Appendix C – Contract Modification Procedure

These Contract Modification Procedures, which incorporate the Contract Modification Form and Appendix C.1 - Contract Pricing Modifications, are subject to change at the discretion of OGS. There are three types of Contract Modifications: Simple Updates, Complex Updates, and Request to Add a Lot to an Existing Umbrella Contract.

1.1 TYPES OF CONTRACT MODIFICATIONS

In order to expedite processing of a Contract Modification, where proposed changes involve more than one category noted below, each change shall be submitted to OGS as a separate request. Only one Contract Modification request (Simple Update, Complex Update, or Request to Add a Lot) can be submitted at a time. Additional requests may be submitted once Contractor has received the OGS response to the previously submitted request and, if the request was approved, the updated Appendix C.1. This will help to ensure there will not be an overlap or discrepancy with the Appendix C.1.

1.1.1 “Simple Updates” are changes that do not impact the pricing methodology established within the Contract terms and conditions for an awarded Lot. Simple Updates may include:

- Adding new Products within the established pricing methodology.
- Lowering pricing of Products.
- Changes to Resellers, including additions, deletions or changes to Reseller contact information.

Simple Updates must be submitted to OGS and will take effect after review and approval by OGS of a complete submission.

1.1.2 “Complex Updates” for an awarded Lot may include:

- Adding new Product Categories and/or Products not within the established pricing methodology.
- With respect to Lot 3 – Cloud, any request to add an offering involving a higher risk level must include the corresponding increase in Lot 3 – Cloud Minimum Insurance Requirements (See Section 1.4 for additional information)
- Addition of Bundles (Product Bundle) that fall within the previously approved pricing structure and Product categories (see below Section 1.6.8 Product Bundle Pricing for additional information).
- Deleting Products.
- Annual price increases.
- Adding Products with a 0% Discount.

Complex Updates must be submitted to OGS for review and approval, and must be accompanied by a justification of reasonableness of price in accordance with Section 1.6.1, Reasonableness of Pricing, below. Annual price increases will require submission of documentation to support the increase to the Manufacturer’s Commercial price list. Requests to delete products will require submission of End of Life (EOL) documentation (press release, customer notification, internal notification, etc.) as justification for removal of products. Deleted products will not be allowed to be placed back onto the contract unless approved by OGS.

1.1.3 Request to Add a Lot to an Existing Umbrella Contract.

Contractors wishing to add a Lot (Lot 1 -Software; Lot 2 - Hardware; Lot 3 - Cloud; or Lot 4 - Implementation) to their existing Umbrella Contract shall request a copy of the current Periodic Solicitation submission requirements from OGS. A Request to Add a Lot to an Existing Umbrella Contract must be submitted to OGS for review and approval, and must be accompanied by all information required in the current Periodic Solicitation sections entitled Verifiable Sales, Published Price List, Reasonableness of Pricing, Appendix C.1 Contract Pricing Modifications Lot Specific Requirements (as applicable), and Contractor’s Insurance Requirements (as applicable to the additional lot). Contractor shall not quote or offer Product that is the subject of a Request to Add a Lot to an Existing Umbrella Contract until receipt of approval from OGS.
If Contractor is including Resellers with the new Lot, the Appendix D Contractor and Reseller Information form must be submitted with the Modification request.

Contractor shall not quote or offer Products that are the subject of a Contract Modification until receipt of approval from OGS.

1.2 CONTRACTOR’S SUBMISSION OF CONTRACT MODIFICATIONS

In addition to OGS’s reserved rights in the Contract, OGS reserves the right to:

- Request additional information;
- Reject Contract Modifications;
- Remove Products from Contract Modification requests;
- Request additional discounts for new or existing Products;
- Conduct additional research and request additional information to assess the reasonableness of pricing; and
- Require the Contractor to lower its offered pricing to that which OGS has determined to be reasonable and to remove items from Contractor’s pricelist which are out of scope or for which pricing is determined not to be reasonable.

