

**MASTER SERVICES AGREEMENT**

between

**THE TEXAS EDUCATION AGENCY**

and

**VENDOR**

**Addendum 7**

**February 14, 2013**

**EXHIBIT C-1**

**STATE ADAPTATION COSTS**

## 1 State Adaptation Costs

TEA agrees to fund certain costs outlined in RFO # 701-11-030. Those costs are:

- Cost related to adaptation of the COTS product(s) to meet the required base configuration
- Cost of any additional required components
- Cost of all one-time set up charges

## 2 Vendor Payment Schedule

Deliverables	FY 2011	FY 2012	FY 2013	TOTAL
Escrow Services	\$57,000			\$57,000
Functional Enhancement Deliverables		\$91,080	\$396,175	\$487,255
Texas Data Center Setup		\$405,000	\$85,000	\$490,000
Project Management Services	\$100,000	\$66,666		\$166,666
Texas Marketing and Sales Plan (CY 2012)		\$25,000		\$25,000
Texas Marketing and Sales Plan (CY 2013)			\$35,000	\$35,000
Benefits Realization Strategy		\$40,000	\$20,000	\$60,000
Functional Enhancement Project Plan		\$28,000		\$28,000
Non-Functional (Technical) Requirements Roadmap		\$28,000		\$28,000
Texas Data Center Setup Project Plan		\$20,000		\$20,000
Texas Data Center Setup Quality Plan and Test Results		\$45,000		\$45,000
State Adaptation Implementation Planning (Master Project Plan and Schedule)		\$106,200	\$127,134	\$233,334

Deliverables	FY 2011	FY 2012	FY 2013	TOTAL
SSIS Governance Manual		\$75,000		\$75,000
RMS Enhancements		\$50,000		\$50,000
Functional Enhancement Software Quality Plan		\$30,000		\$30,000
LEA Support – ESC Staff Pass Through		\$440,000	\$160,000	\$600,000
<b>TOTAL</b>	<b>\$157,000</b>	<b>\$1,449,946</b>	<b>\$823,309</b>	<b>\$2,430,255</b>

## 2.1 Functional Requirements Enhancements

These costs are for adaptation of the Vendor SIS to meet the required base configuration as described in RFO 701-11-030. Enhancements are to be completed by the Vendor as directed by TEA to meet RFO Functional Requirements. Payment for each deliverable will be due upon acceptance by the TEA Contract Manager.

### 2.1.1 FY 2012 Payments

TEA paid the Vendor a payment of \$91,080 for completion of design documents (tutorials) for enhancements to their student information system.

### 2.1.2 FY 2013 Payments

TEA will pay the Vendor payments totalling \$396,175 for completion of requirements validation and design, coding, quality assurance testing, user acceptance testing and test results, and deployment for enhancements delivered by June 30, 2013. Payments represent the cost of active P4 and P5 enhancements in addition to a set of approved TSUG enhancements that have been mutually agreed by TEA and Skyward to be substituted for the P4 and P5 enhancements that have been cancelled based on the analysis of the initial set of requirements.

<b>FY 2013 Functional Enhancement Cost Summary</b> (Cost includes: Requirements, Design, Build, QA, UAT Scripts / Results, Deployment)	<b>Revised Cost as of 11/15/2012</b>	<b>Comments</b>
Cost of Active P4 and P5 Requirements:	\$ 89,415	
Cost of Cancelled P4 and P5 Requirements: Skyward cancels due to not feasible (1)	\$ -	No charge to TEA for cancellation
Cost of Cancelled P4 and P5 Requirements: Skyward functionality already existed prior to June 2011 or acceptable workaround provided (11)	\$ 11,000	Cost of \$1,000 per each cancellation for requirements analysis
Cost of Cancelled P4 and P5 Requirements: TEA cancels due to requirements not validated (8)	\$ 8,000	Cost of \$1,000 per each cancellation for requirements analysis
Cost of Added Enhancements: Substituted for those that were cancelled (21)	\$ 287,760	
<b>Total Revised Cost of Functional Enhancements for FY 2013</b>	<b>\$ 396,175</b>	
<b>Total Cost of Requirements remaining on contract for FY 2013</b>	<b>\$ 396,175</b>	

## 2.2 One-Time Setup Charges

TEA will pay the Vendor for services rendered to fulfill the software escrow and data center setup requirements.

