLE LAW

- a) This Contract shall be governed by and interpreted in accordance with the laws of the State of California: venue of any action brought with regard to this Contract shall be in Sacramento County, Sacramento, California. To the extent Services in this Contract are subject to the jurisdiction of the California Public Utilities Commission (CPUC), the CPUC shall have jurisdiction over this Contract, and Contract and related Services may be subject to modification from time to time as the CPUC may so order in the exercise of their lawful jurisdiction. The United Nations Convention on Contracts for the International Sale of Equipment shall not apply to this Contract.
- b) Contractor, in conducting its business as required by the Contract (including the Solicitation) and agreed to in the proposal, shall comply with the Communications Act of 1934, as amended (including, but not limited to, the Telecommunications Act of 1996 and subsequent Acts), and as interpreted and applied by the applicable regulatory authorities and courts and any applicable rules, regulations and decisions of the Federal Communications Commission (FCC) and the CPUC.

10. COMPLIANCE WITH STATUTES AND REGULATIONS

- a) The State and the Contractor warrants and certifies that in the performance of this Contract, it will comply with all applicable statutes, rules, regulations and orders of the United States and the State of California. The Contractor agrees to indemnify the State against any loss, cost, damage or liability by reason of the Contractor's violation of this provision.
- b) The State will notify the Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
- c) The Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that: (i) when substantial principles of government or public law are involved, when litigation might create precedent

State of California
Statewide Technology Procurement

affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) where a settlement would impose liability on the State, affect principles of California government or public law, or impact the authority of the State, the Department of Technology shall have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.

- d) If this Contract is in excess of \$554,000, it is subject to the requirements of the World Trade Organization (WTO) Government Procurement Agreement (GPA).
- e) To the extent that this Contract falls within the scope of Government Code Section 11135, the Contractor hereby agrees to respond to and resolve any complaint brought pursuant to this Section.
- f) In the event that any term or action required in this Contract requires a regulatory filing, Contractor shall make such filing and such action and/or term shall, to the extent applicable, be made effective pursuant to the rules of the Federal Communications Commission (FCC) and/or the California Public Utilities Commission (CPUC). To the extent applicable, Contractor shall make the appropriate FCC filing in a timely manner with the rates being effective consistent with FCC requirements. Under the CPUC, terms are effective immediately upon signature by the parties; provided, however, that, to the extent applicable, Contractor is obligated to and shall make a formal filing with the CPUC in a timely manner and shall provide the State with written notice that such filing has been made.
- g) In addition to the foregoing, Contractor shall, after execution of this Contract, make all necessary regulatory filings which shall include the rates and charges for Service and any terms and conditions that affect the rates and charges paid by any Customer.

- h) Should the filings described herein not adequately address an issue or fail to address an essential fact, Contractor's tariffs or published service guides (or other published corporate pricing if Contractor is not required to file tariffs) (collectively the "Contractor's Published Pricing"), if applicable, shall be utilized as a basis for providing continuity of Service, and Service offerings, pending subsequent mutual agreement and modification of this Contract by the parties; provided, however, if the parties are unable to reach such mutual agreement within a reasonable period of time and good faith effort, then the State may take action pursuant to the terms and conditions of this Contract, including but not limited to terminating the affected Service(s) without penalty, or continuing Service at the Contractor's Published Pricing.

11. CONTRACTOR'S POWER AND AUTHORITY

- a) The Contractor warrants that it has full power and authority to grant the rights herein granted and will hold the State harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party which might abridge any rights of the State under this Contract.
- b) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
- c) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) where a settlement would impose liability on the State, affect principles of California government or public law, or impact the authority of the State, the Department of Technology will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the

State will reasonably cooperate in the defense and in any related settlement negotiations.

12. ASSIGNMENT

This Contract shall not be assignable by the Contractor in whole or in part without the written consent of the State. The State's consent shall not be unreasonably withheld or delayed. For the purpose of this paragraph, the State will not unreasonably prohibit Contractor from freely assigning its right to payment, provided that Contractor remains responsible for its obligations hereunder.

13. WAIVER OF RIGHTS

Any action or inaction by the State or the failure of the State on any occasion, to enforce any right or provision of the Contract, shall not be construed to be a waiver by the State of its rights hereunder and shall not prevent the State from enforcing such provision or right on any future occasion. The rights and remedies of the State herein are cumulative and are in addition to any other rights or remedies that the State may have at law or in equity.

14. ORDER OF PRECEDENCE

In the event of any inconsistency between the articles, attachments, specifications or provisions which constitute this Contract, the following order of precedence shall apply:

- a) All regulatory filings pursuant to the terms and conditions of this Contract.
- b) The eVAQ inclusive of the General Provisions eVAQ #19-001. In the instances provided herein where the General Provisions eVAQ #19-001 permit modifications in the SOW, the language in the SOW shall take precedence over the replaced eVAQ or General Provisions eVAQ #19-001 paragraphs.
- c) The Contractor's eVAQ, and any attachments thereto.

State of California
Statewide Technology Procurement

- d) The STD 213 Standard Agreement or any related ordering documents such as STD 65, as applicable, and any amendments thereto, issued as a result of a solicitation (e.g., IFB, RFQP and RFP).
- e) Statement of Work (SOW) contained in the solicitation documentation in the following order of precedence:
 - i. The specifications and requirements contained in the solicitation documentation (e.g., the SOW, including the Business and Technical Requirements, and Appendix A, Glossary).
 - ii. The State approved Catalog A and any amendments thereto (for CALNET Contracts only).
 - iii. The Contractor's response to meet or exceed the specifications and requirements in the solicitation as stated in their bid or proposal. (The parties acknowledge and agree that silence in the bid or proposal with respect to a particular solicitation specification or requirement equals consent by the Contractor.)
- f) Appendix E, Authorization to Order (ATO) form for Services to local government jurisdictions (for CALNET Contracts only).
- g) Form 20, Telecommunications Service Request or equivalent, and Work Authorizations.
- h) The Scope of Work (i.e. agreement between the Contractor and Customer per the Service order) as may be issued by authorized Customers, including in the following order of precedence:
 - i. The specifications and requirements contained in the Scope of Work.
 - ii. The Contractor's response to meet or exceed the specifications and requirements in the Scope of Work as stated in their offer. (The parties acknowledge and agree that silence in the offer with respect to a particular Scope of Work specification or requirement equals consent by the Contractor.)

- iii. All other documents incorporated in the Contract by reference (e.g. End User License Agreements, Acceptable Use Policies, Service guides, product specific terms and conditions).

15. PACKING AND SHIPMENT

- a) All Equipment are to be packed in suitable containers for protection in shipment and storage, and in accordance with applicable specifications. Each container of a multiple container shipment shall be identified to (i) show the number of the container and the total number of containers in the shipment, and (ii) the number of the container in which the packing sheet has been enclosed.
- b) All shipments by Contractor or its subcontractors must include packing sheets identifying: the State's Contract number; item number; quantity and unit of measure; part number and description of the Equipment shipped; and appropriate evidence of inspection, if required. Equipment for different Contracts shall be listed on separate packing sheets.
- c) Shipments must be made as specified in this Contract, as it may be amended, or otherwise directed in writing by the Department of Technology.

16. TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES

No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by the State unless expressly included and itemized in the Contract.

- a) Contractor must strictly follow Contract requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. The State may permit use of an alternate carrier at no additional cost to the State with advance written authorization of the Buyer.
- b) If "prepay and add" is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by the Transportation

Management Unit within the Department of Technology and a waiver is granted.

- c) On "F.O.B. Shipping Point" transactions, should any shipments under the Contract be received by the State in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the Equipment and/or material, Contractor, on request of the State, shall at Contractor's own expense assist the State in establishing carrier liability by supplying evidence that the Equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.

17. DELIVERY

Contractor shall strictly adhere to the delivery and completion schedules specified in this Contract Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities or Services specified herein, the State shall not be required to make any payment for the excess Deliverables, and may return them to Contractor at Contractor's expense or utilize any other rights available to the State at law or in equity.

18. SUBSTITUTIONS

Substitution of Deliverables may not be tendered without five (5) days advance written consent of the California Department of Technology (CDT). Contractor shall not use any specification in lieu of those contained in the Contract without written consent of the CDT.

19. SERVICE INTERRUPTIONS

Unless otherwise specified in the Statement of Work, the Contractor's liability for Service interruptions, if any, shall be limited to credit out of allowances provided for in the agreement or Service Level Agreement (SLA) including any applicable tariffs incorporated.

20. CUSTOMER IN-USE REQUIREMENTS

- a) The purpose of the Customer In-Use Requirement is to allow time for the Contractor to correct defects that could prevent new Equipment or Services from performing correctly in support of State programs.
- b) The State requires that each Service, Equipment, and Software component proposed as part of a solution must have been installed and in production to one or more commercial or government accounts in the same or substantially same configuration provided, to paying customers external to the Contractors organization, for at least six (6) months prior to the Installation Date set forth in the applicable Statement of Work or Work Order.
- c) The State has the option at any time to request from the Contractor supporting evidence of compliance to the Customer In-Use Requirements.

21. INSPECTION, ACCEPTANCE AND REJECTION

Unless otherwise specified in the Statement of Work, and subject to Section 39, Invoices and Payments:

- a) Contractor and its subcontractors shall provide and maintain a quality assurance system acceptable to the State covering Deliverables and Services under this Contract and will tender to the State only those Deliverables that have been inspected and found to conform to this Contract's requirements. Contractor will keep records evidencing inspections and their result, and will make these records available to the State during Contract performance and for three (3) years after final payment. Contractor shall permit the State to review procedures, practices, processes, and related documents to determine the acceptability of Contractor's quality assurance system or other similar business practices directly related to performance of the Contract.
- b) All Deliverables may be subject to final inspection, test and acceptance by the State or its authorized representatives. Deliverables may be subject to inspection, test and acceptance at destination, notwithstanding any payment or inspection at source shall not be considered proof of acceptance by the State.
- c) Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to the

State. Contractor shall furnish to inspectors, at no additional cost to the State, all information and data as may be reasonably required to perform their inspection.

- d) The State shall give written notice of rejection of Deliverables delivered or Services performed hereunder within a reasonable time after receipt of such Deliverables or performance of such Services. Such notice of rejection will state the respects in which the Deliverables or Services, do not substantially conform to their specifications. If the State does not provide such notice of rejection within thirty (30) days of delivery for all purchases, such Deliverables and Services will be deemed to have been accepted. Acceptance by the State will be final and irreversible, except as it relates to latent defects, fraud, and gross mistakes amounting to fraud. Acceptance shall not be construed to waive any warranty rights that the State might have at law or by express reservation in this Contract with respect to any nonconformity.

22. WARRANTY

- a) Limited Warranty for Services. Unless otherwise specified in the Statement of Work, Contractor warrants that Services furnished hereunder will substantially conform to the requirements of this Contract (including without limitation all descriptions, specifications, and drawings identified in the Statement of Work), and:
- i. Services will be performed in accordance with the Contract; and
 - ii. All customer support for Services will be performed with professional care and skill.
- b) Duration of Limited Warranty for Services. The limited warranty will be for the duration of State's use of the Services, subject to the following limitations:
- i. Any implied warranties, guarantees, or conditions not able to be disclaimed as a matter of law last for one year from the start of the limited warranty;
 - ii. The limited warranty does not cover problems caused by the State's accident, abuse or use in a manner inconsistent with

this Contract or any applicable service agreement, or resulting from events beyond Contractor's reasonable control;

- iii. The limited warranty does not apply to components of Software that the State may be permitted to redistribute;
 - iv. The limited warranty does not apply to free, trial, pre-release, or beta services; and
 - v. The limited warranty does not apply to problems caused by the State's failure to meet minimum system requirements.
- c) **Warranty for Software Products.** Any Software products provided by the service provider shall be covered by the developer's consumer warranty that will be passed to the Customer.
- d) Contractor shall apply anti-malware controls to the Services to help avoid malicious software gaining unauthorized access to State Data, including malicious software originating from public networks. Such controls shall at all times equal or exceed the controls consistent with the industry standards for such data, but in no event less than the controls that Contractor applies to its own internal corporate electronic data of like character.
- e) Unless otherwise specified elsewhere in the Statement of Work:
- i. The Contractor does not warrant that any Services provided hereunder are error-free or that it will run without immaterial interruption; and
 - ii. The Contractor does not warrant and will have no responsibility for a claim to the extent that it arises directly from a modification made by the State, unless such modification is approved or directed by the Contractor;
 - iii. Use of Services in combination with Software or Services other than as specified by the Contractor, or
 - iv. Misuse by the State.

- f) All warranties, including special warranties specified elsewhere herein, shall inure to the State, its successors, assigns, customer agencies, and governmental users of the Deliverables or Services.
- g) **Equipment Warranty.** In addition to the warranties set forth herein, any Equipment provided by the Contractor shall be covered by the manufacturer's consumer warranty that will be passed through to the Customer. The Contractor shall provide manufacturer's warranty information (terms and conditions, provider, etc.) to the Customer with all Equipment at the time of delivery. The Contractor shall work with the Customer to facilitate Equipment replacement.
- h) **Warranty for other Deliverables.** The Contractor warrants that Deliverables furnished hereunder will substantially conform to the requirements of this Contract (including without limitation all descriptions, specifications, and drawings identified in the Statement of Work), and the Deliverables will be free from material defects in materials and workmanship. Where the parties have agreed to design specifications (such as a detailed design document) and incorporated the same or equivalent in the Statement of Work directly or by reference, the Contractor will warrant that its Deliverables provide all material functionality required thereby. Unless otherwise specified in the Statement of Work, the duration of warranty shall begin on the delivery date of the Deliverables in question and end one (1) year thereafter.
- i) Except as may be specifically provided in the Statement of Work, and subject to General Provisions eVAQ #19-001, Section 52, Continuing Standards of Performance for Contractor Services, for any breach of the warranties provided in this Section, the State's exclusive remedy and the Contractor's sole obligation will be limited to: (i) re-performance, repair, or replacement of the nonconforming Deliverable or Equipment (including without limitation an infringing Deliverable), or (ii) should the State in its sole discretion consent, refund of all amounts paid by the State for the nonconforming Deliverable, Equipment or Service and payment to the State of any additional amounts necessary to equal the State's Cost to Cover. "Cost to Cover" means the cost, properly mitigated, of procuring Deliverables, Equipment or Services of

equivalent capability, function, and performance. The payment obligation in subsection (j) and (ii) above will not exceed the limits on the Contractor's liability set forth in the General Provisions eVAQ #19-001, Section 30, Limitation of Liability.

- j) EXCEPT FOR THE EXPRESS WARRANTIES SPECIFIED IN THIS SECTION, THE CONTRACTOR MAKES NO WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

23. SAFETY AND ACCIDENT PREVENTION

In performing work under this Contract on State premises, Contractor shall conform to any specific safety requirements contained in the Contract or as required by law or regulation. The Contractor shall take any additional precautions as the State may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Contract in accordance with the default provisions hereof.

24. INSURANCE

Contractor shall maintain all commercial general liability insurance, workers' compensation insurance and any other insurance required under the Contract. Contractor shall furnish insurance certificate(s) evidencing required insurance coverage acceptable to the State, including endorsements showing the State as an "additional insured" if required under the Contract. Any required endorsements requested by the State must be separately provided; merely referring to such coverage on the certificate(s) is insufficient for this purpose. When performing work on State owned or controlled property, Contractor shall provide a waiver of subrogation in favor of the State for its workers' compensation policy.

25. TERMINATION FOR NON-APPROPRIATION OF FUNDS

- a) If the term of this Contract extends into fiscal years subsequent to that in which it is approved, such continuation of the Contract is contingent on the appropriation of funds for such purpose by the Legislature. If funds to effect such continued payment are not appropriated, Contractor agrees to take back any affected Deliverables furnished under this Contract, terminate any Services supplied to the State under this Contract, and relieve the State of any further obligation therefore.
- b) The State agrees that if it appears likely that subsection a) above will be invoked, the State and Contractor shall agree to take all reasonable steps to prioritize work and Deliverables and minimize the incurrence of costs prior to the expiration of funding for this Contract.
- c) THE STATE AGREES THAT IF PARAGRAPH a) ABOVE IS INVOKED, DELIVERABLES (EXCEPT FOR COMMERCIAL SOFTWARE AND EQUIPMENT ACCEPTED PURSUANT TO SECTION 21 ABOVE) SHALL BE RETURNED TO THE CONTRACTOR IN SUBSTANTIALLY THE SAME CONDITION IN WHICH DELIVERED TO THE STATE, SUBJECT TO NORMAL WEAR AND TEAR. THE STATE FURTHER AGREES TO PAY FOR PACKING, CRATING, TRANSPORTATION TO CONTRACTOR'S NEAREST FACILITY AND FOR REIMBURSEMENT TO THE CONTRACTOR FOR EXPENSES INCURRED FOR THEIR ASSISTANCE IN SUCH PACKING AND CRATING.

26. TERMINATION FOR THE CONVENIENCE OF THE STATE

- a) The CDT may terminate performance of work under this Contract for its convenience in whole or, from time to time, in part, if the Deputy Director, Statewide Technology Procurement, or designee, determines that a termination is in the State's interest. The Deputy Director, Statewide Technology Procurement, or designee, shall terminate by delivering to Contractor a Notice of Termination specifying the extent of termination and the effective date thereof, such date not to be less than thirty (30) days.

