

**MASTER SERVICES AGREEMENT**

between

**TEXAS EDUCATION AGENCY**

and

**SKYWARD, INC.**

**July 26, 2012**

**LEA PRICING**

**EXHIBIT A-7.1**

**SERVICE LEVEL AGREEMENTS**

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## 1 General Pricing

This Statement of Work (SOW) documents the Pricing plan to be provided to TEA by the Vendor and sets forth the mutual understanding of the Parties regarding the roles, deliverables, and responsibilities of TEA and the Vendor, under the Master Services Agreement (the Agreement) entered into by the Parties as of the Effective Date.

The scope of pricing is as follows:

- Implementation and Project Management
- Data Conversion
- Annual Subscription for CORE Products
- Annual Subscription for Optional Modules
- Application Hosting
- Field Services

The Vendor will meet agreed-on responsibilities. TEA will meet agreed-on responsibilities so that the Vendor can produce the identified deliverables and Service Levels. Each of the Parties shall be responsible and obligated to perform only those responsibilities stated in this document.

### 1.1 Glossary – General Terms

A glossary of definitions and explanations that apply to this Exhibit A-7.1 are provided in a separate document titled Exhibit A-1 – Definitions.

### 1.2 Statement of Work Change Control

Any change or modification to the Vendor Services will be performed through the Change Control Procedures in Section 1.9 of the Agreement. If new or additional the Vendor Services are required, such services may be provided pursuant to Section 1.3 of the Agreement and will be provided pursuant to the Terms and Conditions set forth herein and will then become part of the Vendor Services. Any other changes or modifications to the Vendor Services may be performed pursuant to the Change Control procedures in Section 1.9 of the Agreement and would be provided pursuant to mutually agreed-on Terms and Conditions. To the extent any such changes or modifications have not been agreed through the Change Control procedures, the Vendor shall have no obligation to perform such modified services.

## 2 General Responsibilities

Since pricing will be based upon student enrollment, TEA and the Vendor agree to use enrollment numbers from the Public Education Information Management System (PEIMS) Submission 1 as reported via the following website.

<http://mansfield.tea.state.tx.us/TEA.AskTED.Web/Forms/ReportMain.aspx>

If this site is unavailable, a new publicly available and mutually agreeable avenue will be selected by TEA and the Vendor.

## **2.1 Vendor Responsibilities**

### **2.1.1 Pricing Management**

- Provide one (1) resource as a primary point of contact to TEA for pricing issues
- The resource will:
  - Work closely with TEA to define requirements for ongoing pricing, communicate status, and escalate problems or issues as necessary
  - Manage the Vendor's pricing strategy, planning, and implementation for the Agreement

## **2.2 TEA Responsibilities**

### **2.2.1 Account Management**

- Provide a list of primary and backup contacts for ongoing interaction with Vendor pricing management and provide updates as appropriate
- Provide business change forecasts that may affect sales by the Vendor, with reasonable lead time such that the Vendor can make the needed changes without compromising its ability to meet agreed sales goals
- Make management decisions and provide information, authorizations, approvals, and acceptances on a timely basis so that the Vendor can adjust pricing properly, efficiently, and within time constraints

## **3 Pricing Overview**

The Pricing Overview documents the pricing structure for services provided by the Vendor to the LEA. Pricing is identified in the following categories:

- Implementation and Project Management
- Data Conversion
- Annual Subscription for CORE Products
- Annual Subscription for Optional Modules
- Application Hosting
- ~~Field Services~~ Professional Services

Subscription and Hosting fees are fixed for the first five (5) full fiscal years of the contract. The not-to-exceed per student subscription fee, including the Vendor provided help-desk support, for the Agreement for each year for the first five (5) years of product as described in this Exhibit A-7.1 LEA Pricing.

Upon completion of the initial contract on August 31, 2016, the CORE subscription per student fee, and ASP hosting fee will float for an additional 5 year based upon the CPI-U rate or a fixed rate of 3.8% - whichever is greater calculated as described in Schedule 8.3 – Annual Adjustment to Charges. At no time however will the increase ever exceed 5% in any one year.

No pre-payment discounts are allowed or offered for LEAs purchasing under the agreement.

### **3.1 Implementation and Project Management**

The LEA will not be charged greater than the fees described in Exhibit A-7.2 LEA Pricing Scenarios, based on LEA enrollment for the CORE products, subject to the annual adjustments described in Schedule 8.3 – Annual Adjustment to Charges. Exceptions to this rate will be mutually agreed upon between the Vendor and the LEA. These fees do not include travel/per diem. The training grid will need to be followed explicitly and any deviations (LEA wanting onsite as opposed to class room training, for example) will change the pricing structure and a new quote will be created using the same rates as negotiated in the TEA contract.