### 2.2.1 Escrow Services

The SSIS solution vendor has a requirement to maintain complete and up-to-date copies of all software (source code and all necessary components) in escrow to support business continuity. The Vendor must ensure that the SSIS solution can be build from the source code in escrow.

TEA paid the Vendor a payment of \$57,000 in FY 2011 for escrow services within 30 days of invoice and Vendor delivery of:

- A signed agreement between the Vendor and Iron Mountain Inc. creating the escrow account
- Verification from Iron Mountain Inc. that a current copy of the SSIS is stored in the escrow account

### 2.2.2 Texas Data Center Setup

The Vendor has a requirement to deploy the SSIS in a configuration that includes at least two (2) data centers with mutual failover capabilities, and at least one must be located in Texas.

TEA will pay the Vendor a payment of \$405,000 in FY 2012 for creating a Texas data center in the Dallas area by no later than December, 2011. This includes any fees associated with testing and deployment of the following:

- Installation and deployment of hardware infrastructure
- Network deployment and configuration, to include operating system licensing
- Deployment of all components of the SSIS application
- Deployment of the first SSIS customer
- Migration of existing Texas Skyward customers at Skyward's discretion at contract renewal or December 2013 whichever is later

TEA will make the payment within 30 days of invoice and Vendor delivery of:

- Contract between the Vendor subcontractor and the data center hosting facility
- Confirmation from the data center that hardware and network infrastructure and all software comprising the SSIS have been deployed
- Acceptance by TEA after data center site visit and inspection

TEA will pay the Vendor a payment of \$85,000 in FY 2013 for data center annual fee.

## **2.3 Project Management Services**

The Vendor Project Manager Services will be the primary liaison between the Vendor and TEA. Project Manager Services will lead the Vendor resources for:

- Conducting Meetings
- Delivery of Reports
- Management of Project Plans
- Development of the Governance Manual with TEA

In FY 2011 TEA paid the Vendor payments of \$33,333, for June 2011 and July 2011, within 30 days of monthly invoicing, for services rendered. TEA paid the Vendor a payment of \$33,334 for August 2011 for a total of \$100,000 in FY 2011.

In FY 2012 TEA paid the Vendor two payments of \$33,333, for September 2011 and October 2011, within 30 days of monthly invoicing for services rendered. Effective with this amendment, this contract changes to a deliverables-based project management payment plan effective through the end of the June 2013. For the remainder of FY 2012 TEA will

pay the vendor payments of \$447,200, within 30 days of monthly invoicing, for approved deliverables as outlined in the Statement of Work (SOW).

For FY 2013, TEA will pay the Vendor payments of \$182,134, within 30 days of monthly invoicing, for approved deliverables as outline in the SOW.

## **2.4 LEA Support**

The Vendor will create a solution support program that utilizes existing Texas regional Education Service Centers (ESCs) to provide support to LEAs using the SSIS.

### **2.4.1 ESC Staff Support Training and Certification**

TEA will pay the Vendor to design the program, train staff, evaluate and certify staff, and provide assistance during implementation for SSIS field support as part of that program.

For FY 2011 and 2012, TEA will pay the Vendor a payment of \$40,000 per month, starting in October 2011, within 30 days of monthly invoicing, for LEA support program services including ESC support staff funding pass through as well as the delivery of:

- The signed LEA Support Agreement between the Vendor and the ESCs
- Agreed-upon staffing plan for each ESC
- Delivery of a project plan outlining the training and certification milestones
- Delivery of a project plan outlining the training and certification milestones

#### **2.4.1 — LiveChat Licenses for ESC Staff**

The Vendor will incorporate LiveChat into Skyward's support systems as an additional method of LEA's access to certified ESC primary support staff. In FY2013, TEA will pay the Vendor a single payment of \$4500 to cover the cost of up to twelve (12) LiveChat licenses over a five (5) year period for all certified ESC SSIS primary support staff.