

SCOPE OF WORK FOR MANAGED SERVICES IPERS INFORMATION TECHNOLOGY INFRASTRUCTURE

SECTION ONE DESCRIPTION OF WORK

The work to be performed by Contractor includes all services generally performed by Contractor in Contractor's usual line of business, including, but not limited to, the following:

Provide network, server, storage area network (HP EVA), and tape backup (HP Data Protector) managed services for IPERS, especially during night, weekend, and holiday periods. The clustered web, application, & database servers for the new I-Que pension administration system are critical production devices. The HP EVA SAN and the HP backup are also highly mission critical information technology devices as all of IPERS member & employer data, including document management objects are electronically stored and backed up for off-site storage. The devices supported are outlined in Attachment I "Supported Products" to this Agreement.

SECTION TWO DELIVERABLES

1. Monitoring and on-going services
 - a. Contractor will place EVA SANS, tape backup, network, and servers under a comprehensive monitoring service. The management platform monitors devices around the clock and reports alerts based on pre-defined conditions.
 - b. Contractor will remotely diagnose conditions when a problem is reported.
 - c. Contractor will provide an annual review of supported infrastructure based on data collected. Recommendations are based around cost containment and improved performance.
 - d. Contractor may provide an appliance for secure VPN connection for monitoring designated equipment.
 - e. Contractor to be responsible for monitoring IT infrastructure including hardware, Microsoft Operating Systems, and core Microsoft applications. Contractor will provide vendor management in restoring other 3rd party applications.
 - f. Quarterly review and knowledge transfer of environment and customer supplied documentation.
 - g. IPERS desires to have the Contractor conduct the following services on the EVA to update and test general performance and health of the EVA environment:
 - i. Install HP CC software and configure; run software.
 - ii. Run SAN Expert to obtain upgrade recommendations.
 - iii. Review release notes for recommended upgrades.
 - iv. Install and test EVA Firmware upgrades.
 - v. Conduct switch backups.
 - vi. Perform McData/Brocade switch upgrades.
 - vii. Perform disk drive upgrades.
2. Problem resolution services
 - a. Contractor will manage trouble diagnosis, fault isolation, and clearance activities through to resolution.
 - b. All trouble tickets will be logged and tracked in Contractor's trouble administration system. Upon completion of a resolution, Contractor will verify resolution with the System prior to closing the trouble ticket.
 - c. Contractor will coordinate with Warranty Vendor for hardware repair or replacement.

- d. Provide engineering assistance in the event of a "Resource Disaster". A "Resource Disaster" is defined as the unexpected loss of critical IT resources that will impede System's ability to maintain and manage a secure, functioning IT Infrastructure (including hardware and software) to conduct daily business.
3. Response time
 - a. IPERS desires a response time of 7 days per week, 24 hours per day, 30 minute call back, 4 hour response excluding IPERS' published holidays.

SECTION THREE PAYMENT

Services shall be paid based upon invoice(s) from the Contractor upon IPERS' acceptance of services. Invoices shall provide detail to determine work performed and the number of hours of the performed work.

The Contractor shall submit, on a monthly basis, an invoice for services rendered in accordance with this Contract. The invoice shall comply with all applicable rules concerning payment of such claims. IPERS shall pay all approved invoices in arrears and in conformance with Iowa Code section 421.40 and 701 Iowa Administrative Code 201.1(2). IPERS may pay in less than sixty (60) days, as provided in Iowa Code section 421.40. However, an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code section 421.40.

SECTION FOUR TERM

The contract shall remain in force through December 2009. IPERS shall have the option to renew this Contract for up to two additional one (1)-year extensions by giving the Contractor written notice of the extension decision at least sixty (60) days prior to the expiration of the initial term or renewal term.

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM ('SYSTEM')

GENERAL TERMS AND CONDITIONS- (Operations Agreements)

A. AUDIT OR EXAMINATION OF RECORDS:

1. The Contractor agrees that the Auditor of the State of Iowa or any authorized representative of the State or of the System shall have access to and the right to examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, and records of the Contractor relating to this Agreement.
2. The Contractor shall retain all records relating to this Agreement for five (5) years following the date of final payment or completion of any required audit; whichever is later.
3. Compliance with this clause does not relieve the Contractor from retaining any records required by other laws or regulations of federal, state, or local government units.

