



Department of General Services (DGS)  
Procurement Division (PD)  
Multiple Awards Program Section (MAPS)  
707 Third Street, 2nd Floor  
West Sacramento, CA 95605-2811

State of California  
**Non-Mandatory**  
**Master Service Agreement (MSA)**  
**USER INSTRUCTIONS (UI)**  
**EFFECTIVE 02/03/15**

TITLE/DESCRIPTION:	Information Technology (IT) Negotiations Consulting Services
CONTRACT NUMBER(S) AND CONTRACTORS:	5147001-001 Information Systems Asset Management, Inc. 5147001-002 Intueor Consulting Inc. 5147003-003 Software Contract Solutions, Inc.
MSA TERM:	02/03/15 through 01/29/18
SINGLE ORDER LIMIT:	\$1,500,000.00, including amendments, unless otherwise specified.
FOR USE BY:	State and Local Governmental Agencies
CONTRACT WEBSITE:	<a href="http://www.dgs.ca.gov/pd/Programs/Leveraged/masteragreements/ITnegotiations.aspx">http://www.dgs.ca.gov/pd/Programs/Leveraged/masteragreements/ITnegotiations.aspx</a>

**REMINDER TO STATE AGENCIES:**

Prior to procuring IT Negotiations Consulting Services, state agencies are reminded to have obtained all required approvals and followed all applicable state statutes, regulations, policies and procedures.

Carefully review the User Instructions in their entirety. For questions, please contact the Department of General Services, Procurement Division (DGS-PD) State Contract Administrator and reference the "Title/Description" and/or Contract Number listed above.

**IT Negotiations Consulting Services MSA  
User Instructions  
Effective 2/3/15**

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## 1. OVERVIEW

- A. The Information Technology (IT) Negotiations Consulting Services Master Service Agreement (MSA) consists of three separate contracts (referenced as “individual MSAs”) to provide IT negotiations consulting services for California State agencies and local governmental agencies (referenced as “ordering agencies”).

[5147001-001](#) Information Systems Asset Management, Inc.

[5147001-002](#) Intueor Consulting Inc. (SB 44932)\*

[5147001-003](#) Software Contract Solutions, Inc. (SB 23818)\*

Click the links to view the terms and conditions of each individual MSA.

\*California certified Small Business (SB) Certification number

- B. California state agencies must comply with these User Instructions (UI).
- C. Each local governmental agency makes its own determination whether use of the MSA and compliance with UI are consistent with its procurement policies and regulations. A local governmental agency is defined as any city and/or county, district, or other local governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds.

## 2. TERM

- A. Each individual MSA term is February 3, 2015 to January 29, 2018. Ordering agencies’ purchase contracts shall not exceed this period.
- B. At its discretion, the Department of General Services (DGS) may exercise options to extend individual MSAs for two additional one-year periods.

## 3. SERVICES

- A. Ordering agencies may procure IT negotiation services for existing and proposed contracts for software, software licenses, software upgrades and ancillary services such as software maintenance and support, software installation and software training. The scope of services may encompass a single project or multiple projects within a purchase contract term specified in the ordering agency’s Request for Offer (RFO).
- B. Each contractor will provide two types of IT negotiations consulting services in accordance with the MSA Statement of Work (SOW) and the RFO SOW.

**Terms Value Analysis (TVA)** – Contractor shall provide a validation that the ordering agency achieved fair and reasonable pricing and contract terms and/or recommendations to attain lower pricing and/or more favorable contract terms.

**Terms Negotiations (TN)** – Contractor shall provide assistance to negotiate prices and contract terms with specified IT software suppliers.

#### 4. HOURLY RATES

- A. Table 4.A identifies the maximum TVA and TN hourly rates each contractor may charge ordering agencies. Ordering agencies are encouraged to seek lower rates during the RFO process.

Table 4.A: Maximum Hourly Rates

MSA	Contractor	TVA	TN
5147001-001	Information Systems Asset Management, Inc.	\$235	\$300
5147001-002	Intueor Consulting Inc.	\$200	\$225
5147003-003	Software Contract Solutions, Inc.	\$182	\$263

- B. At the ordering agency’s discretion, payment terms in the RFO may be based on a percentage of contract savings resulting from TN services instead of hourly rates. Payment based on a percentage shall not exceed 20 percent of contract savings resulting from negotiations or \$249,999.99, whichever is the lesser.

#### 5. ORDER LIMIT

- A. For a purchase contract with hourly rate payment terms, the order limit including amendments is \$1,500,000.00, subject to the ordering agency’s approved delegated purchasing authority. For more information regarding delegated purchasing authority, contact [PAMS@dgs.ca.gov](mailto:PAMS@dgs.ca.gov)
- B. For a purchase contract with payment terms based on contract savings, the order limit including amendments is \$249,999.99.

