AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES	
J	1	16

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO.(If applicable)
P00005	15-Mar-2019		

6. ISSUED BY	CODE	7. ADMINISTERED BY (If other than item 6)	CODE
DISA/DITCO-SCOTT-PL84 2300 EAST DRIVE SCOTT AFB IL 62225	HC1084	**See Item 6**	

8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)		
CARAHSOFT TECHNOLOGY CORP. 1860 MICHAEL FARADAY DR, SUITE 100 RESTON VA 20190-5328 MICHAEL BRONOWSKI		9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	X	10A. MOD. OF CONTRACT/ORDER NO. HC102818A0001
CODE 1P3C5 FACILITY CODE	X	10B. DATED (SEE ITEM 13) 02-Apr-2018

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer ☐ is extended, ☐ is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor [X] is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
Modification Control Number: bryanc192065

The purpose of this modification is to make administrative changes to the following (Changes identified in red, except in CLIN 0002):

A. CLIN 0002 description.
B. Exhibit C, Terms and Conditions
C. Fee Breakout Summary
D. DARS 52.204-9000, Point of Contacts.
E. DARS 52.204-9001, Contract/Order Closeout-Fixed-Fixed Price, Time-and-Materials, or Labor-Hour.
F. DARS 52.216-9000, Ordering Procedures for External Agencies.
G. DARS 52.209-9000, Organizational and Consultant Conflicts of Interest (OCCI).
H. All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) LISA O. CRAVENS / CONTRACTING OFFICER TEL: 618-418-6295 EMAIL: lisa.o.cravens.civ@mail.mil	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY Lisa O. Cravens (Signature of Contracting Officer)	16C. DATE SIGNED 15-Mar-2019

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

SECTION B - SUPPLIES OR SERVICES AND PRICES

CLIN 0002
The CLIN extended description has changed from:

External Agencies Ordering 1.0% Fee – IAW 52.216-9000, Ordering Procedures for External Agencies. This applies to ALL EXTERNAL ORDERS. The contractor shall reject all orders and modifications that do not include the 1% fee. The Fee Breakdown Summary Document within the BPA gives an example on how this is calculated. **Attention Contracting Officers/Contract Specialist a decentralized fee of 1% shall be included on all external orders, ensure to include CLIN 0002 on all new delivery orders.January 1, 2019 through April 1, 2023

To:

External Agencies Ordering 1.0% Fee – IAW G3, Ordering Procedures for External Agencies/Organizations. This applies to ALL EXTERNAL ORDERS. The contractor shall reject all orders and modifications that do not include the 1% fee. The Fee Breakdown Summary Document within the BPA gives an example on how this is calculated. **Attention Contracting Officers/Contract Specialist a decentralized fee of 1% shall be included on all external orders, ensure to include CLIN 0002 on all new delivery orders.January 1, 2019 through April 1, 2023
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SECTION G - CONTRACT ADMINISTRATION DATA

The following have been modified:
EXHIBIT C - TERMS AND CONDITIO
The following terms and conditions will be incorporated into each BPA.

Blanket Purchase Agreement (BPA)
Department of Defense (DoD) Enterprise Software Agreement

In the spirit of the Federal Acquisition Streamlining Act, the Defense Information Systems Agency (DISA), on behalf of the U.S. DoD Enterprise Software Initiative (ESI) (referred to hereafter as the "Government" or "DoD") will establish Red Hat BPA(s).

Federal Supply Schedule (FSS) contract BPAs reduce contracting and open market costs such as: search for sources, the development of technical documents, solicitations, and the evaluation of offers. This BPA is entered to reduce the administrative costs of acquiring commercial products and services from the General Service Administration (GSA) FSS 70 contract(s) under special item number 132-32 (term software licensing). All orders placed against this BPA are subject to the terms and conditions of the FSS contract.

The ESI is a joint DoD project to develop and implement a DoD enterprise procurement process. This ESI BPA is issued in the spirit of the policy and guidelines provided in the Defense Federal Acquisition Regulation Supplement (DFARS) Subpart 208.74.

A. TERMS AND CONDITIONS

1. Pursuant to GSA FSS contract number GS-35F-0119Y, contractor agrees to the following terms of a BPA with the Defense Information Technology Contracting Organization (DITCO). All orders placed against this BPA are subject to the terms and conditions of the FSS contract. The items on this BPA are set forth in Exhibit A as defined by the contractor. License terms and conditions applicable to products acquired under this BPA are defined in the License Agreement included as Exhibit B.

2. **Order of Precedence.** The order of precedence for resolving any inconsistency between this BPA and the GSA contract terms shall be as specified in the GSA contract's Commercial Item clause, FAR 52.212-4. The provisions of FAR 52.212-4 specified in FAR 12.302, as required by Federal law, shall prevail over any terms of the commercial license.

3. **Extent of Obligation.** The Government estimates, but does not guarantee, that the volume of purchases through this agreement will not exceed $500 million (divided equally among the BPA holders at the time of award). The Government reserves the right to reallocate the ceiling among the awardees during the life of the BPA. The Government is obligated only to the extent of authorized purchases actually made under the BPA(s).

4. **Funds Obligation.** The BPA does not obligate any funds. Funds will only be obligated on each call order.