- b) After receipt of a Notice of Termination, and except as directed by the CDT, Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. Contractor shall:
- i. Stop work as specified in the Notice of Termination (except as required by any Disentanglement/Migration-Out Services).
 - ii. Place no further subcontracts for materials, Services, or facilities, except as necessary to complete the continuing portion of the Contract.
 - iii. Terminate all subcontracts to the extent they relate to the work terminated.
 - iv. Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts.
- c) After termination, Contractor shall submit a final termination settlement proposal to the Customer in the form and with the information prescribed by the CDT. The Contractor shall submit the proposal promptly, but no later than ninety (90) days after the effective date of termination, unless a different time is provided in the Statement of Work or in the Notice of Termination.
- d) The Contractor and the CDT may agree upon the whole or any part of the amount to be paid as requested under subsection c) above.
- e) Unless otherwise specified in the Statement of Work, upon the termination for convenience, the CDT shall have no obligation to pay the Contractor any amount other than in accordance with the terms of the this Contract the agreed upon price for Deliverables or Services accepted or retained by the Customer and not previously paid for, adjusted for any savings on freight and other charges plus any unrecovered amortized capital costs originally identified in writing by Contractor and approved in advance by the CDT, calculated using Generally Accepted Accounting Principles.

27. TERMINATION FOR DEFAULT

Unless otherwise specified in the Statement of Work:

State of California
Statewide Technology Procurement

- a) The CDT may, subject to the clause titled "Force Majeure" and to subsection d) below, by written notice of default to the Contractor, terminate this Contract in whole or in part if Contractor fails to:
 - i. Deliver the Deliverables or perform the Services within the time specified in the Contract or any amendment thereto;
 - ii. Make progress, so that the lack of progress endangers performance of this Contract; or
 - iii. Perform any of the other provisions of this Contract, or any contract with a Customer.
- b) The CDT's right to terminate this Contract under subsection a) above, may be exercised if the failure constitutes a material breach of this Contract and if the Contractor does not cure such failure within the time frame stated in the CDT's cure notice, which in no event will be less than fifteen (15) days, unless the Statement of Work calls for a different period.
- c) If the CDT terminates this Contract in whole or in part pursuant to this Section, it may acquire under terms and in the manner the CDT considers appropriate, Deliverables or Services similar to those terminated, and the Contractor will be liable to the CDT for any excess costs for those Deliverables and Services, including without limitation costs third party vendors charge for the Deliverables, including any Equipment (but subject to the clause entitled "Limitation of Liability"). However, the Contractor shall continue the work not terminated.
- d) If the Contract is terminated for default, the CDT may require the Contractor to transfer title, or in the case of licensed Software, license, and deliver to the CDT, as directed , any: completed , partially-completed or accepted Deliverables or pre-paid Services, and, subject to provisions of subsection e) below, related to the terminated portion of this Contract. Nothing in this subsection d) will be construed to grant the CDT rights to Deliverables or Services that it would not have received had this Contract been fully performed. Upon direction of the CDT, the Contractor shall also protect and preserve property in its possession in which the CDT has an interest.
- e) The CDT shall pay Contract price for completed, partially-completed or accepted Deliverables and items the CDT requires the Contractor to transfer under Section d) above. Unless the Statement of Work calls for different procedures or requires no-charge delivery of materials, the Contractor and CDT shall attempt to agree on the amount of payment for

materials delivered and accepted by the Customer for the protection and preservation of the property; provided that where the Contractor has billed the Customer for any such materials, no additional charge will apply. Failure to agree will constitute a dispute under the Disputes clause. The CDT or Customer may withhold from these amounts any sum it determines to be necessary to protect the CDT or Customer against loss because of outstanding liens or claims of former lien holders.

- f) If, after termination, it is determined by a final decision that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the CDT.
- g) Both parties, CDT and Contractor, upon any termination for default, have a duty to mitigate the damages suffered by each party.
- h) The rights and remedies of the CDT in this clause are in addition to any other rights and remedies provided by law or under this Contract, and are subject to the clause titled "Limitation of Liability".

28. FORCE MAJEURE

Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include, but are not limited to: a) Acts of God or of the public enemy, and b) Acts of the federal or State government in either its sovereign or contractual capacity. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform.

29. RIGHTS AND REMEDIES OF STATE FOR DEFAULT

- a) Except as provided in Section 21 and subject to Section 22 above, in the event any Deliverables furnished or Services provided by Contractor in the performance of the Contract should fail to conform to the requirements herein, the State may reject the same, and it shall become the duty of

Contractor to reclaim and remove the Deliverable promptly, including providing the State with the appropriate instructions for returning the Equipment, or to correct the performance of the Services, without expense to the State, and immediately replace or re-perform all such rejected Deliverables or Services, as applicable, with others conforming to the Contract.

- b) In addition to any other rights and remedies the State may have, the State may require Contractor, at Contractor's expense, to ship Deliverables via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of Contractor.
- c) In the event of the termination of the Contract, either in whole or in part, by reason of default or breach by Contractor, any loss or damage sustained by the State in procuring any items which Contractor agreed to supply shall be borne and paid for by Contractor, (but subject to the clause titled "Limitation of Liability").
- d) The State reserves the right to offset the reasonable cost of all damages caused to the State against any outstanding invoices or amounts owed to Contractor or to make a claim against the Contractor therefore.

30. LIMITATION OF LIABILITY

- a) Except as may be otherwise approved by the Department of Technology, Deputy Director, Statewide Technology Procurement or Deputy Chief Technology Officer, or designee, and subject to subsection b) below, Contractor's liability for damages to the State for any cause whatsoever, and regardless of the form of action, whether in Contract or in tort, shall be limited to the Purchase Price. For purposes of this subsection a), "Purchase Price" will mean the aggregate Contract price; except that, with respect to a Contract under which multiple purchase orders will be issued (e.g., a Master Agreement or Multiple Award Schedule contract), "Purchase Price" will mean the total price of the purchase order for the Deliverable(s) or Service(s) that gave rise to the loss, such that Contractor will have a separate limitation of liability for each purchase order.
- b) The foregoing limitation of liability shall not apply (i) to any liability under Section 10, Compliance with Statutes and Regulations, (ii) to liability under Section 50, Patent, Copyright, and Trade Secret Indemnity, or to any other liability (including without limitation indemnification obligations)

for infringement of third party intellectual property rights; (ii) to claims covered by any specific provision herein calling for liquidated damages; (iii) to claims arising under provisions herein calling for indemnification for third party claims against the State for bodily injury to persons or damage to real or tangible personal property caused by Contractor's negligence or willful misconduct; (iv) to costs or attorney's fees that the State becomes entitled to recover as a prevailing party in any action, or (v) to direct costs of mitigation, remediation and/or notification obligations resulting from any data breach.

- c) Nothing herein shall be construed to waive or limit the State's sovereign immunity or any other immunity from suit provided by law.
- d) In no event will either the Contractor or the State be liable for consequential, incidental, indirect, special, or punitive damages, even if notification has been given as to the possibility of such damages, except (i) to the extent that Contractor's liability for such damages is specifically set forth in the Statement of Work or (ii) to the extent that Contractor's liability for such damages arises out of subsection b)(i), b)(ii), or b)(iv) above.

31. DE MINIMIS DELIVERABLE OR SERVICE REQUESTS (specific to CALNET contracts)

At any time during the term, if the State determines that such Deliverables or Services requested were not provided with the required items/Services for the Deliverable or Service to perform in accordance with the intended specification and parties cannot agree as to whether such Deliverables or Services are included as part of the Deliverables and Services offered by the Contractor and the financial impact on the Contractor of satisfying such request is less than Twenty-Five Thousand Dollars (\$25,000.00) and to the extent that the cumulative and aggregate amount of all such Deliverables or Services provided does not result in a financial impact on the Contractor in excess of Section 30, Limitation of Liability, during any contract year, such failure to agree shall (1) not be deemed a disagreement; (2) such request shall be deemed a request for Services; and (3) all such Services, products, or resources shall be provided to the State by the Contractor at no cost in accordance with the terms of this Contract.

32. STATEMENT OF ECONOMIC INTERESTS

As applicable, consultants can be categorized as a public official for purposes of adherence to Conflict of Interest laws and the filing of a Statement of Economic Interests (Form 700). As such, upon award and prior to beginning work, and on an annual basis, the consultant's staff and/or subcontractors (as applicable) engaged in performing the Services described in the Contract are required to complete and submit a Form 700 to the State of California. To acquire an exemption from this requirement, consultant must submit a request to the Department of Technology, Statewide Technology Procurement explaining the basis for the request and the staff or subcontractor staff to be excluded on that basis. Form 700 and instructions can be accessed at the [California Fair Political Practices Commission website](#).

33. ACCESS TO FACILITIES/FACILITIES ACCESS POLICIES (specific to CALNET contracts)

The State acknowledges that the Contractor or its employees and/or subcontractors (collectively the "Contractor Personnel") may work closely with the State to implement and perform the Services by working on the premises of participating State agencies and departments ("State Locations").

- a) The State will ensure that Contractor Personnel have access to State Locations as reasonably necessary for the Contractor to provide the Services for which the Contractor is responsible.
- b) Contractor Personnel will coordinate with the State as necessary to obtain access to State Locations to perform the Services, or to perform other obligations as contained herein.
- c) If, as part of a State agency or department's standard policies and procedures regarding Contractors working onsite, require Contractor Personnel to execute certain documents prior to gaining access to State Locations ("Standard Access Agreements"), the State will use reasonable endeavors to:
 - i. Provide a copy of; or

- ii. A URL link to such Standard Access Agreements to Contractor in advance of any Contractor Personnel accessing the State Locations; or
- iii. Copies or references to Standard Access Agreements already executed by Contractor that apply, if any, with a statement that those are still applicable to Contractor Personnel.

34. USE AND ADVERTISING USE OF DATA

Contractor or its third party providers are not authorized to use, sell, resell, package or repackage or publicly display any information deemed by the State as confidential, sensitive or personal information pursuant to the eVAQ language or State data without written express approval of the State. This restriction includes key word searching or data mining of State data.

35. STATE COST RECOVERY

Unless otherwise specified in the Statement of Work:

The State shall not use Software, data, web services, or Documentation for a site or Service and operate the site or the Service for a profit or generate revenue through direct or indirect methods (e.g., advertising or by charging for access to the site or Service). However, the State is authorized to provide fee-based access to an application built upon Software, hardware, Services or Documentation to eligible employees, departments, agencies, local governmental entities, and consultants of the State of California, through a website, Internet Service or otherwise, provided that the fees are established on a cost recovery basis and not for profit.

36. PRICE GUARANTEE PERIOD

The Contractor shall guarantee all pricing must be at or below market value for the entire Contract Term. Any adjustment or amendment to the original contract will not be effective unless a written amendment is approved by the State and the Contractor. The State will be given the immediate benefit of any decrease in the market, product set, or allowable discount.

Additionally, the parties may negotiate Individual Price Reductions (IPR) as described herein or the SOW Business Requirements, as applicable.

37. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY

- a) Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of the State, employees of the State, persons designated by the State for training, or any other person(s) other than agents or employees of the Contractor, designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Deliverables either at Contractor's site or at the State's place of business, provided that the injury or damage was caused by the fault, negligence, or willful misconduct of Contractor.
- b) Contractor shall not be liable for damages solely arising out of or caused by an alteration or an Attachment not made or installed by Contractor, or for damage to alterations or Attachments that may result from the normal operation and maintenance of the Deliverables provided by Contractor during the Contract.

38. INDEMNIFICATION

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses due to the injury or death of any individual, or the loss or damage to any real or tangible personal property, resulting from the willful misconduct or negligent acts or omissions of Contractor or any of its affiliates, agents, subcontractors, employees, suppliers, or laborers furnishing or supplying work, Deliverables, Services, materials, or supplies in connection with the performance of this Contract. Such defense and payment will be conditional upon the following:

- a) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time (but no delay or failure to so notify Contractor shall relieve it of its obligations under this Contract except to the extent that Contractor has suffered actual prejudice by such delay or failure); and

- b) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) where a settlement would impose liability on the State, affect principles of California government or public law, or impact the authority of the State, the Department of Technology shall have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.

39. INVOICES & PAYMENTS

Unless otherwise specified in the Statement of Work:

a) Invoices

Any approved Service taxes, fees, surcharges, and surcredits may be separately identified on each invoice as applicable. In addition, each invoice shall be in the form specified by the State (including whether issued as a single, aggregate invoice or separate invoices for different Services or entities) and shall (i) comply with all applicable legal, regulatory and accounting requirements, (ii) allow a Customer to validate volumes and charges, (iii) permit a Customer to chargeback internally, and (iv) meet the State's billing requirements in accordance with the Statement of Work. Invoices with a name other than that established in the original Contract (including approved Subcontractors or Affiliates) cannot be paid prior to execution of a Contract Amendment. The data underlying each invoice shall also be delivered to a Customer electronically in a form and format specified in the Statement of Work but also the format shall be compatible with all other applicable State's accounting systems as necessary.

b) Budget Contingency Clause

This Contract is valid and enforceable only if: (a) sufficient funds are made available by the State Budget Act of the appropriate State Fiscal Year(s)

covered by this Agreement for the purposes of this program; and/or (b) sufficient funds are made available to the State by the United States Government for the Fiscal Year(s) covered by this contract for the purposes of this program.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State other than as contained herein, or offer an Agreement amendment to the Contractor to reflect the reduced amount, as provided in Section 25, Termination for Non-Appropriation of Funds.

c) Recoup Cost Clause

For purpose and clarity and avoidance of confusion under this contract, the State is granted the limited right to make products and Services contemplated herein available to a) other State of California governmental entities and b) other municipal or local governments within the state of California. The State shall be authorized to establish a fee-based access to applications, data, documentation or Services provided under this contract, provided that the fees are established on a cost recovery basis and not for profit.

d) Acceptance Payments

Acceptance procedures to initiate payments will be as set forth in the Customer's Scope of Work and/or Ordering Documents. A Customer shall be deemed to have accepted each Service either (i) upon its issuance of written notice of such acceptance or (ii) thirty (30) calendar days after the Service activation date, excluding delays due to shipping time, or acceptance testing period (collectively Acceptance), unless otherwise specified in the Scope of Work or at or before the time the Customer gives the Contractor written notice of rejection or requests additional time. Any notice of rejection will explain how the Deliverable or Service fails to substantially conform to the functional and performance specifications of the Statement of Work and the Customer's Scope of Work. The Contractor will, upon receipt of such notice, investigate the reported deficiency and exercise reasonable best efforts to remedy it promptly. The Customer, in its sole discretion, will have the option to re-perform the acceptance test. If

the Contractor is unable to remedy the deficiency within thirty (30) calendar days of notice of rejection, the Customer shall have the option of terminating for default the portion of the Contract that relates to such Deliverable or Service, or terminating this Contract in its entirety for default; and/or the State or the Customer shall have the option of terminating the Service order or accepting substitute Deliverables or Service or other remedy provided in the SOW Business Requirements. No payment will be due before Acceptance thereof, except to the extent required by progress payment terms and/or progress payment requirements in the Scope of Work, if applicable.

40. REQUIRED PAYMENT DATE

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 agencies to pay properly submitted, undisputed invoices not more than 45 days after: (a) the date of acceptance of Deliverables or performance of services; or (b) receipt of an undisputed invoice, whichever is later.

41. SERVICE TAXES, FEES, SURCHARGES, AND SURCREDITS

- a) The State government Customers of this Contract shall be subject to service taxes, fees, surcharges, and surcredits that are mandated by the government of the State of California (including the CPUC), and the federal government (including the FCC), as applicable. The Non-State Customers shall be subject to Service taxes, fees, surcharges and surcredits mandated by the State and federal governments, and also as mandated by California local government jurisdictions and political subdivisions, as applicable. Mandates in effect at the time of award and as hereafter mandated may be recovered from Customers of the applicable Service.
- b) The CDT reserves the right to verify, and if necessary, challenge the Contractor and the applicable regulatory authority, the application by the Contractor of Service taxes, fees, surcharges, and surcredits referred to in subsection a) above. Should the CDT consider the application of

such items to be inappropriate, the CDT and the Contractor shall meet and confer regarding the applicability of such items. If thereafter a dispute exists regarding the proper application of such items, the parties may resolve such disputes in accordance with Section 54, Disputes. Either party may seek guidance or clarification from the applicable regulatory authority regarding the appropriate application of such items. If the application of such items is deemed inappropriate by the regulatory authority, the Contractor shall cease and/or revise the application of such items and, if appropriate, issue retroactive credits to the impacted Customer(s).

- c) All charges under this Contract are exclusive of applicable federal, state and local sales, use, excise, utility, and gross receipt taxes, other similar tax-like charges and surcharges. The Contractor will provide the CDT the tax exemption certificates that comply with the requirements of the Internal Revenue Code and Regulations (i.e., see Internal Revenue Regulations Section 49.4253-11 and IRS Publication 510 or their current equivalent versions). The Contractor agrees to exempt all Entities from federal excise taxes and E-9-1-1 taxes as of the date the Contractor receives a duly authorized and valid exemption certificate. The Contractor agrees, for the purpose of federal exemption, that the CDT will act as the authorized agent for this Contract in submitting exemption requests on behalf of all Entities.
- d) The State of California government Customers are exempt from Service taxes, fees, surcharges, or surcredits imposed by local government and political subdivision entities, as applicable. The Contractor shall not apply Service taxes, fees or surcharges imposed by local governments and political subdivisions to the State as applicable. The State shall not be required to submit certificates of exemption in order to claim or confirm local government and political subdivision exemptions.