1.3 PRICE PAGE UPDATES

Appendix C.1 – Contract Pricing Modifications must be submitted for Contract Modifications that affect price. Contractor is required to submit their most recent OGS approved Appendix C.1 electronically (and in hard copy if requested by OGS) to the OGS Contract Administrator.

1.4 INCREASE TO LOT 3 – CLOUD MINIMUM INSURANCE COVERAGE

For all Contract Modifications that will result in a need to increase in Lot 3 – Cloud Minimum Insurance Coverage, Contractor is required to submit the following electronically via e-mail and in hard copy to the OGS Contract Administrator:

- Proof of Insurance Coverage for the Level of Risk
- Contractor Insurance Certification

<table>
<thead>
<tr>
<th>LEVEL OF RISK</th>
<th>MINIMUM INSURANCE COVERAGE BY TYPE OF INSURANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Data Breach and Privacy/Cyber Liability</td>
</tr>
<tr>
<td>Low</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Moderate</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>High</td>
<td>$10,000,000</td>
</tr>
</tbody>
</table>

1.5 SUBMISSION OF MODIFICATION REQUESTS

All Contract Modification requests must be accompanied by a completed Appendix C Contract Modification Form and, if applicable, Appendix C.1 Contract Pricing Modifications.

1.6 PRICING

1.6.1 REASONABLENESS OF PRICING

NYS Net Pricing offered in Appendix C.1 - Contract Pricing Modifications will be reviewed by OGS to assess reasonableness of price. Contractors are encouraged to offer their best possible pricing. The Contract Price Lists referenced in Section 1.6.1.1 below will be accepted as documentation of reasonableness of price. Contractors should carefully read the instructions to Appendix C.1 - Contract Pricing Modifications to be sure that all information requested therein is provided and proposed pricing is equal to or better than the applicable price list referenced in Section 1.6.1.1 below.

In no event shall NYS Net Price in Appendix C.1 - Contract Pricing Modifications exceed the Contractor's list price on their Published Price List.
If Products are not available through one of the types of published price lists referenced, the Products shall not be offered under the Contract.

If reasonableness of pricing is not demonstrated to OGS’s satisfaction, the Contractor’s Contract Modification may be non-approved.

1.6.1.1 Acceptable Documentation of Reasonableness of Price

Acceptable documentation of reasonableness of price, in order of priority, is set forth below. Contractor must submit the documentation highest in the following order of precedence:

1. NYS Centralized Contract Price List
   • NYS Centralized contract must have been approved by NYS
   • Contract Price List shall be the most currently approved or the Price List in effect at Contract expiration
   • If Contract has expired, the expiration date of the Contract shall be no more than one (1) year prior to the submission date of the requested Contract Modification.
   • Contract and Contract Price List shall be included with modification request

2. Federal Contract Price List (may be submitted only if the Products are not available/offered on 1 above)
   • Federal contract must have been approved by the Government Entity
   • Contract Price List shall be the most currently approved or the Price List in effect at Contract expiration
   • If Contract has expired, the expiration date of the Contract shall be no more than one (1) year prior to the submission date of the requested Contract Modification.
   • Contract and Contract Price List shall be included with modification request

3. Other NYS or Government Entity Contract Price List (may be submitted only if the Products are not available/offered on 1 or 2 above)
   • Other NYS or Government Entity contract must have been approved by NYS or the Government Entity
   • Contract Price List shall be the most currently approved or the Price List in effect at Contract expiration
   • If Contract has expired, the expiration date of the Contract shall be no more than one (1) year prior to the submission date of the requested Contract Modification.
   • Contract and Contract Price List shall be included with modification request