5. **BPA Term.** The PoP is for a period of five (5) years. The BPA will be reviewed annually to ensure that it still represents a "best value." This BPA expires upon completion of all orders issued within the specified BPA ordering period. The BPA is contingent upon the contractor maintaining products/services of the BPA on the applicable GSA Schedule. This BPA is based on the contractor's current GSA schedule contract. In the event the contractor's current GSA schedule contract is canceled or expires and a new GSA schedule contract is awarded, this BPA shall automatically transfer to the new GSA schedule contract to the extent the new schedule contract includes the same scope and items as the canceled or expired GSA contract.

6. **Pricing Terms.** Exhibit A provides unit prices as explained below. Prices shall not escalate, and Exhibit A is not subject to upward adjustment during the term of the BPA. The Government may secure additional discounts at the time of placing an order. Spot discounts are authorized and encouraged. The prices will be reviewed annually, or as required to determine whether a reduction is appropriate in accordance with the price reduction provisions of the agreement. Contractor shall include a 2.0% Acquisition, Contracting, and Technical (ACT) fee in contractor's prices. The contractor shall be responsible for the payment of all fees that are included in the product pricing (i.e. GSA, ACT), as calculated on the customer orders, in accordance with the Fees and Payments.

7. **Discount Terms and Conditions.** Volume pricing is based on attaining levels on a single call order. Discounts will be provided off of GSA pricing for products listed in Exhibit A. This Exhibit also provides a comparison between commercial list price, GSA price, and BPA price for Year 1 of the BPA.

8. **Pricing.**

8.1 **Prices.** The rate of discount the BPA price provides in Year 1 from GSA pricing shall serve as a base line for discounts applied to future years of the BPA. Discounts shall be the same or greater discount level when comparing GSA pricing with BPA pricing.

8.2 **Ordering Period.** The ordering period will consist of a base period of 1-year with four 1-year periods. This BPA is based on the contractor's current GSA schedule contract. In the event the contractor's current GSA schedule contract is canceled or expires and a new GSA schedule contract is awarded, this BPA shall automatically transfer to the new GSA schedule contract to the extent the new schedule contract includes the same scope and items as the canceled or expired GSA contract. In the event that the current contractor's GSA scheduled is not renewed or updated the contractor will be removed from the Red Hat BPA program at the time of their GSA schedule's expiration. The BPA's will be reviewed annually to ensure GSA schedule contract is current, and the BPA represents the best value. Individual orders will only be executed or exercised if the contractors GSA schedule is current.

9. **Price Reduction.**

9.1 **Most Favored Customer Prices.** Contractor shall ensure the prices under this BPA are as low as the prices contractor has under any other contract instrument with any customer under like terms and conditions. If at any time the prices under any other contract instrument with any customer become lower than the prices in this BPA, this BPA will be immediately modified to include the lower prices.

9.2 **SmartBUY Program Extension.** Office of Management and Budget (OMB) has announced the SmartBUY initiative to maximize cost savings and achieve best quality when acquiring commercial products and services. If during the term of this BPA, contractor and its resellers enter into a Government-wide agreement with the GSA under the SmartBUY Initiative, which includes pricing for the specific products or services under similar terms and conditions as those licensed by the DoD under this BPA, contractor and its resellers agree to reduce the prices for the remaining term of this BPA to meet the prices and fees under the SmartBUY agreement, or shall license the products and sell the services under the SmartBUY agreement for the same remaining term of this BPA, at the discretion of the DoD. Neither the contractor nor its resellers shall preclude the Government from purchasing or licensing commercial products or services under a SmartBUY Agreement.

10. **License Agreement.** The contractor shall provide copies to the Government of all licensing and End User License Agreements. Exhibit B is required to be completed by the offeror. Notwithstanding any provision to the contrary, licenses are transferable within the authorized users as stated in paragraph B.1. (Example: Software licenses acquired via delivery/call orders of this BPA are subscriptions and are subject to the licensing provisions and the terms of the GSA contract. Any delivery/call order issued hereunder will serve as proof of order. Upon validation and receipt of software, customers will be provided an electronic version of the license agreement.) The following provisions will be included in a license addendum if the BPA is awarded to other than the software publisher:

10.1 **Functionality Replacement and Extended Support**. If the form, fit, or functionality contained in any licensed products acquired hereunder is substantially reduced or if the product is replaced, and/or Carahsoft Technology Corporation provides this same or substantially similar functionality as a separate or renamed product, then the DoD is entitled to license such software at no additional licenses or maintenance fees. However, throughout the term of this agreement, the contractor will provide support services for the period stated in the order.

10.2 **Rights of Survivorship of the Agreement.** This BPA shall survive unto contractor, its successors, rights and assigns. The terms and conditions in this BPA shall survive the acquisition or merger of contractor by or with another entity. Contractor shall ensure these survivorship terms are included in any such merger or acquisition agreement, including a duty on the part of the surviving entity to abide by the terms of this BPA. Any software name changes, re-packing, or merger of similar products that carry forward the same or similar function of the software shall be supported with updates, upgrades, and new releases under this agreement at no additional cost.