Implementation costs shall adhere to not-to-exceed fees by LEA enrollment size as described in Exhibit A-7.2 LEA Pricing Scenarios.

Included in the baseline Project Management cost for the state is two (2) hours of Vendor-provided project management to assist the ESCs for each LEA installation.

### **3.2 Data Conversion**

The LEA will not be charged greater than the fees described in Exhibit A-7.2 LEA Pricing Scenarios, based on LEA enrollment for the CORE products, subject to the annual adjustments described in Schedule 8.3 – Annual Adjustment to Charges.

#### **3.2.1 Five (5) Years**

As part of the not-to-exceed fee, the LEA must provide data in the following manner:

- The LEA must provide the data from only one (1) Student Information System (SIS) vendor. Conversions costs will be increased if the LEAs send the Vendor two (2) data sets with one (1) being from X vendor and the other from Y vendor and the Vendor is required to merge the data.
- The LEA's data must be a combined data set versus receiving individual data files per campus. For example, the Vendor should only receive one (1) file with all the student demographic data for the entire LEA. If there are any exceptions to the above, additional fees will apply.
- The vendor will not convert any LEA-supplied custom screens or user defined fields.
- Data for conversion must be supplied in ASCII text, tab-delimited format.

- The conversion must be an end-of-year conversion, not a midyear conversion.
- The conversion will be a snap shot in format with no modifications of the data. Changes, when requested, would be done at an additional billable charge.

#### 3.2.1.1 Student Management Suite Conversion Descriptions

- Demographic Information

Demographic Information includes student identifying information including the student name, gender, birth date, grade level, entry / withdrawal history, and cumulative credit / GPA totals. Family information includes parent / guardian names, addresses, and I / employer occupation of the parents. Lockers may be included if part of the conversion database. PEIMS reporting fields will be included as part of the conversion database.

- Scheduling

Depending on the timeframe of the implementation, conversion of scheduling data will include current year courses and schedules or next year course master and student requests.

- Current Year Courses and Schedules

Conversion includes current course master file, including courses and sections. The course master file will be converted to a format compatible with our system and students will be reassigned to their courses, OR

- Next Year Course Master and Student Requests

The course master for next year and student requests will be converted to a Vendor compatible format. This will allow student scheduling requests to be submitted and entered into the Student Management Suite so the LEA can complete the scheduling process for the upcoming school year.

- History - Grading (High School Only)

If history of grades has been maintained for the student, this conversion will cover the grade for the student and assign to the course, if available. This conversion will be completed for current year high school students and the most recent graduating class.

- History – five (5) years Summary Attendance

If accurate history is maintained and available in a format that can be converted to a compatible format for the Vendor's system, Summary Attendance can be converted to display total number of days Excused, Unexcused, Tardy and Exempt by student.

- Immunizations- five (5) years.

Immunizations can be converted to show total doses and other information for reporting needs.

- Discipline Summary- 5 Years.

Discipline summary information can be converted that will show number of incidents, only.

### **3.2.2 Ten (10) Years**

As part of the not-to-exceed fee, the LEA must provide data in the following manner:

- The LEA must provide the data from only one (1) Student Information System (SIS) vendor. Conversions costs will be increased if the LEA send the Vendor two (2) data sets with one (1) being from X vendor and the other from Y vendor and the Vendor is required to merge the data.
- The LEA's data must be a combined data set versus receiving individual data files per campus. For example, the Vendor should only get one (1) file with all the student demographic data for the entire LEA. If there are any exceptions to the above, additional fees will apply.
- The Vendor will not convert any LEA-supplied custom screens or user defined fields.
- The Vendor will convert ten (10) years of transcript history for graduated students who have been enrolled in the high school and have graduated.
- Data for conversion must be supplied in ASCII text, tab-delimited format.
- The conversion must be an end-of-year conversion, not a midyear conversion.
- The conversion will be a snap shot in format with no modifications of the data. Changes of this nature, when requested, would be done at an additional billable charge.