4. Paid Invoices from Government Entities (may be submitted only if the Products are not available/offered on 1, 2 or 3 above)
   • Paid invoices (amounts have been paid and funds have been collected) of Products from the same Lots that the contract modification pertains to.
   • Sufficient information to be included on the invoice to identify the qualifying Lot Products including the following:
     o Government Entity
     o Description of Qualifying Lot Products
     o Manufacturer Part Number (SKU)
     o Net price of each qualifying item
   • Invoice date must be no more than six (6) months prior to the submission date of the Contract Modification request or the most current Periodic Recruitment
   • All paid invoices will be included with the Contract Modification request

1.6.2 MONETARY VALUES

All monetary values shall not exceed two decimal points (e.g., $557.2340 shall be rounded to nearest one hundredth $557.23).
1.6.3 DISCOUNT PERCENTAGE

All discount percentage values shall not exceed two decimal places (e.g. 20.25222% shall be rounded to nearest one hundredth 20.25%).

1.6.4 Where the NYS Net Price is based upon an approved GSA Supply Schedule then:

1.6.4.1 Associated Discounts

The Authorized Users shall be entitled to all associated discounts enumerated in the GSA Supply Schedule (including, but not limited to discounts for additional sites and volume discounts), as well as any other pricing or discount terms as are expressly enumerated in this NYS Contract or GSA schedule, when calculating the NYS Net Price.

1.6.4.2 Industrial Funding Fee

GSA pricing incorporates a sum referred to as the “GSA Industrial Funding Fee (IFF)”. Contract prices should be reduced by an amount equivalent to the IFF.

1.6.5 VOLUME DISCOUNTS

A Contractor is encouraged to offer volume discounts.

1.6.6 TRAVEL, MEALS AND LODGING

For Lots 1-3, NYS Net Price is inclusive of travel, meals and lodging.

For Lot 4 – Implementation Services, Net Price is exclusive of travel. When travel, meals and lodging are authorized as an allowable expense in the Authorized User’s RFQ, reimbursement shall be made in accordance with the State’s Travel Reimbursement Manual (http://www.osc.state.ny.us/agencies/travel/manual.pdf) published by the New York State Office of the State Comptroller.

1.6.7 MAINTENANCE/SUPPORT OPTIONS

Maintenance/Support options, including a detailed description of each type of maintenance/support offering, (e.g. response time, 24 x 7 coverage, etc.) must be provided in Appendix C.1 - Contract Pricing Modifications. The description shall also include the Product for which the maintenance/support is being offered.

1.6.8 BUNDLE PRICING

Each Bundle shall be listed on the Bundle Worksheet tab on the Appendix C.1 Contract Pricing Modifications for the applicable Lot. The breakout is to include, at minimum: 1) Component Manufacturer, 2) Product Name, 3) Product Description, 4) Manufacturer SKU, 5) list price, and 6) discount from list price for each component of the Product Bundle.

1.6.9 PROPRIETARY MAINTENANCE/SUPPORT AND PRE-PACKAGED TRAINING PRODUCTS

For Lots 1-3, Contractor may include for its Proprietary product line, Maintenance/support, and pre-packaged training.

1.6.10 PERCENTAGE DISCOUNTS

All percentage discounts shall remain firm (unchanged) or may be increased by the Contractor for the duration of the resulting Contract. It is not acceptable to request SKUs be moved from a Product Category with a higher discount to a Product Category with a lower discount.

1.6.11 PRICE INCREASES
Pricing submitted with the Solicitation response shall remain in effect for a minimum of one year from the Vendor Submission due date. Thereafter, Contractor may request annual price increases to reflect Manufacturer’s price changes. Price increases are subject to all Contract update provisions included herein, including documentation of reasonableness of price.

1.7 LOT SPECIFIC PRICING REQUIREMENTS

1.7.1 LOT 1 - SOFTWARE

1.7.1.1 Pricing Calculations

A Contractor must provide a detailed line item breakout in Appendix C.1 - Contract Pricing Modifications of Software options including, but not limited to licensing metrics, total annual cost including all support, Maintenance/support, Fleet Management, and technical offerings.