11. **Substitution and Technology Refreshment.** If at any time during the life of this BPA, the original manufacturer of the equipment (includes software, hardware and firmware) schedules the products for discontinuation, improvement, and/or replacement, the BPA holder shall provide a proposal to include the new or revised products on the BPA under the appropriate line items. Proposed prices for new or revised products shall be constructed in accordance with this BPA for most favored customer prices. Discounts shall be at the same or greater discount level as the original BPA product prices. Proposals shall be submitted to the Contracting Officer within seven (7) days from the date the contractor obtains knowledge that the original equipment manufacturer has scheduled a BPA product for discontinuation, improvement, and/or replacement. Improvement of product includes new releases, updates, and upgrades including additional features and functionality, and successor or upgrade products. Changes proposed by the contractor shall become effective only upon written acceptance by the Government.

B. AUTHORIZED USERS AND POINTS OF CONTACT

1. **Authorized Users.** The BPA is open for ordering by all DoD components. For the purposes of this agreement, a DoD component is defined as: the Office of the Secretary of Defense (OSD), the military departments, the Chairman of the Joint Chiefs of Staff, the combatant commands, the Inspector General of the DoD, the Defense

agencies, the DoD field activities, the U. S. Coast Guard, North Atlantic Treaty Organization, the Intelligence Community, and foreign military sales with a Letter of Authorization. GSA or other applicable ordering organizations/agencies are authorized to place orders under this BPA on behalf of DoD end users and must comply with DFARS 208.7400. This BPA is also open to DoD contractors authorized to order in accordance with the FAR Part 51.

2. **BPA Points of Contact (POCs):** The BPA POCs are outlined below. Each call order issued against the BPA will contain POCs reference G1 with the contacts of the call order.

a. Contracting Office:

DISA/Defense Information Technology Contracting Organization (DITCO)/PL8413
2300 East Drive
Scott Air Force Base, IL 62225-5406

POC: Lisa O. Cravens/Contracting Officer
Phone: (618) 418-6295 / DSN: 312
Email: lisa.o.cravens.civ@mail.mil

POC: Carmelyn Anne L.G. Bryan/Contract Specialist
Phone: (618) 418-6237 / DSN: 312
Email: carmelynanne.l.bryan.civ@mail.mil

b. Software Product Manager (SPM):

SPM: Jonnice Medley
Phone: (301) 225-8081 / DSN 375
E-mail: jonnice.medley.civ@mail.mil

c. Customer Point of Contact: (To be specified on each order)

d. Financial Management Office (FMO):

DITCO/RM3221
2300 East Drive
Scott AFB IL 62225-5406

FMO: Jamie Timmermann
Phone: (618) 418-6128
E-Mail: jamie.n.timmermann.civ@mail.mil

e. Contractor Point of Contact:

Contractor name, business size: Carahsoft Technology Corporation, Large Business
DUNS, and CAGE: 088365767, 1P3C5
Contractor address as it appears on the System for Award Management: Carahsoft Technology Corporation
Contractor POC:
Natalie Gregory, Vice President, 703-871-8513, natalie.gregory@carahsoft.com
Michael Bisacquino, Sales Director, 703-871-8650, michael.bisacquino@carahsoft.com

f. BPA SPM:

Defense Information System Agency (DISA)/OCL13
6910 Cooper Ave.
Fort Meade, MD 22041-2717

SPM: Jonnice Medley
Phone: (301) 225-8081 / DSN 375
E-mail: jonnice.medley.civ@mail.mil

C. ORDERING

1. DFARS Subpart 208.74 directs DoD software buyers and requiring officials to check the DoD ESI website for DoD inventory or an enterprise software agreement (ESA) before using another method of acquisition. These steps for the buyer are summarized from the DFARS:

a. Check the Enterprise Agreement Summary Table to determine if software rights or related services have already been acquired and are available from DoD inventory. If they are available, then acquire the designated software from DoD inventory and reimburse the SPM.

b. If the required software rights or related services are not available from inventory or from an Enterprise Software Agreement, then use an alternate method of acquisition, subject to laws and policy.

c. If the required software rights or related services are not available from inventory but are available from an ESA, then review the terms and conditions and prices, in accordance with otherwise applicable source selection requirements. Per FAR 8.405-3(c)(2), where multiple BPAs are available, before placing an order exceeding the micro-purchase threshold, forward the requirement to the BPA holders and evaluate the responses received to determine which BPA holder represents the best value.

d. If existing ESAs do not represent the best value to the Government for the software rights or related services, then seek a waiver from the SPM before continuing with the alternative acquisition methods.

This BPA will be posted to the DoD ESI website as part of the ESI program. The web site can be viewed at http://www.esi.mil. The Government will also post this contract to the following sites:
http://www.ditco.disa.mil/contracts/catalog.asp?cat=S
https://chess.army.mil/CMS/A/SoftwareAgreement

2. **Call Orders.** The scope of this effort is worldwide. Delivery requirements and administration will be stipulated on call orders. Ordering via this BPA is decentralized. Orders are prepared by a Government Ordering Officer (a duly warranted Contracting Officer whose warrant authorizes call orders from the GSA Schedule) in accordance with the terms and conditions of this BPA and the GSA Schedule. Unit pricing is fixed price. If a Time and Material or Labor Hour delivery order is contemplated agencies shall follow FAR Part 8.405 & Part 12. A CPFF contract type is not allowed against the GSA FSS or this BPA. Orders may be placed by Electronic Data Interchange (EDI), credit card, facsimile, on an authorized form such as a Standard Form (SF) 1449 or Department of Defense (DD) Form 1155, or by logging on to the Carahsoft Technology Corporation's DoD ESI BPA purchasing page at (http://www.esi.mil/Default.aspx) .

a. **Notice to Ordering Offices**: When ordering services, ordering offices are responsible for compliance with GSA's Ordering Procedures for Services and DFARS 208.404-70.

b. **Placement of Orders:**

(1) **Request for Quotes.** All requests for quotes shall be made in writing in an email attachment, through the on-line request for quotations.