42. NEWLY MANUFACTURED EQUIPMENT

All Equipment furnished under this Contract shall be newly manufactured Equipment or certified as new and warranted as new by the manufacturer; used or reconditioned Equipment are prohibited, unless otherwise specified.

43. CONTRACT MODIFICATION

- a) No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Contract is binding on any of the parties.
- b) Any change to the Contractor's name will require a Contract amendment. The State, upon notification and receipt of legal documentation indicating the name change from the Contractor, will process the required amendment, assuming no other change has been made to the business entity.

44. CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to Contractor in order to carry out this Contract, or which become available to Contractor in carrying out this Contract, shall be protected by Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State, but in no event less than reasonable care. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to Contractor. If the methods and procedures employed by Contractor for the protection of Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available other than through a breach of Contractor's or a third party's confidentiality obligations, is already rightfully in Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Contract and without reference to the State's confidential data information, or is rightfully obtained from third parties without an obligation of confidentiality or is required to be disclosed

by subpoena or other legal process, limited to the extent required by the terms of such subpoena or other legal process.

- a) The Contractor shall not use or share CPNI for any activity other than as permitted by applicable law and with the approval of the Customer. The Contractor shall provide reasonable written notification to the Customer prior to the disclosure of CPNI, except where expressly authorized by the Customer. Such notification shall indicate the reason for the CPNI disclosure. A description of the Contractor's process for obtaining the Customer's authorization to release CPNI shall be provided upon the State's request.

45. NEWS RELEASES

Any news releases, endorsements, advertising, and social media content pertaining to this Contract shall not be made without prior written approval of the Department of Technology.

46. SOFTWARE LICENSE

Unless otherwise specified in the Statement of Work:

Contractor hereby grants to the State and the State accepts from the Contractor, subject to the terms and conditions of this Contract, a perpetual, irrevocable, royalty-free, non-exclusive right, to the use of Software products in this Contract. The State may use the Software products only in connection with the use of the Service and according to the licensing terms specified in a Statement of Work or otherwise in the Contract. Acceptance of the Software (including any third-party Commercial Software/End User License Agreement (EULA) associated with Services sold under this Contract will be governed by the terms and conditions of this Contract.

47. PROTECTION OF CONTRACTOR FURNISHED PROPRIETARY SOFTWARE AND OTHER PROPRIETARY DATA

- a) The State agrees that all material appropriately marked or identified in writing as proprietary, and furnished by Contractor hereunder are provided for the State's exclusive use, for the purposes of this Contract only. All such proprietary data shall remain the property of Contractor. The State agrees to take all reasonable steps to insure that such proprietary data are not disclosed to others, without prior written consent of Contractor, subject to the California Public Records Act.
- b) The State will insure, prior to disposing of any Contractor furnished media, that any licensed materials contained thereon have been erased or otherwise destroyed.
- c) The State agrees that it will take appropriate action by instruction, agreement or otherwise with its employees or other persons permitted access to Contractor furnished licensed software and other proprietary data to satisfy its obligations in this Contract with respect to use, copying, modification, protection and security of proprietary software and other proprietary data.

48. FUTURE RELEASES

Unless otherwise specifically provided in the Statement of Work, if improved versions, e.g., patches, bug fixes, updates or releases, of any Software Product are developed by the Contractor, and are made available to other licensees, they will be made available to the State at no additional cost only if such are made available to other licensees at no additional cost. If the Contractor offers new versions or upgrades to the Software Product, they shall be made available to the State at the State's option at a price no greater than the Contract price plus a price increase proportionate to the increase from the list price of the original version to that of the new version, if any. If the Software Product has no list price, such price increase will be proportionate to the increase in average price from the original to the new version, if any, as estimated by the Contractor in good faith.

49. ENCRYPTION & AUTHORIZATION KEYS

Upon initiation of Service, Contractor, where applicable, shall provide all encryption and authorization keys required by the State to operate or access the Software products, Services or Equipment.

50. PATENT, COPYRIGHT AND TRADE SECRET INDEMNITY

- a) Contractor will indemnify, defend, and save harmless the State, its officers, agents and employees, from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement or violation of any U.S. Intellectual Property Right by any Deliverable or Service provided hereunder. With respect to claims arising from any Deliverable including Equipment or Software manufactured by a third party and sold by Contractor, pursuant to this Contract, Contractor will pass through to the State such indemnity rights as it receives from such third party ("Third Party Obligation") and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the Third Party Obligation, Contractor will provide the State with indemnity protection equal to that called for by the Third Party Obligation, but in no event greater than that called for in the first sentence of this Section. The provisions of the preceding sentence apply only to third party Equipment or Software sold as a distinct unit and accepted by the State. Unless a Third Party Obligation provides otherwise, the defense and payment obligations set forth in this subsection will be conditional upon the following:
- i. The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
 - ii. Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that: (a) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (b) where a settlement would impose

liability on the State, affect principles of California government or public law, or impact the authority of the State, the Department of Technology will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (c) the State will reasonably cooperate in the defense and in any related settlement negotiations.

- b) Should the Deliverables and Services or the operation thereof, become, or in Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a U.S. Intellectual Property Right, the State shall permit the Contractor, at its option and expense either: (i) to procure for the State the right to continue using the Deliverables and Services, or (ii) to replace or modify the same so that they become non-infringing, or (iii) to discontinue the infringing Service and refund any amount paid by the State for such Service to the date when infringement occurred. If none of these options can reasonably be taken, or if the use of such Deliverables and Services by the State shall be prevented by injunction, the Contractor agrees to take back such Deliverables and make every reasonable effort to assist the State in procuring substitute Deliverables and Services. If in the sole opinion of the State, the return of such infringing Deliverables makes the retention of other Deliverables or the use of Services acquired from the Contractor under this Contract impractical, the State shall then have the option of terminating such Contracts, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such Deliverables and refund any sums the State has paid Contractor less any reasonable amount for use or damage.
- c) The Contractor shall have no liability to the State under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
- i. The combination or utilization of Deliverables furnished hereunder with Equipment, Software, or devices not made or furnished by the Contractor; or
 - ii. The operation of Equipment furnished by the Contractor under the control of any operating Software other than, or in addition to, the current version of Contractor-supplied operating Software; or
 - iii. The modification by the State of the Equipment furnished hereunder or of the Software; or

- iv. The combination or utilization of Software furnished hereunder with non-Contractor supplied Software.
- d) Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Contract for the acquisition, operation, hardware, or maintenance of computer Software in violation of copyright laws.

51. EXAMINATION AND AUDIT

Unless otherwise specified in the Statement of Work:

- a) Without limiting any examination or audit rights, or other rights of the State set forth in the Contract, Contractor agrees that the State, or its designated representative, shall have the right, at any tier or level, to audit, review and copy any records and supporting documentation pertaining to performance of and invoicing under this Contract and to audit the practices and facilities used by Contractor to provide the Services and related operational matters. Contractor agrees to maintain such records for possible audit for a minimum of four (4) years after final payment and five (5) years for Federal Universal Service Fund ("E-rate") funded projects, unless a longer period of records retention is stipulated or required by law. Contractor agrees to allow the auditor(s) access to such records and facilities during normal business hours and to allow interviews of any employees or others who might reasonably have information related to such records. The State agrees to take all reasonable steps to ensure that such information is not disclosed to third parties, subject to the California Public Records Act or other lawful process (e.g. in response to a subpoena).
 - i. For avoidance of doubt, audits may include those conducted by personnel of the State, or its designated representative, in performance of Contract oversight responsibilities in reviewing invoices, monthly fiscal management and/or other required reports, as well as the application of service taxes, fees, surcharges and surcredits on invoices.
 - ii. If an audit reveals that Contractor has overcharged the State or Customers for Service(s) during the period to which the audit relates, then Contractor shall promptly refund such overcharges to

the State or Customer as appropriate, and, if the amount of the overcharge (offset by any undercharges revealed by such audit) is more than five percent (5%) of Contractor's charges to the State or Customer for such Service(s) for such period, the reasonable cost of such audit (including any imputed costs of State for audits performed by the State itself) shall be borne by Contractor.

- iii. If any audit reveals an inadequacy or insufficiency of Contractor's performance, including performance in connection with any security obligations of Contractor as set forth in this Contract, Contractor shall promptly develop and provide to the State, for approval, a reasonable and detailed corrective action plan and promptly thereafter implement such plan in accordance with its terms. In addition, the cost of such audit, and subsequent related audits or audit activity, shall be borne by Contractor in the event that: (i) the State specifically identifies a particular deficiency with respect to Contractor's performance of any particular Service; and (ii) Contractor either denies or fails to cure such identified deficiency within thirty (30) calendar days. Further, Contractor agrees to include an equivalent right of the State to audit records and facilities and interview staff in any subcontract related to performance of and invoicing under this Contract.
- b) Notwithstanding anything to the contrary in this Section, the State or any auditing body or its designated representative, agrees that it will not exercise the audit rights described in this Section for purposes of conducting an enterprise-wide audit of Contractor's performance under this Contract (i.e., Contractor's performance hereunder with respect to all issued Ordering Documents) more than once per calendar year, however, any follow-up reviews or other investigations related to an audit initiated under this Section may be conducted at any time and upon reasonable notice.
 - c) Where Contractor conducts an internal audit of Contractor's performance under this Contract which shows any significant failures by Contractor to meet its obligations hereunder, Contractor shall provide to the State a written summary describing in reasonable detail such findings of such internal audit. If Contractor determines at any time that it has overcharged any Customer, then Contractor shall promptly provide to the

applicable Customer a credit equal to the amount of such overcharge plus interest from the date of Contractor's receipt of such overcharge at a rate which is consistent with the rate provided in the California Prompt Payment Act, Government Code Section 927 et seq.

- d) Contractor agrees that (i) the State or its designees will have the right to obtain, copy and review all billing records of public or local government entities purchasing under this Contract, provided that notice of such rights is included within the Authorization to Order (ATO) under State Contract used by non-State agencies purchasing under the Contract; and (ii) the State may forward audit results showing call rate discrepancies to the CPUC.

52. CONTINUING STANDARDS OF PERFORMANCE FOR CONTRACTOR SERVICES

Unless otherwise specified in the Statement Work:

- a) Applicability

Contractor agrees that subsequent to completion of the successful performance period and Acceptance of the Services by the State, Contractor will comply with the availability and/or performance requirements and criteria established in this Contract throughout the full Contract Term, including any extensions. If the State determines, after at least six (6) months experience with the measurement method prescribed below, that the methods and procedures should be modified to more accurately identify material System deficiencies, an appropriate Contract amendment shall be negotiated and upon agreement executed to effect such modification.

- b) Causes and Effects of Contractor Service Malfunctions
 - i. The State recognizes that Equipment failures do occur, and that Software is not infallible. Moreover, the State concedes that conditions external to Equipment may cause it to fail, particularly environmental conditions, that are outside the Equipment design operating parameters. The State agrees, therefore, that unsatisfactory Contractor Service performance which is outside the control of Contractor or

- Contractor Personnel will not be considered in a determination of the level of performance.
- ii. In the event Contractor's Service failure or unsatisfactory performance is a result of factors external to the Contract, Contractor agrees to make appropriate recommendations to the State in order that such external factors may be corrected to preclude future problems of a similar nature. Within five (5) business days after such failure occurs, Contractor shall meet and confer with the State regarding appropriate next steps, which may include preparation, for the State's review, comment and approval, of a milestone-based action plan making such recommendations and corrections described in the preceding sentence.
 - iii. In the event that the precise cause of a failure cannot be readily determined, both the State and Contractor shall continue to research the situation until the probable cause has been identified or until agreement is reached that the probable cause cannot be identified. Within five (5) business days after such failure occurs (or such other timeframe specified in the solicitation), Contractor shall meet and confer with the State regarding appropriate next steps, which may include preparation, for the State's review, comment and approval, of a milestone-based action plan for researching the probable cause of the failure.

c) Levels of Performance Required

Contractor shall perform the Deliverables or Services, at the levels of quality, completeness, accuracy, timeliness, responsiveness and efficiency that are consistent with the accepted industry standards or Service Level Agreements applicable to the performance of such Deliverables and the Services or, if higher, the levels of the same received by the State prior to the Effective Date and as set out in applicable Service performance exhibits or the Statement of Work, agreed upon by the parties and incorporated into the Contract. Without limiting the foregoing or other obligations of Contractor, for those Deliverables and Services for which the Statement of Work specifies a particular service level, Contractor shall provide all Deliverables, and Services at levels at least in accordance with such service levels.

d) Remedies for Unacceptable Levels of Performance

The remedies provided in this Section shall be in addition to any remedies provided in Section 22, Warranty. If a Contractor Deliverable, requirement, or Service does not meet the minimum level of performance as set forth in the Statement of Work, the remedy or process for correction set forth in the Statement of Work will be followed by the parties. If the specific Deliverable or Service has no remedy or process for correction set forth in the Statement of Work, State shall promptly notify Contractor in writing of such unacceptable performance and the impact on the State, and Contractor shall promptly initiate action to remedy the unsatisfactory performance. Contractor shall, at its option, take one or more of the following actions to correct the situation:

- i. Provide on-site Contractor personnel for analysis of the problem;
- ii. Replace the Equipment, Deliverable or Service;
- iii. Provide substitute Equipment, Deliverable or Service satisfactory to the State;
- iv. Modify the Equipment, Deliverable or Service; or
- v. Take any other action with which the State concurs.

If Contractor fails to correct an unacceptable level of performance with respect to any Equipment, Deliverable, or Service to the requirements of the Contract of the State during the thirty (30) calendar days following receipt of written notice from the State (or such other timeframe specified in the Contract), the State and Contractor can mutually agree to extend the time to a specified date. If Contractor fails to correct the situation to the satisfaction of the State by the end of the specified time period, then, without limiting any other remedy specified in the Contract, the State may (i) secure replacement Equipment, Deliverables, or Services with Contractor responsible for payment of Costs to Cover, and/or (ii) terminate that portion of the Contract relating to the deficient Equipment, Deliverable, Requirement, or Service. The above-described remedies are not intended to constrain either party from any other action mutually agreed to by Contractor and the State as being more appropriate or to limit any of the State's other rights and remedies under this Contract, at law or in equity, including the application of Section 63, Liquidated Damages or the exercise of Section 64, Set-Off Rights.

e) Replacement or Substitution of Equipment by Contractor

If Contractor, in an attempt to improve the level of performance, replaces or substitutes Equipment or Service that meets all of the Contract requirements, such replacement or substitution shall be at no cost to the State.

f) Review of Performance

Contractor's performance will be periodically evaluated in accordance with the service levels for each Service delivered throughout the term of this Contract.

53. AVAILABILITY

If at any time after award of this Contract, the Contractor becomes unable to provide any part of its contracted Services, the Contractor must, within ten (10) Business Days, notify the State in writing to seek a potential resolution, and if appropriate, propose a replacement of those Services which it can no longer provide. The replacement must be at no cost to the State, and shall be equivalent to or exceed the proposed Service which was previously offered and accepted by the State in the Contractor's Final Bid or awarded Contract.

The State reserves the sole right to determine if the proposed replacement is acceptable. An inability to provide a mandatory requirement may be grounds for Contract termination in whole or in part.

54. DISPUTES

- a) The parties shall deal in good faith and attempt to resolve potential disputes informally.
- b) If the dispute persists, the Contractor shall submit to the contracting Department Director or designee a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to or involving this Contract. Contractor's written demand shall be fully supported by factual information, and if such demand involves a cost adjustment to the Contract, Contractor shall include with the demand a written statement signed by an authorized person indicating that the demand is made in good faith, that the supporting data are accurate and complete and that the amount requested accurately reflects the

State of California
Statewide Technology Procurement

Contract adjustment for which Contractor believes the State is liable. The contracting Department Director or designee shall have thirty (30) days after receipt of Contractor's written demand invoking this Section 54, Disputes, to render a written decision. If a written decision is not rendered within thirty (30) days after receipt of the Contractor's demand, it shall be deemed a decision adverse to the Contractor's contention.