Calculations of Software pricing shall be based on per user, per device, per seat, per site, per enterprise license, the size of the industry standard logical partition, virtual partition or, in the absence of industry standard logical or virtual partitions, pricing shall be based on the machine capacity on which the Software is installed and running, rather than the size of the entire machine on which the partition is resident. OGS reserves the right to evaluate any alternative pricing structure that is or becomes commercially available throughout the term of the Contract.

1.7.2 LOT 2 – HARDWARE

1.7.2.1 Imaging and/or Loading Services

Upon request from Authorized User, image creation and/or image loading onto Authorized User Equipment (e.g. desktops, laptops, tablets, and servers) may be provided by the Contractor. If the Contractor charges a fee, Appendix C.1 - Contract Pricing Modifications must include SKUs for imaging and/or loading services. Contractor may require Authorized User to show proof of license for image creation and/or image loading.

1.7.2.2 Refurbished or Remanufactured Parts

Refurbished or remanufactured parts will be allowed on Appendix C.1 - Contract Pricing Modifications. In order to maintain End Of Life/obsolete existing Equipment, refurbished or remanufactured parts may be offered when new parts are not in production. Refurbished or remanufactured parts must be clearly labeled as “Refurbished Parts” or “Remanufactured Parts,” respectively.

1.7.2.3 Related Software

Software which is bundled with Hardware and is required for installation, configuration, and is integral to the operation of the Hardware. This Related Software must be acquired and delivered at the time of the Hardware purchase.

1.7.3 LOT 3 – CLOUD

1.7.3.1 Data Transfer Upon Transition Costs

Appendix C.1 - Contract Pricing Modifications shall include a SKU for Data transfer costs (at the end of the Contract and/or Authorized User Agreement term). Appendix C.1 - Contract Pricing Modifications shall include a SKU for:

- per unit (e.g. megabyte (MB), gigabyte (GB), terabyte (TB), petabyte (PB)) stored data transfer; and
- per unit (e.g. MB, GB, TB, PB) for real-time data transfer.
1.7.4 LOT 4 – IMPLEMENTATION

1.7.4.1 Titles Associated with Implementation Services

Contractors shall submit all titles and not to exceed hourly rates associated with Implementation Services. These rates must be as provided in the Appendix C.1 - Contract Pricing Modifications. The price information shall exclude all travel/lodging/and per diem costs.
## Contract Modification Form

<table>
<thead>
<tr>
<th>Contract No.</th>
<th>Contract Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Information Technology Umbrella Contract – Manufacturer Based (Statewide)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Contractor Name</th>
<th>Contract Period</th>
<th>Date of Submission</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td>To</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Contact Name</th>
<th>Contractor Phone Number</th>
<th>Contractor E-Mail</th>
</tr>
</thead>
</table>

**NOTE:** Submission of this form does not constitute acceptance by the State of New York until approved by OGS.

**INSTRUCTIONS:**

1. This form is to be used for all Contract Modifications. Any submission that is not completed and signed will be returned for completion and/or signature.
2. The form is to be completed in full, signed and submitted to OGS for approval at:

   State of New York Office of General Services  
   Procurement Services  
   Corning Tower – 38th Floor  
   Empire State Plaza  
   Albany, New York 12242

3. Contractor shall submit the Product and price level information for the Contract Modification electronically via e-mail by means of Appendix C-1 (and in hardcopy if requested by OGS) to the OGS Contract Administrator for this Contract.
4. Price level increase requests must be submitted in accordance with the terms and conditions herein.
5. OGS will return a copy of this form to the Contractor with the results of the OGS Review.