To request a quote, contact the contractor POC below:

Carahsoft Technology Corporation:
Natalie Gregory, Vice President, 703-871-8513, natalie.gregory@carahsoft.com
Michael Bisacquino, Sales Director, 703-871-8650, michael.bisacquino@carahsoft.com

or submit on-line through the following website *(http://www.esi.mil/Default.aspxs*).

(2) Assisted Orders: The Contracting Officer that administers the BPA may, occasionally, issue the call order for a specific requirement as an extra service for an ESI customer. This is called an "assisted order" and it may be appropriate for an additional contracting service fee to be charged. When this is the case, it must be recognized that those contracting fees are not a part of the ESA.

3. **Users' Ordering Guide.** The contractor shall develop a Users' Ordering Guide in coordination with the Government that will be posted to the contractor web site and various Government sites. The Ordering Guide shall be submitted to the SPM and Procuring Contracting Officer (PCO) within thirty (30) days of BPA award and made available on the contractor's home page upon written approval. The contractor shall immediately notify the Contracting Officer in the event of any changes to contractor POC information, contractor physical address, contractor web address, or any other relevant information in the Ordering Guide. This guide shall be continuously updated as required and shall not require formal modification to the BPA. All changes to the ordering guide shall be reviewed and approved by the PCO prior to posting. The guide shall contain all information necessary for geographically dispersed activities to place orders, including, as a minimum:

a. URL where a complete list of products is available, with appropriate contract line item numbers (CLINs), and associated prices can be found
b. Government and contractor POCs
c. Description of the ordering process
d. Program Terms and Conditions
e. License Terms and Conditions
f. Information such as Commercial and Government Entity Code (CAGE), Data Universal Numbering System (DUNS), Taxpayer Identification Number (TIN), business size, etc. necessary to complete a Contract Action Report in the Federal Procurement Data System - Next Generation system
g. Range of quantity discounts
h. Links to DoD ESI and the Government web sites

4. **E-Commerce Site.** It is the intention of the Government to use existing and future capability of the DoD Standard Procurement System, EDI capability, Government procurement card, and contractor electronic ordering capability to create a paperless ordering, invoicing, and payment process. During the term of the BPA, the contractor shall participate to achieve this objective. This BPA will be posted to the DoD ESI website as part of the ESI program. The web site can be viewed at http://www.esi.mil and is publicly accessible. The Government may also post this BPA to other federal Government or DoD web sites, some of which may be publicly accessible. On-line ordering may also be accomplished through DoD controlled web sites. The contractor shall ensure that the data and information relating to contractor's products, technical specifications, services, prices, and other information related to this BPA is current, accurate, complete, and delivered by the contractor in the standard format(s). The contractor shall maintain coordinated and integrated hypertext links to the ESI web site from their World Wide Web site(s). The contractor shall provide electronic-commerce/EDI capabilities and accept and respond to secure on-line orders and customer requests consistent with the terms of this acquisition vehicle. The contractor shall use its commercially reasonable business efforts to adapt its business processes as technical requirements, environment, and architecture evolve. This BPA may also be loaded into publicly accessible electronic catalog systems of other DoD agencies.

5. **Delivery Schedule.** Contractor shall make available the entitlements via electronic download within one week of receipt of award.

6. **Delivery Notice.** Unless otherwise agreed to, all deliveries ordered under this BPA must be accompanied by a delivery notice, ticket, or sales slips that must contain at a minimum the following information:

a. Product part number
b. Product Description
c. Product period of performance dates
d. Product Qty purchased
e. End customer PO #
f. End customer Red Hat Network Account

g. End Customer Entity as registered for through End customer's Red Hat Network Account

7. **Suspension.** There may be occasions where the Government may suspend ordering (by contract line item number (CLIN) up to and including the entire BPA) or cancel the BPA for cause. Reasons for suspension or cancellation can include but are not limited to delinquent sales report submission, and non-compliance to BPA terms and conditions. If a suspension is announced, the contractor shall adhere to this suspension by not accepting/processing call orders for the suspended item(s).

D. INVOICING AND PAYMENT

1. **Invoicing.** The requirements of a proper invoice are as specified below as required by FAR 52.212-4 in the Federal Supply Schedule contract. The contractor shall submit an electronic invoice to the address(es) specified within the call orders issued against the BPA. An invoice must include --

a. Name and address of the contractor;
b. Invoice date and number;
c. Contract number, CLIN, and, if applicable, the order number;
d. Description, quantity, unit of measure, unit price, and extended price of the items delivered and PoP;
e. Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;
f. Terms of any prompt payment discount offered;
g. Name and address of official to whom payment is to be sent;
h. Name, title, and phone number of the person to be notified in event of defective invoice;
i. TIN. The contractor shall include its TIN on the invoice only if required elsewhere in this contract; and
j. Electronic funds transfer banking information.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903). Prompt payment contractors are encouraged to assign an identification number to each invoice. Invoicing and payment may be accomplished either through Invoicing, Receipt, Acceptance and Property Transfer (iRAPT) and/or via the Government Impact Card. The issued order will specify the method.