- c) If the Contractor is not satisfied with the decision of the contracting Department Director or designee, the Contractor may appeal the decision, in writing, within fifteen (15) days of its issuance (or the expiration of the thirty (30) day period in the event no decision is rendered by the contracting department), to the Department of Technology, Deputy Director, Statewide Technology Procurement or Deputy Chief Technology Officer, or designee, who shall have thirty (30) days to render a final decision. If the Contractor does not appeal the decision of the contracting Department Director or designee, the decision shall be conclusive and binding regarding the dispute and the Contractor shall be barred from commencing an action in court, or with the Government Claims Board, for failure to exhaust Contractor's administrative remedies.
- d) Pending the final resolution of any dispute arising under, related to or involving this Contract, Contractor agrees to diligently proceed with the performance of this Contract Service in accordance with the State's instructions regarding this Contract. Contractor's failure to diligently proceed in accordance with the State's instructions regarding this Contract shall be considered a material breach of this Contract.
- e) Any final decision of the State shall be expressly identified as such, shall be in writing, and shall be signed by the Department of Technology, Deputy Director, Statewide Technology Procurement or Deputy Chief Technology Officer, or designee if an appeal was made. If the Department of Technology Deputy Director or designee fails to render a final decision within thirty (30) days after receipt of the Contractor's appeal for a final decision, it shall be deemed a final decision adverse to the Contractor's contentions. The State's final decision shall be conclusive and binding regarding the dispute unless Contractor commences an action in a court of competent jurisdiction to contest such decision within ninety (90) days following the date of the final decision or one (1) year following the accrual of the cause of action, whichever is later.

- f) For disputes involving purchases made by the Department of Technology, the Contractor shall submit to the Department Director or designee a written demand for a final decision, which shall be fully supported in the manner described in subsection a) above. The Department Director or designee shall have thirty (30) days to render a final decision. If a final decision is not rendered within thirty (30) days after receipt of the Contractor's demand, it shall be deemed a final decision adverse to the Contractor's contention. The final decision shall be conclusive and binding regarding the dispute unless the Contractor commences an action in a court of competent jurisdiction to contest such decision within ninety (90) days following the date of the final decision or one (1) year following the accrual of the cause of action, whichever is later.
- g) The dates of the decision and appeal in this Section may be modified by mutual consent, as applicable, excepting the time to commence an action in a court of competent jurisdiction.

55. STOP WORK

- a) The State may, at any time, by written Stop Work Order to Contractor, require Contractor to stop all, or any part, of the work called for by this Contract for a period of forty-five (45) days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of forty-five (45) days after a Stop Work Order is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, the State shall either:
 - i. Cancel the Stop Work Order; or
 - ii. Terminate the work covered by the Stop Work Order as provided for in the termination for default or the termination for convenience clause of this Contract.
- b) If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, Contractor shall resume work. The State shall make an equitable adjustment in the

delivery schedule, this Contract price, or both, and this Contract shall be modified, in writing, accordingly, if:

- i. The Stop Work Order results in an increase in the time required for, or in Contractor's cost properly allocable to the performance of any part of this Contract; and
 - ii. Contractor asserts its right to an equitable adjustment within sixty (60) days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.
- c) If a Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated in accordance with the provision entitled Termination for the Convenience of the State, the State shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- d) The State shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this clause.

56. FOLLOW-ON CONTRACTS

- a) If Contractor or its Affiliates provides Technical Consulting and Direction (as defined below), Contractor and its Affiliates:
- i. Will not be awarded a subsequent Contract to supply the Deliverables, Services, or systems, or any significant component thereof, that is used for or in connection with any subject of such Technical Consulting and Direction; and
 - ii. Will not act as consultant to any person or entity that does receive a Contract described in subsection i. above. This prohibition will continue for one (1) year after termination of this Contract or completion of the termination of this Contract or completion of the Technical Consulting and Direction, whichever comes later.
- b) "Technical Consulting and Direction" means Services for which Contractor received compensation from the State and includes:
- i. Development of or assistance in the development of work statements, specifications, solicitations, or feasibility studies;
 - ii. Development or design or test requirements;
 - iii. Evaluation of test data;

- iv. Direction of or evaluation of another Contractor;
 - v. Provision of formal recommendations regarding the acquisition of Telecommunication Technology products or Services; or
 - vi. Provisions of formal recommendations regarding any of the above.
For purposes of this Section, "affiliates" are employees, directors, partners, joint venture participants, parent corporations, subsidiaries, or any other entity controlled by, controlling, or under common control with the Contractor. Control exists when an entity owns or directs more than fifty percent (50%) of the outstanding shares or securities representing the right to vote for the election of directors or other managing authority.
- c) To the extent permissible by law, the Director of the Department of Technology, or designee, may waive the restrictions set forth in this Section by written notice to the Contractor if the Director determines their application would not be in the State's best interest. Except as prohibited by law, the restrictions of this Section will not apply: (i) to follow-on advice given by vendors of commercial off-the-shelf products, including Software and Hardware, on the operation, integration, repair, or maintenance of such products after sale; or (ii) where the State has entered into a master agreement for Software or Services and the scope of work at the time of Contract execution expressly calls for future recommendations among the Contractor's own products.
- d) The restrictions set forth in this Section are in addition to conflict of interest restrictions imposed on public Contractors by California law ("Conflict Laws"). In the event of any inconsistency, such Conflict Laws override the provisions of this Section, even if enacted after execution of this Contract.

57. COVENANT AGAINST GRATUITIES

Contractor represents and warrants to the State that no gratuities (in the form of entertainment, gifts or otherwise) were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of the State with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this representation and warranty, the State shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained

by the State in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or equity.

58. NONDISCRIMINATION CLAUSE

- a) During the performance of this Contract, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- b) Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Contract.

59. NATIONAL LABOR RELATIONS BOARD CERTIFICATION

Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the

National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.

60. ASSIGNMENT OF ANTITRUST ACTIONS

Pursuant to Government Code Sections 4552, 4553, and 4554, the following provisions are incorporated herein:

- a) In submitting a bid to the State, the supplier offers and agrees that if the bid is accepted, it will assign to the State all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, or Part 2 of Division 7 of the Business and Professions Code), arising from purchases of Deliverables or Services by the supplier of sale to the State pursuant to the solicitation. Such assignment shall be made and become effective at the time the State tenders final payment to the supplier.
- b) If the State receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the State any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the State as part of the bid price, less the expenses incurred in obtaining that portion of the recovery.
- c) Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and
 - i. The assignee has not been injured thereby, or
 - ii. The assignee declines to file a court action for the cause of action.

61. DRUG-FREE WORKPLACE CERTIFICATION

Contractor certifies under penalty of perjury under the laws of the State of California that Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
- b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - i. The dangers of drug abuse in the workplace;
 - ii. The person's or organization's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation and employee assistance programs; and
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
- c) Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting Contract:
 - i. Will receive a copy of the company's drug-free policy statement; and
 - ii. Will agree to abide by the terms of the company's statement as a condition of employment on the Contract.

62. AMERICANS WITH DISABILITIES ACT

Contractor assures the State that Contractor currently complies and at all times during the Term of this Contract will comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

63. LIQUIDATED DAMAGES

Unless otherwise specified in the Statement of Work:

- a) General Liquidated Damages (including but not limited to performance deficiency charges or service level agreements) are intended to encourage timely delivery of Deliverables and the provision of reliable and responsive Services by the Contractor. The purpose of this Liquidated Damages provision is to ensure adherence to the requirements of the Contract and to set an amount in advance of contractual non-compliance to compensate CDT or the Customer for damages that are impractical or extremely difficult to estimate, but which would be sustained by CDT or the Customer in the event the Contractor fails to

perform Services as agreed. The Liquidated Damages are intended to be a reasonable estimate of the damages and costs the CDT or the Customer would sustain as a result of noncompliance to the terms of the Contract. These are not punitive. CDT and the Contractor, therefore, agree that in the event the Contractor fails to perform certain agreed upon Services in a timely manner as specified in the Contract or service levels CDT or the Customer may assess such amounts set forth in the Statement of Work as Liquidated Damages, and not as a penalty.

- b) Payment of Liquidated Damages. CDT or the Customer may deduct Liquidated Damages from Contractor's invoices and/or may assess such Liquidated Damages by a separate invoice at any time during the Contract or within thirty days after the contractual period ends. The CDT or the Customer will notify the Contractor in writing of any claim for Liquidated Damages pursuant to this Section on or before the date the State deducts such sums from money payable to the Contractor. If CDT or the Customer imposes Liquidated Damages, upon notification by CDT or the Customer, the Contractor shall show the Liquidated Damages as a subtracted item from its invoice(s). The Contractor shall also be liable for actual damages above Liquidated Damages payment. CDT or the Customer may withhold the amount of the Liquidated Damages from any other money owed by the Contractor, in addition to any other remedies available to CDT or the Customer. Imposition of Liquidated Damages does not constitute a waiver of the CDT or the Customer's right to issue a Stop Work Order, as provided in Section 55, Stop Work, to terminate the Contract pursuant to Section 27, Termination for Default or to exercise its rights under the service level agreement terms. In the event of such a termination, the CDT or the Customer shall be entitled at its discretion to recover actual damages caused by the Contractor's failure to perform its obligations under this Contract.

64. SET-OFF RIGHTS

Notwithstanding anything to the contrary in this Contract, and in addition to the other rights of the CDT and/or the applicable Customer hereunder with respect to disputing invoices or withholding amounts, the CDT and/or the applicable Customer, in its sole discretion, may set off against any and all amounts otherwise payable to Contractor pursuant to any of the provisions

of this Contract: (i) any and all amounts claimed by the CDT and/or the applicable Customer in good faith to be owed by Contractor to the CDT and/or the applicable Customer pursuant to any of the provisions of this Contract; and (ii) any and all amounts that the CDT and/or the applicable Customer believes in good faith that it does not owe to Contractor pursuant to any of the provisions of this Contract. Within twenty (20) calendar days after any such set-off by the CDT and/or applicable Customer, the CDT and/or applicable Customer shall provide Contractor with a written accounting of such set-off, a written statement of the reasons therefore, and a reasonable opportunity to meet and discuss the claimed set-off. In the event Contractor does not agree with the set-off applied, Contractor or applicable Customer may contact the CDT to seek equitable resolution or exercise its rights under applicable law.

65. CONTRACTOR PERSONNEL

- a) When Contractor needs access to Customer's premises to perform the required Services under this Contract, Contractor personnel shall perform their duties during Customer's regular work days and normal work hours, except as may be specifically agreed to otherwise by the Customer and Contractor.
- b) The CDT and/or applicable Customer reserves the right to disapprove the continuing assignment of Contractor personnel working on Customer premises. If the CDT and/or applicable Customer exercises this right, and Contractor cannot immediately replace the disapproved personnel, the CDT and/or applicable Customer agrees to an equitable adjustment in schedule or other terms that may be affected hereby.
- c) Contractor will make every effort consistent with sound business practices to honor the specific request of the CDT and/or applicable Customer with regard to assignment of its employees; If a Contractor's employee is unable to perform due to illness, resignation, or other factors beyond Contractor's control, Contractor will make every reasonable effort to provide suitable substitute personnel.
- d) Contractor represents that the individuals designated as Contract Contact in the Contract are, and promises that any subsequent Contract Contact shall be, experienced professionals, possessing the appropriate knowledge, skills, and expertise to perform properly their assigned duties. Except as specifically provided, with regard to each of the Contract

Contact, including replacements for the Contract Contact, Contractor shall exercise every reasonable effort to not transfer the Contract Contact during the first eighteen (18) months (or such other time periods as may be specified in the solicitation or any Statement of Work) after the date that such individual commences performing Services as one of the Contract Contact hereunder. Contractor may transfer or terminate Contract Contact at any time in the event the needs of Contractor's business support a transfer, or the individual is eligible for a promotion or other positive type of employment opportunity, or the individual's personal life experience requires a transfer, or the individual's employment is terminated for "good cause" (which term, as used in this Contract, means cause for termination, including a lay-off, as determined in accordance with Contractor's employment policies, consistently applied). Contractor shall exercise every reasonable effort to notify the State prior to the transfer of Contract Contact to another position within Contractor's organization, including upon any such replacement or reassignment if the function being performed by the individual being replaced or reassigned is eliminated from the Services. If any of the Contract Contact is reassigned, becomes incapacitated, or ceases to be employed by Contractor, and therefore becomes unable to perform the functions or responsibilities assigned to such person, Contractor shall promptly replace such person with another person at least as well qualified to perform such functions and responsibilities as the person being replaced, and the State shall have the right to interview (in the presence of a Contractor representative) and provide input to Contractor concerning each such replacement.

The parties acknowledge that qualifications include a mix of experience and education and that equally qualified individuals may have different mixes thereof. Contractor shall cause its subcontractors to comply with this provision with respect to any of individuals of such subcontractors that are designated as Contract Contact.

- e) In recognition of the fact that Contractor personnel providing Deliverables, requirements, or Services under this Contract may perform similar Services from time to time for others, subject to the above paragraph, this Contract shall not prevent Contractor from performing such similar Services or restrict Contractor from using the personnel

provided to the State under this Contract, providing that such use does not conflict with the performance of Services under this Contract.

66. PROVISIONING OF DELIVERABLES AND SERVICES

The State and Authorized Users may order Deliverables and Services under this Contract by issuing the appropriate Ordering Document form(s) in accordance with the user instructions. The Contractor will not commence provisioning Deliverables or Services for a given Customer until the Contractor receives a complete, signed, accepted, and accurate order form such as a Form 20, Telecommunications Service Request, STD 65, Purchasing Authority Purchase Order, or equivalent. The order form may be accompanied by an Authorization to Order (ATO) and/or a Work Authorization as applicable.

67. UNANTICIPATED TASKS

Unless otherwise specified in the Statement of Work:

Any Services, functions, requirements, developments, or responsibilities not specifically described in this Contract that are consistent with industry standards, an inherent, necessary or customary part of the Services or are, consistent with industry standards, required for proper performance or provision of the Services in accordance with this Contract shall be deemed part of the Services and Contractor shall provide them as part of the Services without additional charge.

In the event that any other work must be performed which was wholly unanticipated and is not specified in the Statement of Work, but which in the opinion of both parties is necessary to the successful accomplishment of the general scope of work outlined for particular Deliverable(s) and/or Service(s), the procedures outlined in this Section will be employed.

For each item of wholly unanticipated work not specified in the Statement of Work, a Work Authorization will be prepared.

It is understood and agreed by both parties to this Contract that all of the terms and conditions of this Contract shall remain in force with the inclusion of any such Work Authorization. Such Work Authorization shall in no way

constitute a Contract other than as provided pursuant to this Contract and shall not in any way amend or supersede any of the other provisions of this Contract.

Each Work Authorization shall consist of a detailed statement including justification of the need for the wholly unanticipated work, a description of the work to be accomplished by Contractor, the job classification or approximate skill level of the personnel to be made available by Contractor, an identification of all significant material to be developed by Contractor and delivered to the State, an identification of all significant material to be delivered by the State to Contractor, an estimated time schedule for the provision of the work by Contractor, completion criteria for the work to be performed, the name or identification of Contractor personnel to be assigned, Contractor's estimated work hours per person (and/or estimated subtotal of rates and charges per Deliverable(s) and/or Service(s)) required to accomplish the work, Contractor's billing rates per work hour per person (and/or estimate rates and charges per unit for Deliverable(s) and/or Service(s)) required to accomplish the work, and Contractor's estimated total cost of the Work Authorization.

All Work Authorizations must be in writing prior to beginning work and signed by Contractor and the State.

The State has the right to require Contractor to stop or suspend work on any Work Authorization pursuant to the provisions of Section 55, Stop Work, of this Contract.

Personnel resources will not be expended (at a cost to the State) on task accomplishment in excess of estimated work hours required unless the procedure below is followed:

- i. If, in the performance of the work, Contractor determines that a Work Authorization to be performed under this Contract cannot be accomplished within the estimated work hours, Contractor will immediately notify the State in writing of Contractor's estimate of the work hours which will be required to complete the Work Authorization in full. Upon receipt of such notification, the State may:
 - a. Authorize Contractor to expend the estimated additional work hours in excess of the original estimate necessary to accomplish the Work Authorization (such an authorization will not be unreasonably withheld), or

- b. Terminate the Work Authorization, or
 - c. Alter the scope of the Work Authorization in order to define tasks that can be accomplished within the remaining originally estimated work hours.
- ii. The State will notify Contractor in writing of its election within seven (7) calendar days after receipt of Contractor's notification. If notice of the election is given to proceed, Contractor may expend the estimated additional work hours. The State agrees to reimburse Contractor for such additional work hours.

68. NEED FOR CONTRACTOR SERVICES DUE TO EMERGENCY

Unless otherwise specified in the Statement of Work:

An emergency is defined in **PUBLIC CONTRACT CODE SECTION 1102**: "Emergency," as used in this code, means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

- a) Contractor shall make every reasonable effort to assist the Customer in procuring use of Contractor Services consistent with that provided under this Contract to meet emergencies. The price and service levels for such compatible Services shall be reasonably set by mutual agreement of the parties and shall be no greater than the Contract rates and at service levels substantially similar to those set forth in the Contract.
- b) The Customer, at its option, may accept or reject the use of emergency equipment.

69. NON-EXCLUSIVE AGREEMENT

Nothing in this Contract shall be construed as a requirements contract or interpreted as preventing the CDT from obtaining, consistent with CDT policy, any portion, component, subset or all of the Services offered under the terms and conditions of this Contract, or any other Services (analogous, similar, comparable or otherwise) from third parties, or providing the same to itself. Nor shall anything in this Contract be construed or interpreted as

limiting the CDT's right or ability during the Term of this Contract to increase or decrease its demand for Services hereunder. To the extent the CDT, consistent with CDT policy, obtains from third parties, or provides to itself, replacement Services for any of the Services hereunder, the amount to be paid to Contractor by the CDT for the remaining Services will be equitably adjusted downward, to the extent necessary, to reflect the portion of the Services that Contractor will not be providing or performing, regardless of whether such Services were priced individually or as a bundle with any of the remaining Services.