### Indicate Which Lot Modification Request is For

- [ ] Lot 1 Software  
- [ ] Lot 2 Hardware  
- [ ] Lot 3 Cloud  
- [ ] Lot 4 Implementation

### Request Type

<table>
<thead>
<tr>
<th>Request Type</th>
<th>Description of Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Additions of new Products or services within the established, previously approved pricing structure and Product offerings, but within the current Lot.</td>
</tr>
<tr>
<td></td>
<td>Change in pricing resulting in decreased NYS pricing</td>
</tr>
</tbody>
</table>
|              | Change to Resellers:  
|              | Addition  
|              | Deletion  
|              | Revision |

- [ ] Complex Update  
- [ ] Adding new Products or services not within the established, previously approved pricing structure and Product offerings, but within current Lot  
- [ ] Addition of Bundles  
- [ ] Annual Price Increases  
- [ ] Deletion of Products or services  
- [ ] Increase to Lot 3 – Cloud Minimum Insurance Risk Coverage:  
  - [ ] Moderate  
  - [ ] High  
- [ ] Reasonableness of Price Documentation is Attached
Adding New Lot  ☐ Lot 1 Software  ☐ Lot 2 Hardware  ☐ Lot 3 Cloud  ☐ Lot 4 Implementation  
☐ Required Verifiable Sales information is attached  
☐ Required Published Price List information is attached  
☐ Required Reasonableness of Pricing information is attached  
☐ Required Price Pages are completed and attached  
☐ Required Lot Specific Requirements have been met  
☐ Proof of Required Insurance (as applicable to the additional lot) is attached.

Submitted Appendix C.1:  ☐ Yes  ☐ No

All Discounts Are
☐ GSA  
Most Favored Nation (Prices offered are the lowest offered to any similarly situated entity)  
☐ Other - Please Explain:

Attached Documentation Includes
☐ NYS Centralized Price List (indicate Contract #       )  
☐ Federal Contract Price List (indicate Federal Contract #       )  
☐ Other NYS or Governmental Entity Contract (indicate Entity and Contract #       )  
☐ Paid Invoices from Governmental Entity (Identify Customer Name       )  
☐ Governmental Entity Contract Price List and/or Invoices of Reseller (where Products are sold by Reseller) (Indicate Contract #       , Customer Name       and Reseller Name       )  
☐ Manufacturer’s Commercial Price List  
☐ Manufacturer’s Suggested Price List  
☐ Manufacturer’s Suggested Retail Price List  
☐ Manufacturer’s Online Store Pricing  
☐ Revised Appendix D – Contractor and Reseller Information  
☐ Justification required for Contract Modification  
☐ Other - Please Explain:

Description and Purpose of Contract Modification
Describe the nature, purpose and necessity for the Contract Modification.
ACKNOWLEDGEMENT

By signing the following ACKNOWLEDGEMENT statement, you certify your express authority to sign on behalf of yourself, your company, or other entity. The authorized Contractor representative’s signature must be notarized.

____________________________________________
Signature of Authorized Contractor Representative

STATE OF } ss.:
COUNTY OF }

On the _____day of ____________ in the year 20____, before me personally came: ____________________________, to me known, who, being by me duly sworn, did depose and say that _he maintains a business in ________________; that _he is the __________________________ of _____________________________________________________, the corporation/ partnership/ Limited Liability Company described in the above instrument; that, _he is authorized to execute the foregoing instrument on behalf of the corporation/ partnership/ Limited Liability Company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation/ partnership/ Limited Liability Company as the act and deed of said corporation/ partnership/ Limited Liability Company.

Notary Public

OGS REVIEW

SIMPLE UPDATE
☐ Approved, Subject to Post-Audit
☐ Disapproved on Post-Audit (See OGS Comments)

COMPLEX UPDATE
☐ Approved
☐ Approved as Amended
☐ Disapproved (see OGS Comments)

ADDITION OF NEW LOT
☐ Approved
☐ Approved as Amended
☐ Disapproved (see OGS Comments)

OGS Comments:

Name: ________________________________________  Date _______________________
Title: ________________________________________