2. **Fast Payment Procedure.** The provisions of FAR 52.213-1, Fast Payment Procedure, are incorporated in this BPA by reference and pertain to credit card delivery/call orders or other applicable order deliveries. Fast Payment procedures may be used when the conditions of FAR 13.402 are met and the call order authorizes Fast Payment.

3. **Precedence.** The terms and conditions included in this BPA apply to all delivery/call orders made pursuant to it. In the event of an inconsistency between the provisions of the BPA and the contractor's invoice, the provisions of the BPA will take precedence.

E. BPA MANAGEMENT AND OVERSIGHT

1. **Management.** The contractor must provide centralized administration, in the form of a Program Manager, in support of all work performed under this BPA. The Program Manager, at a minimum, is required to participate in periodic program management reviews (which may require travel to a Government named site). Additional functions would include customer service, invoicing, payment, and submission of monthly and quarterly reports and approved fee payments. The contractor shall ensure that all sales personnel are aware of the ESI Program and enforce the policy that this BPA is the preferred DoD procurement vehicle for the products within.

2. **Report of Sales.** Consistent with the GSA Schedule, a Report of Sales as described herein shall accompany the remittance of the ACT fees to enable verification of the fee amounts rendered. The contractor shall provide a Report of Sales to the SPM and the PCO in electronic format within fifteen (15) days following completion of the quarterly reporting period, or as otherwise requested by the SPM. The report shall be submitted in the standard format shown in the Report of Sales, and where applicable (Air Force Sales) include an Air Force Sales Transmittal Letter. Negative reports are required. The SPM or PCO shall provide written approval of each report to the contractor. At the end of each calendar quarter, the written approval provided to the contractor will be accompanied by a request to

remit ACT fees. The SPM or PCO will provide copies of the Report of Sales on a quarterly basis to the DoD components participating in fee sharing. If the BPA contains services, current ACT fee paid by delivery order and total ACT fees paid will be included in the report.

3. **United Nations Standard Products and Services Code**. The United Nations Standard Products and Services Code (UNSPSC) is a required field in the submission format required by DoD for products and prices. The UNSPSC code permits software asset management through a standard coding structure. The UNSPSC is a coding system used to classify both products and services for use throughout the global marketplace. The management and development of the UNSPSC Code is coordinated by GS1 US. The current version is available free as a download at http://www.unspsc.org.

4. **Records.** The contractor shall maintain archival copies of all orders for the life of the BPA in accordance with GSA and FAR Subpart 4.7 requirements. Copies shall be made available to the Government upon request.

5. **Program Management Reviews (PMR).** The contractor shall participate in regular reviews of the progress of the BPA. Reviews shall be held at least twice yearly as scheduled by the SPM. During these reviews the contractor shall report on status of BPA sales, sales leakage, marketing, and any outstanding issues concerning the BPA, among other things. PMR agenda and presentation format shall be provided by the SPM to contractor prior to each PMR. Travel expenses are the responsibility of the contractor.

6. **Sales Leakage**. The goals of the ESI Program can only be realized through cooperation between the Government and the contractor to direct appropriate sales through the ESI vehicles. The contractor shall ensure that all sales personnel are aware of the ESI Program and enforce the policy that this BPA is the preferred procurement vehicle for the products within. Within sixty (60) days of the effective date of this BPA, contractor shall submit its plan of action and define the processes required to conform to the requirements of this BPA and shall keep current the plan throughout the Term of this BPA. The contractor shall establish a process to regularly audit sales to Government buyers, determine where sales outside the ESI vehicle are occurring, and take appropriate action to direct further sales through the ESI vehicle. Results of these audits will be presented as an agenda item during PMRs.

7. **Marketing.** The contractor shall dedicate reasonable resources to this effort and market and advertise this BPA, to include advertising the availability and benefits of this BPA on the contractor's web site, advertising this BPA at relevant trade shows, participation in DoD component sponsored events, and promotion through news media geared to Government/DoD information technology (IT) personnel and leadership.

The contractor may obtain standardized ESI marketing materials by requesting access from the SPM. The contractor's use of the ESI logo, seal, or emblem shall be limited to materials describing the products and services which are specifically made available under this BPA. ESI reserves the right to review any materials that contain the ESI brand prior to use by the contractor, and, at a minimum, requires the contractor to follow these guidelines:

a. **Use Only the Approved Master Artwork.** Do not alter or distort the appearance of the logo in anyway, for example, by adding new design elements or colors or changing the font. The logo must always look sharp, clean, and well produced.
b. **Allow a Minimum Clear Space Around the ESI Logo.** Always allow for a minimum clear space around the logo. Never violate the clear space with any graphic elements, words, or charts.
c. **Maintain Legibility.** Never reproduce the logo in a manner that causes the logo to become illegible or blurry, which may happen if the logo is reproduced too small.

All materials made available for public view must include the following statement: "The ESI logo/marking is used with permission. ESI procedures are explained in DFARS 208.74 and DoD CIO Guidance and Policy memorandum No. 12-8430 dated July 26, 2000."