#### 6. REQUEST FOR OFFER (RFO)

- A. Ordering agencies must contact a minimum of two (2) contractors to solicit offers and document the same number of responses in the procurement file. In the case of a contractor who does not respond to a RFO, the ordering agency must contact the contractor (e.g. phone or email) to document why they did not respond.
- B. A minimum of one (1) responsive and responsible offer is required for RFO award.
- C. RFOs may require contractors to provide only one type of service, TVA only or TN only, or both TVA and TN services.
- D. DGS recommends ordering agencies evaluate both TVA and TN services as options in the RFO. Options assessed and considered in the selection for award during the RFO process may be exercised through contract amendments.

- E. If an ordering agency did not evaluate either TVA or TN services in the RFO and wish to subsequently purchase these services, it must:
- 1) Issue a separate RFO and comply with Public Contract Code section 10365.5 prohibiting follow on contracting. OR
  - 2) Seek approval for a Non-Competitive Bid (NCB) in accordance to SCM Vol. 3, Chapter 5.

## **7. FOLLOW-ON CONTRACT PROHIBITION**

Ordering agencies must comply with Public Contract Code section 10365.5 prohibiting follow-on contacting.

- A. An ordering agency that contracts for only TVA services is prohibited from contracting with the same contractor for TN services.
- B. An ordering agency that contracts for only TN services is prohibited from contracting with the same contractor who provided TVA services.

## **8. PCC SECTION 6611 NEGOTIATIONS**

Public Contract Code Section 6611 (PCC 6611) sections (a) and (b) set forth the conditions under which DGS may use negotiations for new and existing contracts and/or procurements.

- A. Prior to releasing a RFO that includes TN services, ordering agencies must seek advance approval for use of PCC section 6611 from DGS in accordance to the Negotiations Process Guide found in State Contracting Manual, Chapter 2, Topic 5 and linked below:  
<http://www.documents.dgs.ca.gov/pd/poliproc/6611%20Negotiations%20Guidebook/6611%20Negotiation%20Process%20Guide.docx>
- B. Submit the RFO, PCC 6611 Negotiations Justification and any supporting documents to the Contract Administrator.

## **9. ORDERING PROCEDURES**

- A. The documents used to execute purchase contracts are the state's Standard Forms (STD) 215 and 213IT. See SCM Volume 3, Chapter 8. Local governmental agencies may use their own purchase contract documents in lieu of the STD 215 and 213IT.
- B. Upon execution of its purchase documents, the ordering agency provides copies to DGS at the following two (2) addresses:
  - One (1) copy of STD 215 and STD 213IT (and any amendments) to Masters Unit 1, 707 Third St., 2<sup>nd</sup> Floor, West Sacramento, CA 95605
  - One (1) copy of STD 215 and STD 213 (and any amendments) to Data Entry Unit, 707 Third St., 2<sup>nd</sup> Floor, West Sacramento, CA 95605

Follow other SCM Volume 3 policy and procedures (e.g., State Contracting and Procurement Registration System (SCPRS)).

## 10. ADMINISTRATIVE

- A. For questions, refer to the webpage provided in page 1 of this document or contact the State Contract Administrator listed below:

Diane Leung  
DGS-Procurement Division, Multiple Awards Program  
707 Third Street, #02-144, West Sacramento, CA 95605  
Office: (916) 375-4635 Fax: (916) 375-4663  
Email: [diane.leung@dgs.ca.gov](mailto:diane.leung@dgs.ca.gov)

- B. Ordering agencies must have a DGS billing code **prior** to placing orders against this MSA. To obtain this billing code:

▶ State user agencies shall contact their fiscal office to obtain this information.

▶ Local governmental agencies should email one of these DGS Billing Code Contacts: [marilyn.ebert@dgs.ca.gov](mailto:marilyn.ebert@dgs.ca.gov) with the following information:

- Local governmental agency name
- Local governmental agency contact name
- Local governmental agency contact telephone and facsimile numbers
- Local governmental agency contact email address
- Local governmental agency mailing address

- C. DGS will bill each state agency an administrative fee to use this MSA. The administrative fee should NOT be included by the ordering agency in the order total, nor remitted before an invoice is received from DGS. Current fees (rates) are available online at <http://www.dgs.ca.gov/ofs/Resources/Pricebook.aspx> (Click on "Purchasing" under Procurement Division).

- D. Advisory - For all local governmental agency transactions issued against this MSA, contractor remits to DGS an Incentive Fee of an amount equal to one percent (1%) of the total purchase contract amount including amendments, excluding taxes and freight. Local agencies should monitor their offer(s) and subsequent contract(s) to ensure the 1% fee has not be included in the purchase price nor invoiced separately. All prices offered to a local governmental agency by the contractor shall reflect its awarded MSA rates.

- E. Ordering agencies should inform DGS of contractor or contracting issues in a timely manner.