70. CHARGES

Unless otherwise specified in the Statement of Work:

Contractor agrees that the Customers are not subject to any minimum monthly usage charges for any Services contracted under this Contract.

- a) Contractor agrees that Services not identified in this Contract may not be provided nor charged to any Customer pursuant to this Contract, but that Contractor may use the invoicing process of this Contract so as to allow for invoicing of Services not related to this Contract, provided that such items are clearly identified as not related to this Contract.
- b) Invoices for all contracted Services shall not be subject to late payment charges prior to the Contract defined due date.
- c) Contractor agrees that the charges shall comply with Section 78, Most Favored Nation.

71. ADMINISTRATIVE FEE

Unless otherwise specified in the Statement of Work, if applicable:

- a) Contractor agrees to pay the CDT an administrative fee as required and established by the CDT. The administrative fee shall be used to fund only the CDT activities, or the CDT funded CDT offices and activities. The CDT's objective is not to increase the administrative fee associated with any existing Service or establish an administrative fee associated with any new Service if when combined with Contractor's Contract rate for the Service the administrative fee raises the total price for the Service to a level that

is non-competitive with similar Services available in the telecommunications industry. Notwithstanding the foregoing, in all events the CDT shall be entitled to an administrative fee increase in order to achieve cost recovery of CDT program operations. The administrative fee will be based on the CDT costs to manage this Contract as well as perform other mandated functions and may be adjusted annually or as otherwise deemed necessary by the State, based on fiscal year projected requirements, upon reasonable notice to Contractor. Administrative fees shall be determined upon contract award. Contractor will bill, collect and remit a Contract administrative fee to CDT. The administrative fee may be applied to any and all contracted items. This fee shall appear separately on the Customer's invoice. The administrative fee reimbursement amount shall appear on the monthly detailed fiscal management reports referenced in this Contract to be delivered to the CDT.

- b) Contractor shall bill, collect and remit a check or electronic funds transfer notification based on the amount billed for this administrative fee to the CDT on a monthly basis at no additional cost. The administrative fee shall be paid to the CDT no later than the 30th of the month, for the amount billed two months preceding. Contractor shall pay a late payment fee on any such administrative fees not paid to the CDT when due in accordance with the Statement of Work.
- c) Contractor agrees to provide monthly fiscal management reports identifying Services in accordance with this Contract.

72. CONTRACTOR COMMITMENTS AND REPRESENTATIONS

Any written commitment by a duly authorized representative of Contractor within the scope of this Contract shall be binding upon Contractor. Failure of Contractor to fulfill any such commitment shall render Contractor liable for performance deficiency charges or other damages due to the State as set forth herein. Such written commitments include but are not limited to:

- a) Any warranty or representation expressly made by Contractor as to Deliverables, Service, Equipment or Software performance, total System

performance, or other physical design or functioning characteristics of a Machine or Software system,

- b) Any warranty or representation expressly made by Contractor concerning the characteristics of the items described in a) above, made in any publication, drawings, or specifications accompanying or referred to in the Contract, and
- c) Any written notification of or affirmation or representation as to the above which is made by Contractor in or during the course of negotiations and which is incorporated into a formal amendment to the Contract.

73. SERVICE TO PUBLIC ENTITIES AND LOCAL GOVERNMENT AGENCIES

In accordance with Government Code Section 11541, Contractor agrees to provide Service to all public and local agencies in the State pursuant to this Contract and hereby acknowledges that the State is not responsible for payment, Deliverables, requirements or Services rendered these Customers. Contractor agrees that it shall have no recourse against the State for any act or omission of the local public entity, which arises from Contractor furnishing Equipment or Services pursuant to this Contract. Contractor understands and acknowledges that under this Contract the State neither promises nor guarantees any minimum amount of revenue for Contractor or minimum amount of Deliverables, requirements, or Services to be purchased.

74. AVAILABILITY OF REFRESHED TECHNOLOGY AND ADDITIONAL SERVICE ITEMS

- a) Contractor shall evolve, supplement, and enhance the Equipment and Services provided in the normal course of business and that which is in scope of the Contract during the Term, both to keep pace with and utilize technological advancements and improvements in the method of delivering telecommunications related Services and the pricing thereof. Contractor also acknowledges that the telecommunications environment is critical to the State's business success, and that the State's needs and requirements with regard to the telecommunications environment may

also evolve and change over time, and that the need for enhanced or modified functionality may arise. Therefore, during the Term and within Contract scope, either party may suggest enhancements or additional required Equipment or Services, modifications, cost saving items, or items that might be considered to keep pace with and/or to take advantage of the latest and most useful technological advancements and improvements in Contractor's performance (collectively, "Enhancements").

- b) When such Enhancements substitute, replace, modify or improve Equipment or Services already being received by the State (e.g., network backbone upgrades that generally benefit all users of the network and are not specifically requested by the State), Contractor will make such Enhancements available to the State under this Contract at no additional cost to the State.
- c) If Enhancements do not substitute, replace, modify or improve Equipment or Services already being received by the State under this Contract, but instead add to additional material functionality and features, Contractor will make such Enhancements available to the State under the existing Contract through a written proposal. Each proposal for Enhancements must provide a 1) business case that includes potential users and technical requirements, if any, and 2) competitive pricing that includes market analysis that illustrates cost benefits and cost justification. The State, in its sole discretion, shall determine whether to approve of the proposal Enhancements and its inclusion in the Contract. If the State chooses to proceed hereunder, the State and Contractor will negotiate in good faith to agree on any additional terms and conditions, if any, under which the Enhancement will be added to this Contract through the amendment process. The Contractor shall update any applicable marketing plans used in connection with the Equipment or Services hereunder.
- d) Contractor understands that the State is solely responsible for approval of proposal and agrees, absent an approved amendment from the Contracts authorized State agency or/State's designated authority; Enhancements must not be added to this Contract. Consistent with and without limiting anything set forth in Section 69, Non-Exclusive Agreement, nothing in this Section shall prohibit the State from pursuing or obtaining

- the same or similar Enhancements with or from other providers or requiring that certain Enhancements may only be obtained from certain providers.
- e) Contractor agrees that Enhancements must not be added to the Contract at the request of any local government or a State agency unless otherwise authorized by the CDT.

75. PRICING AND SERVICE REVIEW

For the purpose of maintaining competitiveness throughout the Contract term, the Contractor agrees to a joint review of its pricing and Service functionality at the State's request, no more frequently than annually, to ensure the State and its Customers will receive cost-competitive and technologically competitive Services. The State shall notify the Contractor in writing of any pricing adjustments and Service related issues as a result of the analysis. The Contractor shall have 15 calendar days to confirm and respond to the State's request for pricing reductions or other Service related changes. The effective date for the mutually agreed rate(s) shall be 15 calendar days from written notification by the State. Once an amendment has been issued, the Contractor shall issue rebates or billing credits back to the effective date of the new rate(s). The Contractor agrees that requests for amendments to this Contract to reduce statewide rates may be submitted throughout the term.

76. SERVICE COSTS

Any Contractor's list of Service and product descriptions accepted by the State shall correlate the Service to the associated Contract rates as applicable under this Contract. All costs will include all monthly recurring and usage charges, volume discounts, and non-recurring charges as applicable. Listed pricing will include all elements necessary to configure an instance of working Service including activation, delivery, and training. Any no-cost items will be clearly identified and any Service elements without associated pricing will be considered no charge items.

77. INDIVIDUAL PRICE REDUCTIONS (specific to CALNET)

The Contractor may enter into negotiations with the Customers resulting in an Individual Price Reduction (IPR). IPRs can result in a price reduction only or price reduction for a limited duration commitment. At no time will any other Contract term and condition be modified. IPRs commitments shall not exceed the Contract Term.

78. “MOST FAVORED NATION” STATUS OF STATE (specific to CALNET)

Unless otherwise specified in the Contract, the Contractor agrees to give CDT the “Most Favored Nation” status, in that the Contractor agrees that no other similarly situated public customer of the Contractor or any of its Affiliates will receive rates for a substantially similar Service, or suite of Services, offered under substantially similar terms and conditions that are lower than the statewide rates provided hereunder when the volume of business from the other public customer is equal to or less than the volume of the business delivered under this Contract. The Contractor agrees to promptly bring to the CDT’s attention instances in which other public customers of the Contractor or any of its Affiliates may receive lower rates for substantially similar Services. For comparison purpose, all rates used for comparison shall not include administrative fees, service taxes, fees, surcharges, or surcredits equivalent to those of Section 71, Administrative Fee, or Section 41, Service Taxes, Fees, Surcharges, and Surcredits. If the Contractor or its Affiliates offer lower rates to any other public customer for the same or a substantially similar Service, or suite of Services, offered under substantially similar terms and conditions, the Contractor shall adjust the Contract rates prospectively to match or beat such rates. If the Contractor offers a bundled package of Deliverables and/or Services under substantially similar terms and conditions to other public customers at a rate lower than the rate(s) charged for such Deliverables and/or Services provided under this Contract, CDT reserves the right to amend the Contract to add a similarly bundled package of Deliverables and/or Services at such lower rate. At the end of each Contract year, an executive level officer

with authority to represent the Contractor shall certify in writing to CDT that the Contractor has complied with this provision. If the Contractor is not in compliance with this Section, the Contractor and CDT shall make adjustments and/or payment as necessary and described Section 63, Liquidated Damages, or Section 75, Pricing and Service Review, as applicable. Nothing herein shall be construed to require the Contractor to offer, provision, or sell Services in a manner that conflict with applicable laws or regulations.

79. FEDERAL UNIVERSAL SERVICE FUND

Federal Grant programs are available to schools, libraries, government run healthcare facilities and other eligible Customers under the Universal Service Fund. To the extent such programs are applicable to the Services under this Contract, as determined by CDT, or required by law, Contractor agrees to:

- a) Provide Contract telecommunications Services to public entities qualified for Universal Service Fund Support;
- b) Be certified as a Universal Service Administrative Company (USAC);
- c) Meet Federal requirements for timeliness and accuracy in processing E-rate and other USAC program requests and invoicing; and
- d) Ensure that CDT has pre-approved the use of Contract Services by Customers otherwise qualified for the Federal Universal Service Fund.

80. EXISTING EQUIPMENT & TITLE TO EQUIPMENT

- a) The Contractor agrees to reasonably accommodate its Customers and utilize existing Equipment. The Contractor's proposed Services shall reasonably accommodate the use of such existing Customer Equipment.
- b) Title to Equipment, accessories, and devices provided under this Contract shall not vest in the Customer, unless such items are purchased by the Customer. All devices and accessories furnished by Contractor hereunder, except those purchased by the Customer, shall accompany the Equipment when returned to Contractor.

81. UNLAWFUL USE

Customer will not use any Service for any unlawful purpose. Without limiting any other remedy specified in this Contract, Contractor reserves the right to take any action it deems necessary to prevent unlawful use and to control fraudulent use. Such actions by Contractor may include, but are not limited to, blocking certain traffic, refusing to accept calling card, collect calling and or third number calls, or discontinuing provision of Service to the End-User or canceling the End-User's account.

82. MIGRATION

Unless otherwise specified in the Contract, Contractor shall prepare and deliver to CDT, for CDT's review, comment and approval, a Migration-In Plan for migrating the provision of Services pursuant to the Contract to the provision of Services pursuant to this Contract as set forth in this Contract. To the extent Contractor deems appropriate, or as otherwise requested by CDT, Contractor shall design the Migration-In Plan to use a phased migration strategy.

83. DISENTANGLEMENT (MIGRATION-OUT)

Unless otherwise specified in the Statement of Work:

- a) Term Migration-Out shall be synonymous with Disentanglement. The Migration-Out shall begin on the earlier of the following dates, as applicable, the "Migration-Out Commencement Date": (1) as elected by the State, up to sixty (60) calendar days prior to the end of the Category or Subcategory Contract Term that the State has not elected to extend pursuant to Section 4, Contract Effective Date or has already extended fully as permitted under this Section; or (2) the date a Notice of Termination is delivered pursuant to Section 26, Termination for the Convenience of the State, or Section 27, Termination for Default; or (3) the State's election pursuant to Section 69, Non-Exclusive Agreement, to obtain any portion, component, subset or all of the Services offered under the terms and conditions of this Contract, or any other Services (analogous, similar, comparable or otherwise) from third parties, including other Category or Subcategory Contractors, or to provide the same to

itself. The Contractor shall provide Migration-Out Services until it has completed the obligations of this Section.

The Contractor's obligation to continue to provide the affected Services shall continue until the earlier of (i) completion of a migration to a new Service provider as provided in this Section, or (ii) eighteen (18) months after the effective date of any termination or expiration. During Migration-Out, the Contractor shall continue to provide Service(s) in a manner consistent with the Contractor's provision and performance of such Service(s) during the period such Service(s) were provided to the State hereunder.

- b) Subject to the performance by the State and any subsequent provider of similar Services, the Contractor shall cooperate fully with the State and third parties and shall take all actions requested by the State or as necessary to accomplish a smooth, complete conversion of responsibility for the Services being terminated from the Contractor to the State, or to any replacement provider designated by the State (a "Migration-Out"), with no material interruption of, or adverse impact on, the State in any way, including on the Services. In the event the State elects to terminate any Service (but not all Services in the aggregate) pursuant to the terms hereof, the Contractor shall perform its Migration-Out obligations hereunder to the extent applicable to the Service or Services being terminated. The Contractor's obligations hereunder regarding the collection and payment to the California Department of Technology of administrative fees shall continue throughout Migration-Out.
- c) If the State determines that the Contractor has not complied, or is unlikely to comply, with Migration-Out requirements identified in the Migration-Out Plan, and such non-compliance was a direct result of the Contractor, subcontractor or supplier, and not due to any third party or situations outside the control of the Contractor, as determined by the State, the State may give written notice to the Contractor of non-compliance. After such notice, the Contractor shall provide to the State all necessary additional Contractor personnel to accelerate performance as may be required or necessary to timely achieve compliance or, if the Contractor has already failed to comply, achieve compliance within a re-adjusted time frame established by the State. The Contractor shall have seven (7) calendar days, or longer if agreed to by the State in writing, to achieve compliance.

- d) For each material Migration-Out requirement not completed after the notice of non-compliance period, the State shall be entitled to invoice the Contractor for up to \$2,000 per day for each Customer affected by a material deficiency not to exceed \$10,000 per day for all deficiencies until the Contractor is in material compliance with the requirements of the Migration-Out Plan. The Contractor may exercise its dispute rights under Section 54, Disputes, in the event that the Contractor disagrees with the State's application of this Section; however, pending final resolution of any dispute, the Contractor shall diligently proceed without disruption or delay with the performance of the Migration-Out Plan.
- e) All Migration-Out Services performed by the Contractor during the conversion shall be performed by the Contractor at no additional cost to the State beyond what the State would pay for the Services.
- f) The Contractor shall provide to the State all State data and documentation and other information reasonably requested by the State in connection with the conversion that is sufficient to enable the State, or another reasonably competent service provider, to fully assume the provision of any terminated Services. Except as the Contractor is otherwise required to retain such data under this Contract or by law, the Contractor shall destroy all copies of Customer data not turned over to the State.

The Contractor shall export all artifacts and data to the requesting Customer. The State reserves the right to define export data formats, storage media type, locations to which data is to be delivered, and other special criteria deemed necessary for successful Migration-Out.

- g) To the extent applicable to the Services provided by the Contractor hereunder, the Contractor shall provide to the State as complete and accurate an inventory as is reasonably practicable and such other information regarding such items as the State reasonably requests and is necessary for Migration-Out of Services.

84. REPORTS, DATA AND INVENTORY

The Contractor shall provide all reports required by this Contract or otherwise requested by CDT or Customer. Upon CDT's or Customer's request, at intervals and for any reason related to the Contract and

Services provided under the Contract, during the Contract Term, the Contractor shall:

- a) Provide to CDT or Customer all data and documentation and all other information as requested by CDT or Customer. The export data formats and storage media type will be defined by the CDT or Customer.

85. SUBCONTRACTORS

Unless otherwise specified in the Statement of Work:

Contractor shall not subcontract all or any part of the Service without the prior written consent of the State, which will not be unreasonably withheld; provided, however, that Contractor may subcontract for internal infrastructure support, not specifically for this Contract, without notice to or consent from the State. Each subcontractor will perform only the specific Services described with regard to such subcontractor in a written request submitted by Contractor to the State when seeking such consent; and no change may be made to the specific Services performed by a particular subcontractor, and no substitution, replacement, or change of subcontractors may be made, without the advance written consent of the State, which will not be unreasonably withheld. All performance of Services by each subcontractor shall at all times be in accordance with the terms and conditions of this Contract. Contractor covenants that its arrangements with subcontractors shall not prohibit or restrict any such subcontractor from, at any time, entering into direct agreements with the State. The State's consent with respect to Contractor's use of a particular proposed subcontractor, shall be given or withheld in writing within Contractor's reasonably requested timeframe, and, if such consent is withheld, the State's notice thereof to Contractor shall set forth the reasons for such withholding of consent. If the State determines in good faith and in a commercially reasonable manner that the performance or conduct of any subcontractor is unsatisfactory, the State may notify Contractor of its determination in writing, indicating the reasons therefore, in which event Contractor shall promptly take all necessary actions to remedy the performance or conduct of such subcontractor or to replace such subcontractor by another third party or by Contractor personnel. Contractor shall be solely and exclusively responsible for supervising the

activities and performance of each subcontractor. Contractor and each such subcontractor shall be jointly and severally responsible for any act or omission of such subcontractor engaged to provide Deliverables, requirements, and Services under this Contract. Notwithstanding the fact that a subcontractor may be the party actually performing a particular Service or providing a particular Deliverable hereunder, Contractor shall at all times: (i) constitute the primary obligor for all of Contractor's duties and obligations hereunder; and (ii) be liable and responsible as a principal for the performance of all of the duties and obligations of Contractor hereunder that Contractor may elect to subcontract to any of its subcontractors or to any other third party.