8. **Enterprise Integration Toolkit.** The Enterprise Integration Toolkit is a program developed by the Assistant Deputy Under Secretary of Defense Logistics Systems Management to assist DoD Program Managers, Contracting

Officers, and members of the Integrated Project Team in the acquisition and implementation of COTS business systems software.

The Toolkit provides guidance, processes, and tools to define program needs and determine how to best meet these needs through an external acquisition via a three-tiered roadmap to guide the entire life-cycle from problem definition to solution roll-out. It provides a collection of best practice tools adopted from the commercial industry and includes more than 100 best practice templates, guides, checklists, and samples.

Because the Toolkit is not contractor-specific and may be applied across a variety of COTS software package implementations, including this BPA, the contractor shall be familiar with the Toolkit and include as part of the marketing effort required above, a description of the Toolkit for their customers, and a link to the Enterprise Toolkit web site at: https://acc.dau.mil/CommunityBrowser.aspx?id=153015&view=w&lang=en-US.

(End)

FEE BREAKOUT SUMMARY

Red Hat Department of Defense Enterprise Software Initiative (DoD ESI) Blanket Purchase Agreement (BPA) Fee Breakdown:

1. There are three types of fees within the Red Hat DoD ESI BPA. This document will summarize and provide clarification on what is stated within the Red Hat DoD ESI BPA's.

a. Exhibit D is the spread sheet that all contractors use to use to report their sales for each quarter. The report of sales reports spreadsheet tracks all orders and fees for each quarter.

b. Exhibit E Fees, Exhibit H DISA Transmittal Letter, Exhibit I AF Transmittal Letter, Exhibit J Army Transmittal Letter, Exhibit C and other sections of the contract discuss the IFF Fee and the ACT Fee. The IFF Fee is .75%, the ACT Fee is 2%. The ACT Fee consists of 1% for the Organization ACT Fee and 1% for the Managing ACT Fee which equal the 2%. This Fee is done for all orders. The Fee total for this is included in the contractors ESI price list, is built into the contractors ESI price and the ACT Fee, IFF Fee and product price (combined) shall not exceed the ESI price on the contractors ESI schedule.

* Note: On the report of sales spreadsheet Column Q (EA Unit Price) is the contractors ESI price from the Red Hat DoD ESI BPA product list. Column R (Unit Price on order) is the contractors quoted price for the order. This price shall not exceed the EA Unit Price and can be lower. The formula's are built into the Report of Sales Spread sheet and show how the IFF Fee and ACT Fee are calculated.

c. The Decentralized ordering fee paid to DITCO IAW G3 (column Y on the report of sales spread sheet) is the 1% fee paid to DITCO IAW G3. This fee is the 1% of the total amount of the order. The fee shall be listed on a separate CLIN and be 1% of the total order amount. The contractor shall reject all orders and modifications that do not include the 1% fee. In column Y on the report of sales the contractor shall apply the 1% G3 fee

to the ESA total price. The 1% fee will also be tracked in columns T and U, rows 89-93 (Report of Sales Template). Payment instructions for the 1% is located within G3.

2. Example of how the fees is broken out (does not include all columns that are required to be filled out on the report of sales spreadsheet just the fee portion).

Part#	EA Unit Price	Unit Price on Order	Qty	Total Price on Order w/o Fees	Total IFF Fee @ .75%	Total ACT Fee @ 2%	1% Fee G3	ESA Total Price
A1234	$200	$100	1	$97.32	$.73	$1.95	$1.00	$100
B1234	$200	$115	4	$447.69	$3.36	$8.95	$4.60	$460
							$5.60	$560

a. The total amount for this example order is $560 (without the 1% decentralized ordering fee IAW G3. The total 1% decentralized ordering fee for the order would be 1% of $560 which is $5.60. The total amount for the order with the 1% decentralized ordering fee is $565.60.

b. The 1% decentralized ordering fee on the Report of Sales spread sheet will be reported as follows. The contractor will take 1% of the ESA Total price for each row to get the 1% fee. For the example above Part#A1234 has a 1% fee of $1.00. Part#B1234 has a 1% fee of $4.60.

3. The contract/quote for this requirement would look like something similar to the following:

CLIN	Part Number/Description	Qty	Unit Price	Total Price
0001	A1234	1	$100	$100
0002	B1234	4	$115	$460
			Total	$560
Decentralized Ordering Fee 1%				$5.60
			Grand Total	$565.60

Contractors shall quote the 1% fee for all decentralized orders on a separate CLIN. As mentioned in the contract, the contractor shall reject all orders and modifications that do not include the 1% fee.

4. Additional Fee information:

a. The ACT fee is 2% and is included for all software products and the initial subscription term. For purposes of this document, the term software means a collection of one or more programs, databases or microprograms fixed in any tangible medium of expression that comprises a sequence of instructions (source code) to carry out a process in, or convertible into, a form executable by an electronic computer (object code). Software

subscriptions from Red Hat provide customers with access to enterprise-grade software and updates as well as information and support services that span a customer's entire application infrastructure, life cycle, and architecture. In addition, customers receive security alerts, bug fixes, CVE database, security blog and assistance from Red Hat Product Security to identify and address vulnerabilities. The ACT fees shall be remitted and distributed in accordance with sections 3 and 4 of this document. There is no ACT Fee charged for the renewal of a software subscription.

b. The BPA unit prices include the applicable GSA IFF. The contractor shall be responsible for all required filings to GSA and for payment of this fee in accordance with applicable GSA instructions. The GSA IFF fee shall be in every order and shall be reported on the report of sales spread sheet.

c. The decentralized ordering fee of 1% shall be on every order done by an external agency. The contractors shall include the 1% decentralized ordering fee on all quotes. The contractor shall reject all orders and modifications that do not include the 1% fee.