### **3.3 Annual Subscription for CORE Products**

The CORE functionality included in the annual subscription are as follows:

- Academic Eligibility
- Attendance
- Bus Scheduling Interface
- Census / Demographics
- Data Mining
- Extra Curricular Activities
  - Gifted & Talented
  - Grading & Transcripts
  - Graduation Requirements
  - Guidance Office Management
  - Health Records

- Lesson Plans
  - Library
  - Open Enrollment
  - Report Cards
  - Scheduling
- Secondary Gradebook
  - Skyport
- Administrator Access
- Advisor Access
- Family Access
- Student Access
- Teacher Access
- Standards Gradebook
- Student Activities
  - State & Federal Reports
  - Transportation Reports

The subscription fee as stated in Exhibit A-7.2 LEA Pricing Scenarios, page 2, is a Not-to-Exceed subscription fee under the contract.

Subscription fees are fixed for the first five (5) full fiscal years of the Agreement.

LEAs that do not pay subscription fee for a following year will retain use of product as long as they pay hosting costs, but receive no support, upgrades or maintenance from the Vendor.

### **3.3.1 Vendor Responsibilities**

- Establish annual subscription rates on a per student basis
- Included product support and its costs in the subscription fee
- Include product maintenance is in the subscription fee
- Include product enhancements and their costs in the subscription fee



- Offer Agreement fees to all Texas Public Schools.

### **3.4 Annual Subscription for Optional Modules**

The Vendor offers additional modules that are not part of the “CORE” modules. These modules may be purchased at the not-to-exceed fee per student on an annual basis as described in Exhibit A-7.2 LEA Pricing Scenarios.

The Optional Module subscription price will be standard for any student subscription under contract regardless of LEA size.

These fees will be fixed for the initial year of each LEA deployment. After the initial full fiscal year of use, the fee will be adjusted in the same manner as the CORE module fees tied to the CPI-U or fixed rate of 3.8% increase, whichever is greater, calculated as described in Schedule 8.3 – Annual Adjustment to Charges. At no time will the increase ever exceed 5% in any one year.

LEAs that do not pay subscription fee for a following year will retain use of product as long as they pay hosting costs, but get no support, upgrades or maintenance.

#### **3.4.1 Vendor Responsibilities**

- Establish annual subscription rates on a per student basis
- Included product support and its costs in the subscription fee
- Include product maintenance is in the subscription fee
- Include product enhancements and their costs in the subscription fee
- Revise subscription fees due to economies of scale and technology which may actually lower costs over time
- Offer Agreement fees to all Texas Public Schools.

### **3.5 Application Hosting**

The hosting fee will be standard for any student subscription under Agreement regardless of LEA size, as described in Exhibit A-7.2 LEA Pricing Scenarios.

Each LEA will pay a onetime fee for Hosting Setup fee, as described in Exhibit A-7.2 LEA Pricing Scenarios.

Hosting fees are fixed for the first five (5) full fiscal years of the Agreement.

The Vendor will be the prime contractor for all hosting under the Agreement. The Vendor will be liable for hosting and will be responsible for any hosting negotiations and issues within the terms of the Agreement.

#### **3.5.1 Vendor Responsibilities**

Offer Agreement rates to all existing Vendor clients

### 3.6 ~~Field Services~~ Professional Services

Professional Services will be offered ~~Appropriate services~~ at a standard, state-negotiated rate. ~~Needs clarification as to who is~~ The Vendor provides services to LEAs based on specific definitions of services negotiated by the LEA and the Vendor. ~~and what services are being provided.~~

LEA's can elect to purchase flat rate, 8 hour daily training that includes all travel and expenses. This will include all expenses: car rental, mileage, per diem, hotel, and lodging. The daily flat onsite training rate will be \$1,250 per 8-hour day.

The Vendor will follow the general guidelines of travel costs as directed by Textravel.

No funds shall be used to pay for food costs (i.e., refreshments, banquets, group meals, etc.) unless requested as a specific line item in the budget by the Vendor and approved (prior to expenditures occurring) by TEA. This applies to both federally and state funded Contracts.

The Vendor will make a good faith effort to comply with the State of Texas Travel Guidelines. TEA may at its discretion approve requests for reimbursement of travel which exceed the State of Texas Travel Guidelines. The Vendor shall maintain receipts in accordance with item H of the General Provisions. The Comptroller's website for travel rules and regulations – Textravel:

<https://fmx.cpa.state.tx.us/fmx/travel/texttravel/index.php>

Receipts must be made available for programmatic or financial audit, by TEA and by others authorized by law or regulation to make such an audit, for a period of not less than five (5) years.

#### 3.6.1 Vendor Responsibilities

The Vendor will offer professional services to the LEA's and TEA at the stated Agreement rates shown in MSA Exhibit A-7.2\_LEA Pricing Scenarios.