86. GOVERNANCE

Unless otherwise specified in the Statement of Work:

- a) Before communicating any interpretation of this Contract that CDT or any Customer is or may be in violation or breach of this Contract to any entity receiving, or eligible to receive, Deliverables, requirements, or Services under this Contract, Contractor shall first provide notice of such interpretation to the State.
- b) Committees and Meetings. During the term, representatives of the State and Contractor shall meet periodically or as requested by CDT to discuss matters arising under this Contract, including any such meetings provided for the Migration-In Plan. Contractor shall bear its own costs in connection with the attendance and participation in such meetings. Such meetings shall include, at a minimum, the following:
 - i. Operations. At least monthly, an operations committee shall meet to review Contractor's performance hereunder and any reports, any planned or expected activities and changes that might impact performance, and such other matters as appropriate.
 - ii. Management. At least quarterly, a management committee shall meet to review Contractor's overall performance hereunder and any reports, progress on the resolution of any issues, to provide a strategic perspective for the CDT's telecommunication requirements, and such other matters as appropriate.

- iii. Executive. At least semi-annually, an executive committee shall meet to review Contractor's overall performance hereunder and the ongoing provision of the Services.

87. SECURITY AND POLICIES

Unless otherwise specified in the Statement for Work:

At all times during the term, in addition to any other requirements in the Contract, and as further delineated in subsequently executed orders, at all times during the Term, Contractor shall provide all Services, use all resources related thereto, and use, operate, support, and maintain any systems, in an appropriately secure manner and in accordance with the Customer's security requirements, policies, and procedures as communicated, modified, supplemented, or replaced by the Customer from time to time, in its sole discretion, by providing Contractor with a written copy of such revised requirements, policies, or procedures reasonably in advance of the date that they are to be implemented and effective ("**Security Policies**").

Contractor shall at all times take all reasonably necessary and appropriate action with regard to the prevention, detection, and elimination, by all appropriate means, of fraud, abuse, and other inappropriate or unauthorized access to and use of systems and the networks involved with the provision or receipt of Services, including the implementation and deployment network management and maintenance applications and tools, the use of appropriate encryption technologies, and other security-related Services. In addition, all Contractor personnel (including personnel of any subcontractors) shall be subject to, and shall at all times conform to, all of the Customer's policies, procedures, rules, and requirements regarding the protection of premises, materials, Equipment, and personnel, as the Customer shall provide (in writing or electronically) in advance to Contractor. Contractor shall, and shall cause Contractor personnel and subcontractors to, fully comply with and abide by all such Security Policies provided in advance to Contractor at all times during the term. Any violation or disregard of such Security Policies by an individual shall be cause for denial of access of such individual to the Customer's property. Contractor shall exercise due care and diligence to prevent any injury to person or damage to property while on the Customer's premises. The

operation of Contractor vehicles or private vehicles of Contractor personnel on the Customer's property shall conform to posted and other regulations and safe driving practices. Vehicular accidents on the Customer's property and involving Contractor personnel shall be reported promptly to the appropriate Customer personnel. Contractor shall, and shall cause Contractor personnel and subcontractors, to not exceed (or attempt to exceed) the level of authorized access, if any, to any networks, computer or electronic data storage systems of the Customer that may be granted during the term for purposes only of performing the services hereunder.

88. DOCUMENTATION

- a) Contractor agrees to provide to the State, at no charge, all Documentation described within the Statement of Work, and updated versions thereof, which are necessary or useful to the State in its use of the Services, Equipment or Software provided hereunder, including any marketing information. Contractor agrees to provide additional Documentation at prices not in excess of charges made by Contractor to its other customers for similar Documentation.
- b) If the Contractor is unable to perform maintenance or the State desires to perform its own maintenance on Equipment purchased under this Contract then upon written notice by the State the Contractor will provide at Contractor's then current rates and fees adequate and reasonable assistance including relevant Documentation to allow the State to maintain the Equipment based on the Contractor's methodology. The Contractor agrees that the State may reproduce such Documentation for its own use in maintaining the Equipment. If the Contractor is unable to perform maintenance, the Contractor agrees to license any other Contractor that the State may have hired to maintain the Equipment to use the above noted Documentation. The State agrees to include the Contractor's copyright notice on any such Documentation reproduced, in accordance with copyright instructions to be provided by the Contractor.

89. RIGHTS IN WORK PRODUCT

- a) All inventions, discoveries, intellectual property, technical communications and records originated or prepared by Contractor pursuant to this Contract including papers, reports, charts, computer programs, and other Documentation or improvements thereto, and including Contractor's administrative communications and records relating to this Contract (collectively, the "Work Product"), shall be Contractor's exclusive property. The provisions of this subsection may be revised in a Statement of Work.
- b) Software and other materials developed or otherwise obtained by or for Contractor or its Affiliates independently of this Contract or applicable purchase order ("Pre-Existing Materials") does not constitute Work Product. If Contractor creates derivative works of Pre-Existing Materials, the elements of such derivative works created pursuant to this Contract constitute Work Product, but other original elements of Pre-Existing Materials do not. Nothing in this Section will be construed to interfere with Contractor's or it's Affiliates' ownership of Pre-Existing Materials.
- c) The State will have Government Purpose Rights to the Work Product as Deliverable or delivered to the State hereunder. "Government Purpose Rights" are the unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive rights and licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Work Product. "Government Purpose Rights" also include the right to release or disclose the Work Product outside the State for any State government purpose and to authorize recipients to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Work Product for any State government purpose. Such recipients of the Work Product may include, without limitation, State Contractors, California local governments, the U.S. federal government, and the State and local governments of other states. "Government Purpose Rights" do not include any rights to use, modify, reproduce, perform, release, display, create derivative works from, or disclose the Work Product for any commercial purpose.
- d) The ideas, concepts, know-how, or techniques relating to data processing, developed during the course of this Contract by Contractor or

jointly by Contractor and the State may be used by either party without obligation of notice or accounting.

- e) This Contract shall not preclude Contractor from developing materials outside this Contract that are competitive, irrespective of their similarity to materials which might be delivered to the State pursuant to this Contract.

90. USE TAX COLLECTION

In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise State of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.

91. PRIORITY HIRING

If this Contract includes Services in excess of \$200,000, Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Public Contract Code Section 10353.

92. UNITED STATES (U.S.) BASED SERVICES

Unless otherwise specified in the Statement of Work:

All Services must be provided from Facilities located in the United States or U.S. Territories. Contractor personnel's management and/or administrative access to servers, the network, or network Equipment directly associated with any Service shall only be accessed within the confines of the United States or U.S. Territories. No personnel located at non-U.S. locations shall be allowed access.

All Contractor direct technical and administrative support personnel must be located within the United States or U.S. Territories.

**EXHIBIT F: CLOUD COMPUTING SERVICES SOFTWARE AS A SERVICE (SAAS) SPECIAL
PROVISIONS - TELECOMMUNICATIONS (Rev. 05/03/2021)**

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CLLOUD COMPUTING SERVICES Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

THESE SPECIAL PROVISIONS ARE ONLY TO BE USED FOR CLOUD SOFTWARE AS A SERVICE (SaaS), AS DEFINED BELOW. THESE SPECIAL PROVISIONS ARE ATTACHED TO THE CONTRACT FOR SaaS – TELECOMMUNICATIONS AND SHOULD BE ACCOMPANIED BY THE GENERAL PROVISIONS FOR ELECTRONIC VENDOR APPLICATION OF QUALIFICATIONS (eVAQ) FOR TELECOMMUNICATIONS (eVAQ GENERAL PROVISIONS – TELECOMMUNICATIONS), A STATEMENT OF WORK (SOW) (OR SCOPE OF WORK FOR CALNET CUSTOMERS), AND A SERVICE LEVEL AGREEMENT (SLA). SECURITY REQUIREMENTS DESIGNATED IN THIS DOCUMENT ARE ASSUMING A NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST) LOW CLASSIFICATION, UNLESS OTHERWISE SET FORTH IN THE SOW (OR SCOPE OF WORK FOR CALNET CUSTOMERS). A HIGHER CLASSIFICATION MAY REQUIRE DIFFERENT SECURITY REQUIREMENTS. STATE AGENCIES MUST FIRST:

- A. CLASSIFY THEIR DATA PURSUANT TO THE CALIFORNIA STATE ADMINISTRATIVE MANUAL (SAM) 5305.5;**
- B. CONSIDER THE FACTORS TO BE TAKEN INTO ACCOUNT WHEN SELECTING A PARTICULAR TECHNOLOGICAL APPROACH, IN ACCORDANCE WITH SAM 4981.1, 4983 AND 4983.1 AND THEN;**
- C. MODIFY THESE SPECIAL PROVISIONS THROUGH THE SOW (SCOPE OF WORK FOR CALNET CUSTOMERS) AND/OR SLA TO MEET THE NEEDS OF EACH ACQUISITION.**

Definitions

- a) **“CALNET”** - The California Network and Telecommunications (CALNET) Program within the California Department of Technology, Office of Technology Services established pursuant to Government Code section 11541.
- b) **“Cloud Software as a Service (SaaS)”** - The capability provided to the consumer is to use applications made available by the provider running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a web browser (e.g., web-based email). The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage, or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.
- c) **“Cloud Platform as a Service (PaaS)”** - The capability provided to the consumer is to deploy onto the cloud infrastructure consumer-created or acquired applications created using programming languages and tools supported by the provider. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, or storage, but has control over the deployed applications and possibly application hosting environment configurations.
- d) **“Cloud Infrastructure as a Service (IaaS)”** - The capability provided to the consumer is to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run arbitrary software, which can include operating systems and applications. The consumer does not manage or control the underlying cloud infrastructure but has control over operating systems; storage, deployed applications, and possibly limited control of select networking components (e.g., host firewalls).
- e) **“Data”** - means any information, formulae, algorithms, or other content that the State, the State's employees, agents and end users upload, create or modify using the SaaS pursuant to this Contract. Data also includes user identification information and metadata which may contain Data or from which the State's Data may be ascertainable.

CLLOUD COMPUTING SERVICES Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

- f) **"Data Breach"** - means any access, destruction, loss, theft, use, modification or disclosure of Data by an unauthorized party or that is in violation of Contract terms and/or applicable state or federal law.
- g) **"Encryption"** - Conversion of plaintext to ciphertext through the use of a Federal Information Processing Standards (FIPS) validated cryptographic algorithm. [FIPS 140-2]
- h) **"Recovery Point Objective (RPO)"** - means the point in time to which Data can be recovered and/or systems restored when service is restored after an interruption. The Recovery Point Objective is expressed as a length of time between the interruption and the most proximate backup of Data immediately preceding the interruption. The RPO is detailed in the SLA.
- i) **"Recovery Time Objective (RTO)"** - means the period of time within which information technology services, systems, applications and functions must be recovered following an unplanned interruption. The RTO is detailed in the SLA.

Terms

1. SaaS AVAILABILITY: Unless higher standards of SaaS availability are stated in the SOW (or Scope of Work for CALNET Customers), the following minimum standards shall apply:

- a) The SaaS shall be available twenty-four (24) hours per day, 365 days per year (excluding agreed-upon maintenance downtime).
- b) If SaaS monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), the State shall be entitled to recover damages, apply credits or use other contractual remedies as set forth in the Statement of Work.
- c) If SaaS monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), for three (3) or more months in a rolling twelve-month period, the State may terminate the contract for material breach in accordance with the Termination for Default provision in the eVAQ General Provisions – Telecommunications.
- d) Contractor shall provide advance written notice to the State in the manner set forth in the Statement of Work of any major upgrades or changes that will affect the SaaS availability.

2. DATA AVAILABILITY: Unless higher standards of Data Availability are stated in the SOW (or Scope of Work for CALNET Customers), the following minimum standards shall apply:

- a) The Data shall be available twenty-four (24) hours per day, 365 days per year (excluding agreed-upon maintenance downtime).
- b) If Data monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), the State shall be entitled to recover damages, apply credits or use other contractual remedies as set forth in the Statement of Work if the State is unable to access the Data as a result of:
 - 1) Acts or omission of Contractor;
 - 2) Acts or omissions of third parties working on behalf of Contractor;
 - 3) Network compromise, network intrusion, hacks, introduction of viruses, disabling devices, malware and other forms of attack that can disrupt access to Contractor's server, to the extent such attack would have been prevented by Contractor taking reasonable industry standard precautions;
 - 4) Power outages or other telecommunications or Internet failures, to the extent such outages were within Contractor's direct or express control.

CLLOUD COMPUTING SERVICES Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

- c) If Data monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), for three (3) or more months in a rolling twelve-month period, the State may terminate the contract for material breach in accordance with the Termination for Default provision in the eVAQ General Provisions – Telecommunications.

3. SaaS and DATA SECURITY:

- a) In addition to the Compliance with Statutes and Regulations provision set forth in the eVAQ General Provisions -Telecommunications, and other applicable contractual provisions, Contractor shall certify to the State:
 - 1) The sufficiency of its security standards, tools, technologies and procedures in providing SaaS under this Contract;
 - 2) Compliance with the following:
 - i. The California Information Practices Act (Civil Code Sections 1798 et seq.);
 - ii. Current NIST special publications 800-171 Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations. Third party audit results and Contractor's plan to correct any negative findings shall be made available to the State upon request;
 - iii. Undergo an annual Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) 2 Type II audit. Third party audit results and Contractor's plan to correct any negative findings and implementation progress reports shall be made available to the State upon request; and
 - iv. Privacy provisions of the Federal Privacy Act of 1974;
 - 3) Compliance with industry standards and guidelines applicable to the SaaS services being provided. Relevant security provisions may include, but are not limited to: Health Insurance Portability and Accountability Act of 1996, IRS 1075, Health Information Technology for Economic and Clinical (HITECH) Act, Criminal Justice Information Services (CJIS) Security Policy, Social Security Administration (SSA) Electronic Information Exchange Security Requirements, and the Payment Card Industry (PCI) Data Security Standard (DSS) as well as their associated Cloud Computing Guidelines.
- b) Contractor shall implement and maintain all appropriate administrative, physical, technical and procedural safeguards in accordance with section a) above at all times during the term of this Contract to secure such Data from Data Breach, protect the Data and the SaaS from hacks, introduction of viruses, disabling devices, malware and other forms of malicious or inadvertent acts that can disrupt the State's access to its Data.
- c) Contractor shall allow the State reasonable access to SaaS security logs, latency statistics, and other related SaaS security data that affect this Contract and the State's Data, at no cost to the State.
- d) Contractor assumes responsibility for the security and confidentiality of the Data under its control.
- e) No Data shall be copied, modified, destroyed or deleted by Contractor other than for normal operation or maintenance of SaaS during the Contract period without prior written notice to and written approval by the State.
- f) Remote access to Data from outside the continental United States, including remote access to Data by authorized SaaS support staff in identified support centers, is prohibited unless approved in advance in writing by:
 - 1) the Agency Information Security Officer, with written notice to the State Chief Information Security Officer, or

CLoud COMPUTING SERVICES Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

- 2) in the absence of an Agency Information Security Officer, the State Chief Information Security Officer.

4. ENCRYPTION: Confidential, sensitive or personal information shall be encrypted in accordance with California State Administrative Manual 5350.1 and California Statewide Information Management Manual 5305-A.

5. DATA LOCATION:

The physical location of Contractor's data center where the Data is stored shall be within the continental United States.

6. RIGHTS TO DATA: The parties agree that as between them, all rights, including all intellectual property rights, in and to Data shall remain the exclusive property of the State, and Contractor has a limited, non-exclusive license to access and use the Data as provided to Contractor solely for performing its obligations under the Contract. Nothing herein shall be construed to confer any license or right to the Data, including user tracking and exception Data within the system, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third party. Unauthorized use of Data by Contractor or third parties is prohibited. For the purposes of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any other purpose other than security or service delivery analysis that is not explicitly authorized.