5. CLIN 0002 will be added to ALL BPA's. The new CLIN 0002 will read "External Agencies Ordering 1.0% Fee – IAW G3, Ordering Procedures for External Agencies/Organizations. This applies to ALL EXTERNAL ORDERS. The contractor shall reject all orders and modifications that do not include the 1% fee. The Fee Breakdown Summary Document within the BPA gives an example on how this is calculated. **Attention Contracting Officers/Contract Specialist a decentralized fee of 1% shall be included on all external orders, ensure to include CLIN 0002 on all new delivery orders." The addition of CLIN 0002 will be effective January 1, 2019 for all External Orders.

SECTION I - CONTRACT CLAUSES

The following have been added by full text:

G1, POINTS OF CONTACT

Contracting Officer
Name: Lisa O. Cravens
Organization/Office Symbol: DISA/DITCO/PL8413
Phone No.: 618-418-6295
E-Mail Address: lisa.o.cravens.civ@mail.mil

Contract Specialist
Name: Carmelyn Anne L.G. Bryan
Organization/Office Symbol: DISA/DITCO/PL8413
Phone No.: 618-418-6237
E-Mail Address: carmelynanne.l.bryan.civ@mail.mil

Software Product Manager/Mission Partner Point of Contact
Name: Jonnice Medley
Organization/Office Symbol: DISA
Phone No.: 301-225-8081
E-Mail Address: jonnice.medley.civ@mail.mil

Contractor Point of Contact
Contractor Legal Business Name: Carahsoft Technology Corporation
DUNS: 088365767
CAGE CODE: 1P3C5
Natalie Gregory, Vice President, 703-871-8513, natalie.gregory@carahsoft.com
Michael Bisacquino, Sales Director, 703-871-8650, michael.bisacquino@carahsoft.com

(End of text)

G2, CONTRACT/ORDER CLOSEOUT - FIXED-PRICE, TIME-AND-MATERIALS, OR LABOR-HOURS

Timely contract closeout is a priority under this contract/order. The Contractor shall submit a final invoice within ninety (90) calendar days after the expiration of this contract/order, unless the Contractor requests and is granted an extension by the Contracting Officer, in writing. In addition, and concurrent with the submission of the final invoice, the Contractor shall notify the Contracting Officer of the amount of excess funds that can be deobligated from this contract/order so the closeout process can begin as soon as possible upon expiration of this contract/order. A bilateral contract/order closeout modification will be forwarded to the Contractor by the Contracting Officer and must be signed by the Contractor and returned to the Contracting Officer within thirty (30) calendar days of issuance of the modification. A Contractor's failure to respond and/or sign the bilateral closeout modification within thirty (30) calendar days of receipt will constitute approval of the terms of the modification and the modification will subsequently be processed unilaterally by the Contracting Officer to deobligate excess funds and close this contract/order.

If this contract/order contains option periods, the Contractor is required to submit an invoice within ninety (90) calendar days after expiration of the base period of performance and the expiration of each exercised option period of performance to allow for deobligation of excess funds that were obligated in those respective periods of performance.

(End of text)

G3, ORDERING PROCEDURES FOR EXTERNAL AGENCIES/ORGANIZATIONS

(a) An external agency is any contracting office outside of DISA. External organizations are those DISA organizations outside of DITCO which have duly appointed Ordering Officers.

(b) For any order to be placed by an External Agency, where the total estimated cost is expected to exceed $10,000,000, approval shall be obtained from the DISA Contracting Officer prior to the start of processing the requirement. The contractor shall also notify the DISA Contracting Officer prior to responding to any Request for Proposal when the proposed total estimated cost will exceed $10,000,000. The notification to the DISA Contracting Officer shall be made via e-mail to lisa.o.cravens.civ@mail.mil. External agency orders shall be issued as authorized by the terms and conditions of the contract, BPA task order guidelines, the FAR, DFARS, and their own agency procedures.

(c) The External Agency Contracting Officer will be the contracting officer for task orders awarded under this

contract, BPA by an external agency contracting office. All of the task orders are negotiable and agency decisions and determinations for the task order will be made by the External Agency Contracting Officer. These issues must be resolved consistently with External Agency procedures oversight.

(d) The following procedures apply to External Agencies placing orders against this contract, BPA:

(1) The External Agency Contracting Officer shall add the Contract Line Item Number (CLIN) set forth in Section B, entitled External Ordering Agency Fee, to add a 1% fee to each order placed under this contract. Modifications that increase the total order amount shall adjust the amount of this CLIN to account for the modification increase. NOTE: The contractor shall reject all orders and modifications that do not include the 1% fee.

(2) The External Agency Contracting Officer shall not use any order numbers which are identified by using serial numbers with 0001 thru 9999. DoD agencies should use ordering numbers as specified in DFARS 204.7004(d)(2)(i). Non-DoD federal agencies may use any numbering system provided it does not conflict with either of these numbering systems.