7. TRANSITION PERIOD: Unless otherwise stated in the SOW (or Scope of Work for CALNET Customers):

- a) For ninety (90) days prior to the expiration date of this Contract, or upon notice of termination of this Contract, Contractor shall assist the State in extracting and/or transitioning all Data in the format determined by the State ("Transition Period").
- b) The Transition Period may be modified in the SOW or as agreed upon in writing by the parties in a contract amendment.
- c) During the Transition Period, SaaS and Data access shall continue to be made available to the State without alteration.
- d) Contractor agrees to compensate the State for damages or losses the State incurs as a result of Contractor's failure to comply with this section in accordance with the Limitation of Liability provision set forth in the eVAQ General Provisions - Telecommunications.
- e) Unless otherwise stated in the SOW, the Contractor shall permanently destroy or render inaccessible any portion of the Data in Contractor's and/or subcontractor's possession or control following the expiration of all obligations in this section. Within thirty (30) days, Contractor shall issue a written statement to the State confirming the destruction or inaccessibility of the State's Data.
- f) The State at its option, may purchase additional transition services as agreed upon in the SOW.

8. DATA BREACH: Unless otherwise stated in the SOW (or Scope of Work for CALNET Customers):

- a) Upon discovery or reasonable belief of any Data Breach, Contractor shall notify the State by the fastest means available and also in writing, with additional notification provided to the Chief Information Security Officer or designee of the contracting agency. Contractor shall provide such notification no later than forty-eight (48) hours after Contractor reasonably believes there has been such a Data Breach. Contractor's notification shall identify:
 - 1) The nature of the Data Breach;
 - 2) The Data accessed, used or disclosed;

CLoud Computing Services Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

- 3) The person(s) who accessed, used, disclosed and/or received Data (if known);
 - 4) What Contractor has done or will do to quarantine and mitigate the Data Breach; and
 - 5) What corrective action Contractor has taken or will take to prevent future Data Breaches.
- b) Contractor will provide daily updates, or more frequently if required by the State, regarding findings and actions performed by Contractor until the Data Breach has been effectively resolved to the State's satisfaction.
- c) Contractor shall quarantine the Data Breach, ensure secure access to Data, and repair SaaS as needed in accordance with the SLA. Failure to do so may result in the State exercising its options for assessing damages or other remedies under this Contract.
- d) Notwithstanding anything to the contrary in the eVAQ General Provisions - Telecommunications, in performing services under this Contract, and to the extent authorized by the State in the Statement of Work, Contractor may be permitted by the State to use systems, or may be granted access to the State systems, which store, transmit or process State owned, licensed or maintained computerized Data consisting of personal information, as defined by Civil Code Section 1798.29 (g). If the Contractor causes or knowingly experiences a breach of the security of such Data, Contractor shall immediately report any breach of security of such system to the State following discovery or notification of the breach in the security of such Data. The State's Chief Information Security Officer, or designee, shall determine whether notification to the individuals whose Data has been lost or breached is appropriate. If personal information of any resident of California was, or is reasonably believed to have been acquired by an unauthorized person as a result of a security breach of such system and Data that is not due to the fault of the State or any person or entity under the control of the State, Contractor shall bear any and all costs associated with the State's notification obligations and other obligations set forth in Civil Code Section 1798.29 (d) as well as the cost of credit monitoring, subject to the dollar limitation, if any, agreed to by the State and Contractor in the applicable Statement of Work. These costs may include, but are not limited to staff time, material costs, postage, media announcements, and other identifiable costs associated with the breach of the security of such personal information.
- e) Contractor shall conduct an investigation of the Data Breach and shall share the report of the investigation with the State. The State and/or its authorized agents shall have the right to lead (if required by law) or participate in the investigation. Contractor shall cooperate fully with the State, its agents and law enforcement.

9. DISASTER RECOVERY/BUSINESS CONTINUITY:

- a) In the event of disaster or catastrophic failure that results in significant Data loss or extended loss of access to Data, Contractor shall notify the State by the fastest means available and also in writing, with additional notification provided to the Chief Information Security Officer or designee of the contracting agency. Contractor shall provide such notification no later than twenty-four (24) hours after Contractor reasonably believes there has been such a disaster or catastrophic failure. In the notification, Contractor shall inform the State of:
- 1) The scale and quantity of the Data loss;
 - 2) What Contractor has done or will do to recover the Data and mitigate any deleterious effect of the Data loss; and
 - 3) What corrective action Contractor has taken or will take to prevent future Data loss.
 - 4) If Contractor fails to respond immediately and remedy the failure, the State may exercise its options for assessing damages or other remedies under this Contract.

CLoud Computing Services Software as a Service (SaaS) SPECIAL PROVISIONS - TELECOMMUNICATIONS

(05/03/2021)

- b) Contractor shall restore continuity of SaaS, restore Data in accordance with the RPO and RTO as set forth in the SLA, restore accessibility of Data, and repair SaaS as needed to meet the performance requirements stated in the SLA. Failure to do so may result in the State exercising its options for assessing damages or other remedies under this Contract.
- c) Contractor shall conduct an investigation of the disaster or catastrophic failure and shall share the report of the investigation with the State. The State and/or its authorized agents shall have the right to lead (if required by law) or participate in the investigation. Contractor shall cooperate fully with the State, its agents and law enforcement.

10. EXAMINATION AND AUDIT: In addition to the Examination and Audit provision set forth in the eVAQ General Provisions - Telecommunications:

- a) Upon advance written request, Contractor agrees that the State or its designated representative shall have access to Contractor's SaaS, operational documentation, records and databases, including online inspections that relate to the SaaS purchased by the State.
- b) The online inspection shall allow the State, its authorized agents, or a mutually acceptable third party to test that controls are in place and working as intended. Tests may include, but not be limited to, the following:
 - 1) Operating system/network vulnerability scans,
 - 2) Web application vulnerability scans,
 - 3) Database application vulnerability scans, and
 - 4) Any other scans to be performed by the State or representatives on behalf of the State.
- c) After any significant Data loss or Data Breach or as a result of any disaster or catastrophic failure, Contractor will at its expense have an independent, industry-recognized, State-approved third party perform an information security audit. The audit results shall be shared with the State within seven (7) days of Contractor's receipt of such results. Upon Contractor receiving the results of the audit, Contractor will provide the State with written evidence of planned remediation within thirty (30) days and promptly modify its security measures in order to meet its obligations under this Contract.

11. DISCOVERY: Contractor shall promptly notify the State upon receipt of any requests which in any way might reasonably require access to the Data of the State or the State's use of the SaaS. Contractor shall notify the State by the fastest means available and also in writing, with additional notification provided to the Chief Information Security Officer or designee of the contracting agency, unless prohibited by law from providing such notification. Contractor shall provide such notification no later than forty-eight (48) hours after Contractor receives the request. Contractor shall not respond to subpoenas, service of process, Public Records Act requests, and other legal requests directed at Contractor regarding this Contract without first notifying the State unless prohibited by law from providing such notification. Contractor agrees to provide its intended responses to the State with adequate time for the State to review, revise and, if necessary, seek a protective order in a court of competent jurisdiction. Contractor shall not respond to legal requests directed at the State unless authorized in writing to do so by the State.



4.2 Understanding and Approach (MS)

Attachment 1: Appendix A Statement of Work and Attachment 13: Understanding and Approach Response

1	Describe your knowledge of the Cal OES CA 9-1-1 Branch, NG 9-1-1 solution, 9-8-8 systems, and legislative requirements.
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Beginning in 2017, 911 Authority has developed a keen understanding of the Cal OES 9-1-1 branch and the services that it provides to the residents and visitors of California. Our team has completed several diverse projects with Cal OES that have increased our knowledge and experience that applies directly with the RFQ for Cyber Security. Since the initial project in 2017, seven years ago, we have continued to support Cal OES with subsequent 9-1-1 focused projects. Through the long-standing relationship with Cal OES, 911 Authority has gained knowledge of the technology, legislative rules and tariffs, PSAP staffing, and costs associated with the NG91-1 system. In addition, we have a unique understanding of the system currently being implemented and the four vendors contracted for service (ATOS, Lumen, NGA911 and Synergem).

Understanding the Cal OES 9-1-1 Branch:

911 Authority is currently under contract with the Cal OES 9-1-1 branch for Implementation Project Management services. This effort has allowed 911 Authority team members to become intimately familiar with the integrated platform provided by the aforementioned four vendors. Our team is engaged on a daily basis with each of the vendors and understands each of their roles, responsibilities and system design. Furthermore, our team regularly provides coordination support to complete pre-migration testing, validation of successful tests, and remediation of any failed tests.

Additional projects and activities that include:

- **NG9-1-1 Concept of Operations and planning – 2017**
 - 911 Authority completed a Concept of Operations plan that included the long-term planning for NG9-1-1 in the State of California. The plan detailed the technical and operational requirements to implement a statewide NG9-1-1 system for California. The Concept of Operations was used as a guide for the detailed specifications in the NG9-1-1 Request for Procurement (RFP).
- **NG9-1-1 Financial analysis – 2017**
 - 911 Authority completed a financial analysis of the costs to deploy and maintain the NG9-1-1 system for a 5-year plan period. The financial plan included considerations of current costs that may be replaced or reduced by NG9-1-1 and costs that would continue without some form of legislative change.
- **State of California Tariff Study – 2017**
 - Our team reviewed the current legislation and telecommunications tariffs to recommend updates and modifications. The study presented areas for the State to make changes to enhance the ability of NG9-1-1 technology to better support the State and the PSAPs in the long term.
- **SME support for NG9-1-1 RFP – 2018**
 - 911 Authority supplied subject matter expertise to the Cal OES branch for technical review and recommendations on the NG9-1-1 RFP. Our team engaged with the Cal



OES team to review the RFP prior to publication to align the RFP with National Emergency Number Association (NENA) standards.

- **AB911 Manny Alerting Act study – 2020**
 - The CA legislature commissioned Cal OES to conduct a feasibility study by passing The Manny Alert Act (AB911) into law in 2019. The study explored aspects of a statewide system that would provide the ability for PSAPs to aid in dispatching activities while incorporating the Manny Act data into the current 911 call workflow. The study provided cost estimates outlining potential funding necessary to plan, test, implement, operate and maintain a statewide system.
- **Cybersecurity SME support – 2021-2024**
 - Since 2021, 911 Authority has been working as Project Management support as the State conducts cybersecurity testing, threat identification and vulnerability analysis on the Regional Network Service Providers (RNSP) and Prime Network Service Provider (PNSP). Our primary role involves linking industry standard cybersecurity practices with NG9-1-1 services and systems to ensure the network is protected and prepared in the event of cyber exposure.
- **California PSAP Staffing, Recruiting and Retention study – 2023**
 - With the introduction of new technologies and the ongoing PSAP staffing challenges, the study determined the best practices and challenges facing the PSAPs in recruiting, retention, and training of Public Safety Dispatchers (PSDs). The analysis of the data was compiled into a final report presented to Cal OES.
- **NG9-1-1 Program Management Support and Implementation oversight – 2024**
 - 911 Authority is presently contracted with Cal OES to provide project management oversight into the implementation of the state-wide NG9-1-1 solution. In this role, the 911 Authority team has become intimately familiar with the current vendors, technical solution, risks and constraints to introducing NG9-1-1 to 450+ PSAPs.

Through these engagements over the past seven years 911 Authority has gained a great deal of background and has a comprehensive understanding of Cal OES and its role in overseeing the 9-1-1 system in California. The NG9-1-1 solution represents a significant evolution in emergency response, integrating advanced technologies to improve the efficiency and effectiveness of emergency communications. Our familiarity with the Cal OES objectives allows us to appreciate the critical nature of these services and the legislative requirements that govern them, including compliance with state and federal regulations aimed at ensuring public safety and data protection.

Experience in Working with Public Safety

Additionally, our experienced team has over 250 years of combined experience in telecommunications, public safety and cybersecurity. We utilize our experience to advance the initiatives of our clients through offering contrasts that may be applied to the unique circumstances of their project. California public safety needs are different than Pennsylvania; however, the lessons learned from other projects from our portfolio can provide useful suggestions to complex issues.



2	Define your cybersecurity assessment plan, including the number of locations / sites included in the assessment.
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Cybersecurity Assessment Plan

Our cybersecurity assessment plan for the State of California encompasses a thorough evaluation of multiple locations/sites, specifically targeting sites that are integral to the NG9-1-1 and 9-8-8 systems. Each site will undergo a detailed cybersecurity assessment that blends both the DHS CISA NIST 800-53 and the NENA NGSEC 75-502 audit into a comprehensive cybersecurity evaluation. This allows our team to focus on the threats and vulnerabilities specific to public safety and 9-1-1 systems. Our cybersecurity assessment includes physical security, network architecture, application security, and data protection measures.

While much of the assessment work can be completed remotely and in the Cal OES lab, 911 Authority will also visit a representative subset of the 450+ PSAP locations to validate the findings of the remote assessment. We would propose that specific site visits be determined with feedback from the Cal OES stakeholders. Categories may include things like small, medium, and large PSAPs, CPE type, LATA, Local Exchange Carrier, RNSP or other break points that reflect the most consistent and representative assessment possible. The assessment will be structured to align with the NENA i3 NG 9-1-1 standards and the NIST cybersecurity framework, ensuring a comprehensive approach to identifying and mitigating risks. Penetration testing of the systems will be completed with clearly defined boundaries agreed upon with the service providers.

- **Scope of Assessment:** Each site will undergo a thorough review of its cybersecurity posture, including network architecture, data protection measures, and incident response protocols.
- **Methodology:** The assessment will utilize industry-standard frameworks, including NIST SP 800-53 and the NENA i3 NG 9-1-1 standard, to identify vulnerabilities and recommend mitigation strategies.
- **Deliverables:** A detailed report will be provided, outlining findings, risk levels, and actionable recommendations for each site.

911 Authority uses NIST 800-53 as a baseline for our cybersecurity assessment. We then integrate the NGSEC 75-502 audit to specifically align the 800-53 control baselines to develop a customized assessment plan for our clients. Our Cybersecurity Assessment Plan is therefore a combined NG-SEC 75-502 audit with a NIST 800-53 baseline.

Assessment Plan

911 Authority will begin the NG9-1-1 System Cybersecurity Assessment with the PNSP. By beginning with the PNSP, it will allow 911 Authority and the Cal OES 9-1-1 branch to determine the foundational cybersecurity components in a top-down approach. This will allow Cal OES and the PNSP a method to integrate cybersecurity into the system as it is being implemented rather than relying upon work arounds for each individual use case.

Once the assessment is underway with the PNSP, the RNSP providers may be brought in for further discussion and clarification on items that may require a shared responsibility to be viable. This method will minimize cybersecurity silos that could hinder the deployment of a fully integrated solution.



After the initial PNSP assessment is completed, along with any input and validation from RNSP efforts, 911 Authority will then conduct assessments with each RNSP individually. Using this approach will ensure the focus of the cybersecurity platform remains tethered to the system as a whole rather than individual regions having a specific solution different from the PNSP.

Below is a high-level Cybersecurity Assessment plan outline, that will be refined once a kickoff and workplan for the effort are agreed upon.

Proposed Cybersecurity Assessment Plan Outline

- 1. Network Architecture Documentation**
- 2. Threat Vectors and Attack Surfaces**
 - a. Current cybersecurity provisions
 - b. Cybersecurity design
 - c. Access and authentication
 - d. Configuration management
 - e. Critical functionality
 - f. Cybersecurity risk assessment
 - g. Attack surface assessment
 - h. Assess change management
 - i. Identify gaps
- 3. Evaluate Disaster Recovery**
 - a. Mean time to repair/Mean time between failures
 - b. Backups and alternates
- 4. Vulnerability Assessment**
 - a. Cybersecurity gaps
 - b. Preventative measures
- 5. Assess Network Monitoring**
 - a. Capacity
 - b. Logging of trends
 - c. Detection methods
 - d. Notification
- 6. Records/Renewal and Tracking of Inventory**
 - a. Revision levels
 - b. Spares management
 - c. Firewall logs
- 7. Findings, Gap Analysis, and Recommendations**



3	Describe your leadership and communications skills, and ability to support the successful completion of all tasks identified in ATTACHMENT 1: APPENDIX A - STATEMENT OF WORK.
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Management of Projects Leadership and Communication Skills

Our project management approach is characterized by strong leadership and effective communication. We prioritize transparency and collaboration, ensuring that all stakeholders are informed and engaged throughout the project lifecycle. Our team employs regular status updates, progress reports, and feedback sessions to facilitate open dialogue and address any concerns promptly. This proactive communication strategy supports the successful completion of all tasks identified in the Statement of Work, ensuring that we meet deadlines and deliver high-quality results. We use tools such as Teams, Teamwork, SharePoint, and Freshworks to align our project efforts into a comprehensive platform.

911 Authority staff are committed to delivering quality projects as evidenced by our PMI certified project managers. Two members of our team have the PgMP and PMP certifications, one has the PMI-ACP and two have ITIL certification. Our team is accustomed to using industry best practices to manage projects.

Our Approach

Drawing on our experience from similar projects, we recognize the unique challenges of NG9-1-1 implementations. We customize each solution to align with the client's specific needs, ensuring optimal effectiveness. 911 Authority will adhere to Project Management Institute (PMI) best practices throughout the project, emphasizing timely and budget-conscious delivery. This strategic approach ensures alignment with the project's overarching objectives.

Our experienced Project Manager (PM) and dedicated team will act as strategic resources, focusing on stakeholder management, integration of scope, schedule, and cost, as well as resource, risk, and communication alignment, governance, financial management, benefits realization, and strategic procurement.

Governance

In line with PMI best practices, our PM will establish a standardized governance structure for the Cal OES and stakeholders, ensuring control over the success of the project.

Project Monitoring and Progress

Through consistent monitoring and control, Cal OES will gain clear insights into how program goals will be achieved. Our focus on scope and schedule monitoring, along with timely interventions for deviations, will ensure project alignment.

Budget Management

The PM will establish a financial framework with Cal OES, utilizing project budgets and subsidiary plans to align available funds with objectives. The regular monitoring of financial status against project milestones will be implemented.

Stakeholder Communication and Engagement



Our PM will manage stakeholder communication in accordance with PMI best practices, ensuring a clear and consistent flow of information between the program and individual projects.

Risk Management, Issue Resolution, and Corrective Action

We will implement risk management activities to identify and assess risks at the program level, creating a comprehensive risk management plan in collaboration with Cal OES. An issues log will track potential risks and impacts, enabling proactive mitigation strategies.

Deliverable Coordination and Alignment

Our PM will ensure seamless coordination and alignment of deliverables across subsidiary projects, utilizing project initiation tools such as Project Management Plans, Charters, and the Benefits Realization Plan. This ongoing process guarantees that project outcomes consistently meet desired objectives.

Communication Management

Effective communication is crucial. Our PM will develop a communication matrix to clarify information flow between all component projects, facilitating situational awareness and ensuring stakeholders remain well-informed throughout the project lifecycle.

Initial timeline

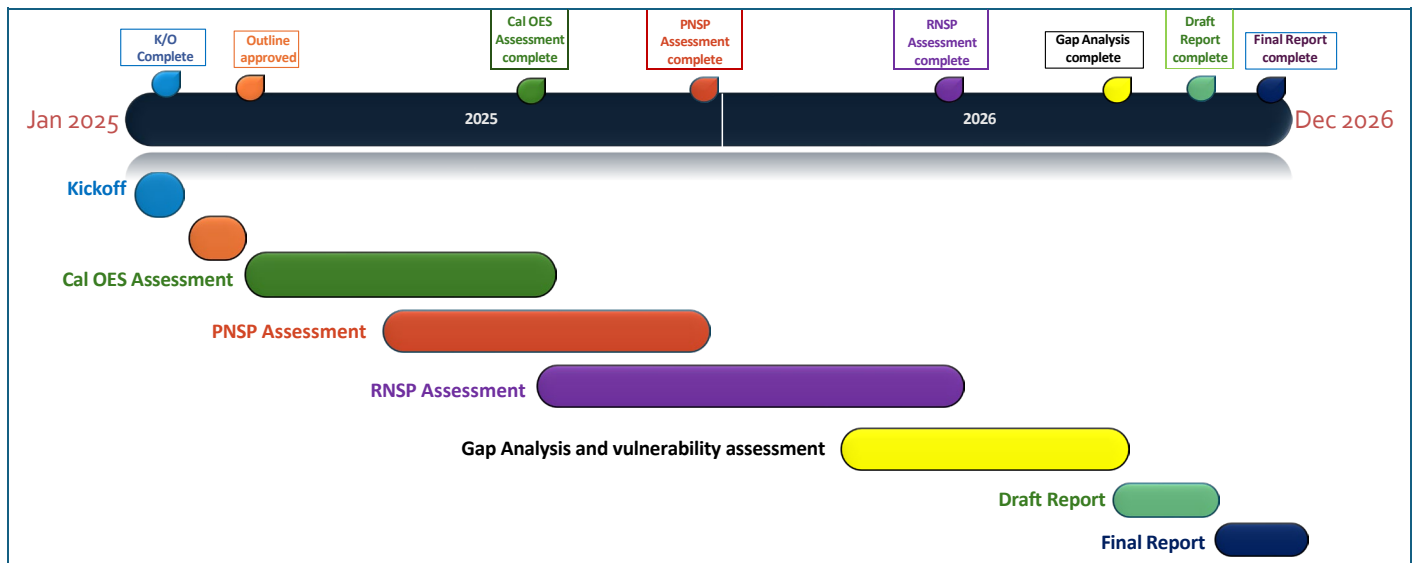


Figure 1- Initial Project Timeline



4	Describe your knowledge of the NENA i3 NG 9-1-1 standard and NIST cybersecurity framework.
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Knowledge of NENA i3 NG911 Standard and NIST Cybersecurity Framework

911 Authority's sole business mission is public safety systems and 9-1-1. Our subject matter experts possess in-depth knowledge of and have contributed to the writing of the NENA i3 NG9-1-1 standard, (NENA STA-010.3) which articulates the technical and operational requirements for next generation emergency services known as i3v3. Our staff also served as co-chairs and provided the authoring of the newly released NENA-STA-040.2, an update to the original NGSEC 75-501. Currently, members of 911 Authority are also on the workgroup commissioned to update the NG-SEC 75-502 audit model.

Our familiarity with NGSEC 75-502 audit matrix has been demonstrated by our assessment and preparation of a completed audit for the District of Columbia Office of Unified Communications (DC-OUC). The 911 Authority team utilized the audit to evaluate the existing DC-OUC cybersecurity posture and document the findings. The NGSEC audit has been used to refine cybersecurity boundaries and increase the awareness of DC-OUC staff and contractors, showing how the critical systems of NG9-1-1 require somewhat unique provisions.

911 Authority team members have experience understanding the National Institute of Standards and Technology (NIST) 800-53 information security standard. During the past two years, 911 Authority has been directly supporting assessments based upon NIST 800-53 specifically for public safety entities. 911 Authority is supporting the Department of Homeland Security (DHS) and the Cybersecurity and Infrastructure Security Agency (CISA) Interoperable Communications Technical Assistance Program (ICTAP) by developing training programs, assessment tools, and completing onsite assessments. To date, 911 Authority has completed seven ICTAP NIST 800-53 assessments. This activity further enhances our ability to assess and improve the security posture of public safety systems.

In addition, 911 Authority has designed a cyber readiness assessment that blends both NENA NGSEC and NIST Cybersecurity Framework (CSF). We have completed two Cyber Readiness Assessments with States using a public safety centric, customized survey. Cyber Readiness is effective in uncovering gaps that a PSAP may encounter as they transition to NG9-1-1.

Our background with NG9-1-1 i3 and NIST includes:

- Co-chairs for the NENA Emergency Services IP Network Design (ESIND) Information Document completed in 2018
- Membership on the NENA Detailed and Functional Interface Standards for the NENA i3 solution workgroup known as the i3v2 in 2016
- Membership on the NENA Detailed and Functional Interface Standards for the NENA i3 solution workgroup known as the i3v3 in 2021
- Co-chairs for the NENA NGSEC 75-501 revision now known as NENA STA-040.2 completed in 2024
- Development of the Cyber Readiness Assessment (CRA) utilizing the NIST CSF framework

NG9-1-1 Security Audit Checklist

Our approach to completing the NG9-1-1 Security Audit Checklist will include the following steps:



Initial Assessment- Conduct a thorough review of the current security posture of the NG9-1-1 network, NG9-1-1 CPE, 9-8-8 network, 9-8-8 CPE, CRM, and MDS systems.

Gap Analysis- Identify any gaps between the current security measures and the requirements outlined in NENA 75-502.

Remediation Plan- Develop a comprehensive plan to address any identified gaps and ensure full compliance with NENA 75-502.

Implementation- Execute the remediation plan, including the deployment of necessary security controls and measures.

Audit and Documentation- Complete the NG9-1-1 Security Audit Checklist, documenting all findings and actions taken to achieve compliance.

Deliverables

The following deliverables will be provided as part of this engagement:

- Completed NG9-1-1 Security Audit Checklist (NENA 75-502)
- Detailed report of the initial assessment and gap analysis
- Comprehensive remediation plan
- Documentation of implemented security controls and measures
- Final audit report and certification of compliance

Our team is dedicated to ensuring the security and compliance of your NG9-1-1 and 9-8-8 systems. We have the expertise and experience necessary to complete the NG9-1-1 Security Audit Checklist as outlined in NENA 75-502 and look forward to the opportunity to work with you on this important project.

Commitment to Quality and Compliance

Our team consists of experienced professionals with extensive knowledge of NG9-1-1 and the criticality of the systems that deliver calls for assistance. The NENA 75-502 audit and NIST CSF have a proven track record in documenting critical 9-1-1 infrastructure components and are an effective measure of security audits for critical infrastructure. We prioritize collaboration and communication with Cal OES throughout the process to ensure that all requirements are met and that the final deliverables align with expectations.



5	Describe your experience and knowledge of cybersecurity risk analysis, cyber-physical system analysis and evaluation, and experience in identifying programmatic flaws in system design and implementation.
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Experience in Cybersecurity Risk Analysis and Cyber Physical System Evaluation

Our team has extensive experience in conducting cybersecurity risk analyses and evaluating security for physical systems. We have successfully identified flaws in system design and implementation that can cause vulnerability or increase risks. We assess systems to identify risks before they are exposed and provide actionable recommendations to enhance security, minimize risk exposure, and increase resilience. Our approach includes a thorough examination of system architecture, operational processes, and potential vulnerabilities, ensuring a holistic view of the security landscape. Our team has developed a product called Cyber Readiness Assessment. This assessment is based on the NIST CSF and is designed to document PSAP security conditions and identify areas for improvement. Our experience includes:

Cyber Readiness Assessment (CRA):

We have designed a Cyber Readiness Assessment tool and conducted Cyber Readiness Assessments for our clients that document the Governance, Identification, Protection, Detection, Response, and Recovery posture for over 100 PSAPs.

- 911 Authority completed a CRA for the State of Indiana PSAPs and for DC-OUC. The CRA focused on the assessment and analysis of the individual PSAPs with respect to the NIST CSF assessment model to ensure that the PSAPs were able to identify, detect, protect, respond, and recover from a cyber event.

Independent Verification and Validation (IV&V):

911 Authority has developed a customized NG9-1-1 validation engine that tests, verifies, and validates that a NG9-1-1 service or system is implemented according to specifications and contracted requirements. The IV&V tools are used to measure risk, evaluate technical, operational, and program specifications as well as highlight deficiencies for further action. Our IV&V product is used to identify where items may require remediation by the service provider, PSAP or NG9-1-1 component being tested and can serve as a baseline for continual improvement. During the past five years we have completed three Statewide NG9-1-1 IV&V projects. 911 Authority has completed IV&V assessments of NG9-1-1 systems for:

- State of Indiana
- State of Alabama
- State of Vermont

CISA NIST 800-53 Assessment:

We have conducted seven NIST 800-53 assessments within the ICTAP program. While NIST 800-53 is a broad information technology cybersecurity control best practice, our subject matter experts have commonly used NIST 800-53 controls to assess and evaluate NG9-1-1. NIST 800-53 controls that are not met are documented and flagged for remediation during an out brief with each client. This allows clients to have a game plan for enhancing their cybersecurity awareness and resiliency. 911 Authority has completed the following 800-53 assessments:

- State of Iowa



- State of Nebraska
- Scott County, IA
- Burlington, NJ
- Cape May, NJ
- Carteret, NJ
- St. Louis Area Trunked Emergency Radio (SLATER)

Cybersecurity Table-Top Exercise:

In conjunction with the ICTAP program, 911 Authority subject matter experts have been facilitators for the Cybersecurity symposiums offered by CISA. During these symposiums our team has led discussion-based table-top Master Scenario Event List (MESL) scenarios to help participants through a cybersecurity breach simulation. Additionally, we have designed our own table-top MESL and have used the process to increase the awareness for many of our clients. During the past two years we have completed four Cybersecurity Table-Top exercises. 911 Authority has completed the following Cyber focused Table-top exercises:

- DHS-CISA Jacksonville, FL
- DHS-CISA San Diego, CA
- DHS-CISA Kansas City, MO
- 911 Authority completed a Table-top with DC-OUC as part of our existing work

Cybersecurity Risk Analysis:

We proactively identify and analyze cybersecurity risks to NG9-1-1 and 9-8-8 systems, focusing on operational continuity and contingency planning. This helps our clients understand and manage potential threats, minimizing disruptions in critical services. For over thirteen years, we've conducted comprehensive cybersecurity risk assessments for clients nationwide, evaluating both internal and external vulnerabilities. This includes extensive work on IV&V efforts and tabletop exercises for the following states:

- State of Indiana
- State of Alabama
- State of Vermont

Cyber-Physical System Analysis:

Our team has extensive experience evaluating public safety systems, including 9-1-1 infrastructure, to ensure they are resilient against cyber threats. We believe cybersecurity should be an integral part of any system's design, not an afterthought. Our experts conduct comprehensive on-site assessments, analyzing both physical and digital components to identify vulnerabilities and recommend improvements. Our team has completed numerous assessments that required on-site visits to a PSAP. 911 Authority has completed several additional comprehensive system assessments that included cyber security with data gathering and analysis to include:

- State of Indiana
- State of Maine
- State of New Jersey
- State of Wisconsin
- Minnesota Emergency Services Board



6	Describe your experience performing assessments and architecture reviews to identify security flaws, cyber vulnerability risks and to identify solutions that can aid in system recovery and intrusion analysis on large-scale systems.
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Experience Performing Assessments and Architecture Reviews

We have a proven track record of performing assessments and architecture reviews for large-scale NG9-1-1 systems. Our experience with completing system assessments has allowed us to offer multiple methods of gathering information directly from a PSAP or designated entity. We conduct our assessments through on-site visits and have developed a secure online survey for sites that are not visited by a 911 Authority staff member. During the past 13 years 911 Authority has completed Statewide 9-1-1 assessments with:

- **Alabama**
 - Statewide system assessment in preparation for NG9-1-1 procurement
 - IV&V of NG9-1-1 system
- **Indiana**
 - Statewide system assessment in preparation for NG9-1-1 procurement
 - IV&V of NG9-1-1 system
- **Maine**
 - Statewide system assessment in preparation for NG9-1-1 procurement
- **Minnesota Emergency Services Board**
 - Statewide system assessment in preparation for NG9-1-1 procurement
- **New Jersey**
 - Statewide system assessment in preparation for NG9-1-1 procurement
- **North Carolina**
 - Statewide system assessment in preparation for NG9-1-1 procurement
- **South Dakota**
 - Statewide system assessment in preparation for NG9-1-1 procurement
- **Vermont**
 - IV&V of NG9-1-1 system
- **Wisconsin**
 - Statewide system assessment in preparation for NG9-1-1 procurement

While these studies have been on the 9-1-1 system as a whole, each has had a portion that focuses on identifying security flaws and cyber vulnerability risks. Within our IV&V efforts, our cybersecurity specific tasks include comprehensive penetration testing, threat modeling, and risk assessments, which allow us to pinpoint weaknesses and recommend solutions that facilitate system recovery and intrusion analysis. Our experience in this area ensures that we can effectively support the security needs of the NG9-1-1 and 9-8-8 systems.

To support our assessment process, we will gather and review existing system documentation to understand the current architecture, configurations, and cybersecurity measures in place. Much of this information will be collected through interviews with SMEs from Cal OES, the PNSP, RNSPs, PSAPs, and additional stakeholders to the NG9-1-1 system to gain insights into system operations,



potential vulnerabilities, and areas for improvement. To accelerate the data collection process, we will utilize a secure automated survey tool that can be completed virtually for those sites that are not visited in person by 911 Authority. The primary goal of the information and data gathering effort will be to provide a snapshot of the entire cybersecurity program. In addition, the 911 Authority team will use penetration testing, IV&V models. We will seek out all pertinent areas during the vulnerability assessment to include (but not limited to):

- **Physical Security:** Evaluation of physical access controls and environmental protections
- **Operating System Vulnerabilities:** Assessment of configurations and patch management
- **Application Security:** Review of application security measures and potential vulnerabilities
- **Data Security:** Analysis of data protection mechanisms and encryption practices
- **Emergency Preparedness:** Examination of incident response plans and training
- **Backup and Disaster Recovery:** Assessment of backup strategies and recovery plans

Our project team will schedule and conduct interviews with Subject Matter Experts (SMEs) from the following groups to refine our findings from the gap analysis:

- **Cal OES**
- **PNSP**
- **RNSP**
- **Public Safety Answering Points (PSAPs)**
- **CPE vendors**
- **988 systems**
- **CRM resources**
- **MDS vendor**
- **Other Control Centers**

These interviews will provide valuable qualitative data that will form the basis of our assessment. The data, findings, gap analysis, and areas for improvement and reconciliation will be formatted into a draft report delivered to the Cal OES 9-1-1 branch. Following the completion of the PNSP and RNSP assessments, 911 Authority will develop a cybersecurity assessment report. This report will include:

- Findings from our assessment of the NG9-1-1 network, NG9-1-1 CPE, 988 network, and 988 CPE
- A comprehensive analysis of the CRM and MDS systems
- Recommendations for mitigating identified vulnerabilities

In addition to the detailed assessment report, we will document our findings related to the PNSP and RNSPs involved in the NG9-1-1 and 988 systems. This section will outline the roles, responsibilities and any reconciliation process undertaken to address any discrepancies or issues identified during the assessment. The final report will incorporate all written comments from Cal OES' review of the draft and will present a complete vulnerability assessment of the system. The final report will include:

- A complete vulnerability assessment
- Responses to all written comments provided by Cal OES

This report will be delivered twenty (20) working days after receiving Cal OES' comments on the outline, with a commitment to addressing all feedback within five (5) working days of receipt.