(e) The following reporting procedures apply to contractors receiving external orders.

(1) The contractor shall provide a copy of the order and all modifications electronically to disa.scott.ditco.mbx.pl83-decentralized-order-info@mail.mil quarterly in conjunction with paragraphs (e)(2), (3) and (4).

(2) Quarterly, the contractor shall submit a check made payable to DITCO/RM3221 to pay the required 1% fee on all payments received from external orders during the prior quarter. Contractor shall include a copy of the Quarterly Progress Report for Orders placed by any non-DITCO Office (Decentralized Orders) Spreadsheet for Remote Ordering (Attachment {insert #}) with the check. Payment is due the 30th of the month following the end of the calendar year quarter and shall be submitted to the following address (if using USPS):

DISA/RM3221
2300 East Drive
ATTN: RM3221
Scott AFB IL 62225-5406

If submitting payment via Fed Ex or other means which requires specific individual POC information to ensure delivery, please address as follows (check still made payable to DITCO/RM3221):

DISA RM3221
ATTN: Financial Management Specialist
2300 East Drive
Scott AFB, IL 62225
(618) 418-6128

Alternatively, payment of external order fee may be made via Electronic Funds Transfer (EFT) Automated Clearing House (ACH). Prior to submission of first EFT/ACH payment, arrangements must be made with DFAS Cleveland Division Director for Disbursing Operations, J. Lukasik at jeffery.f.lukasik.civ@mail.mil or Carmen Laboy at carmen.laboy@dfas.mil to establish baseline for transmission.

DFAS Cleveland can receive funds via ACH using the following:

Bank Name:	Credit Gateway
RTN:	051036706
A/C:	220031

DFAS Cleveland can receive funds via wire using the following:

Bank Name:	US Treasury

City:	New York, NY
Country	USA
RTN:	021030004
Account Name:	DFAS-Cleveland
Account Number:	00008522

Once confirmation of EFT/ACH transmission is received from DFAS Cleveland, a copy shall be e-mailed to disa.scott.rm.mbx.rm3222-decentralized-orders@mail.mil so appropriate transactions to process the disbursement can be established with DFAS through coordination with RM32221.

(3) Quarterly, the contractor shall submit an electronic copy of the spreadsheet entitled Quarterly Progress Report for Orders placed by any non-DITCO Office (Decentralized Orders) Spreadsheet for Remote Ordering (Attachment {insert #}) to disa.scott.rm.list.rm322-personnel@mail.mil and disa.scott.ditco.mbx.pl83-decentralized-order-info@mail.mil. The spreadsheet is due the 30th of the month following the end of the calendar year quarter. If External Agencies have issued orders against the contract, BPA, but no payments were received during the quarter, send the spreadsheet to disa.scott.ditco.mbx.pl83-decentralized-order-info@mail.mil and state in the email no payments were received for the quarter.

(4) An entry shall be made on the spreadsheet for each order, and modification(s) that increase or decrease the amount of the basic order.

(5) The contractor may remit the DITCO fee using one check for all payments received in the prior quarter.

(6) The spreadsheet shall be cumulative of all orders placed by External Agencies during the life of the contract, BPA.

(7) Customer Department on the spreadsheet should reflect the ordering agency that places the order. For example, if the ordering agency is a military department, insert the appropriate department, such as Air Force or Army; if the ordering agency is another DoD agency, insert the agency name, such as Defense Logistics Agency (DLA); if the ordering agency is a federal agency, insert the department name, such as Department of Justice (DoJ).

(f) The Government may audit the contractor's books with relation to any orders issued by an External agency.

(g) Schedule - Checks and spreadsheets are required in accordance with the following schedule:

Quarter	Due Date
Jan, Feb, Mar	30 Apr
Apr, May, June	30 Jul
Jul, Aug, Sep	30 Oct
Oct, Nov, Dec	30 Jan

(End of text)

H1, ORGANIZATIONAL AND CONSULTANT CONFLICTS OF INTEREST (OCCI)

(a) An offeror shall identify in its proposal, quote, bid or any resulting contract, any potential or actual Organizational and Consultant Conflicts of Interest (OCCI) as described in FAR Subpart 9.5. This includes actual or potential conflicts of interests of proposed subcontractors. If an offeror identifies in its proposal, quote, bid or any resulting contract, a potential or actual conflict of interests the offeror shall submit an Organizational and Consultant Conflicts of Interest Mitigation Plan to the contracting officer. The Organizational and Consultant Conflicts of Interest Mitigation Plan shall describe how the offeror addresses potential or actual conflicts of interest and identify how they will avoid, neutralize, or mitigate present or future conflicts of interest.

(b) Offerors must consider whether their involvement and participation raises any OCCI issues, especially in the

following areas when:

(1) Providing systems engineering and technical direction.

(2) Preparing specifications or work statements and/or objectives.
(3) Providing evaluation services.
(4) Obtaining access to proprietary information.

(c) If a prime contractor or subcontractor breaches any of the OCCI restrictions, or does not disclose or misrepresents any relevant facts concerning its conflict of interest, the government may take appropriate action, including terminating the contract, in additional to any remedies that may be otherwise permitted by the contract or operation of law.

(End of text)

The following have been deleted:

52.204-9000
52.204-9001
52.209-9000
52.216-9000

(End of Summary of Changes)