B. BINDING: This Agreement shall inure to, and bind the successors, assigns, agents, and representatives of the parties.

C. BREACH OF DUTY: The System has the right to terminate this Agreement immediately upon learning of a breach of duty and/or confidentiality by the Contractor. Breach of duty and/or confidentiality includes but is not limited to: distributing confidential information without the System's prior approval to someone other than the Contractor; failing to comply with the requirements of this Agreement; violating state or federal law; refusing to account to the System for the Contractor's actions; and acting with reckless disregard to proper instructions given to the Contractor by the System. This list is illustrative only and is not meant to limit the System's definition of breach of duty and/or confidentiality.

D. CHANGES: Changes in any of the provisions of this Agreement may be made only in writing and must be approved mutually by a duly authorized representative of the Contractor and a duly authorized representative of the System.

E. CONFLICTS OF INTEREST: The Contractor warrants that no part of the total Agreement amount shall be paid directly or indirectly to an employee or official of the State of Iowa as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Agreement.

F. CONTRACTOR CHANGES: The Contractor shall provide notification to the System concerning changes in the Contractor's organizational relationships, ownership, professional staff, or services, which may have an impact on the Contractor's service to this account. The System may request replacement of any Contractor's personnel believed

unable to carry out the responsibilities of this Agreement and shall approve all Contractor staff members assigned to this Agreement.

G. DEFAULT: REMEDIES OF THE STATE:

1. Any of the following events shall constitute cause for the System to declare the Contractor in default of its obligations under the Agreement.
 - A. Non-Performance of the Agreement.
 - B. A failure by the Contractor to make substantial and timely progress toward the performance of the Agreement agreed upon by both parties.
 - C. A breach of any term of the resulting Agreement.

NOTE: The System shall issue a written notice of default providing for a fifteen (15) day period in which the Contractor shall have an opportunity to cure, provided that cure is possible and feasible.

2. If, after opportunity to cure, the default remains, the System may do one or both of the following:
 - A. Exercise any remedy provided by law.
 - B. Terminate the Contractors' services.
3. The Contractor shall not be considered to be in default under this Agreement, if performance is delayed or made impossible by any act of God, or such other event that is beyond the reasonable control and without the fault or negligence of the Contractor.
4. The fact that delay resulted from a subcontractor, assignee or third parties' conduct, negligence, or failure to perform shall not excuse the Contractor from the provisions of this Agreement.

H. DEFAULT: REMEDIES OF THE CONTRACTOR: Should the Contractor consider the System to be in default of its obligations, the Contractor shall issue a written notice of default providing for a fifteen (15) day period in which the System shall have an opportunity to cure, provided that the cure is possible and feasible. The System shall not be in default of obligations if the default is caused by or made impossible by any act of God, or such event that is beyond the reasonable control of the System and without the fault or negligence of the System. If after opportunity to cure, the default remains, the Contractor may exercise any remedy provided by law.

I. EQUAL EMPLOYMENT OPPORTUNITIES: The Contractor shall comply with the provisions of federal, state, and local laws and regulations to ensure that no employee or applicant for employment is discriminated against because of race, religion, color, sex,

disability, or national origin. The Contractor shall ensure that all authorized subcontractors comply with the provisions of this clause.

- J. **FEDERAL AND STATE STATUTORY AND REGULATORY COMPLIANCE:** It is the responsibility of the Contractor to establish and maintain compliance with appropriate federal and state statutory and regulatory requirements. Failure to comply will be considered a material breach of Agreement and may result in its immediate termination.
- K. **GOVERNING LAWS:** This Agreement shall be interpreted in accordance with the laws of the State of Iowa. Any action relating to this Agreement shall be commenced only in the Iowa District Court in and for Polk County and in the United States District Court for the Southern District of Iowa. The parties also specifically agree and acknowledge that any rights and remedies for property damage or loss, of for personal injury or death that may be asserted against the State of Iowa, the System, and the Systems' staff and Board members, shall be limited to those rights and remedies, if any, available under Iowa Code Chapter 669. This provision shall not be construed as waiving any immunity to suit or liability, which may be available to the State under Iowa law.

INDEMNITY FROM LIABILITY: The Contractor agrees to indemnify and hold harmless the State of Iowa, the System, and the System's staff and board members ("Indemnified Parties") jointly and severally, from and against any and all losses, claims, damages, judgments, costs (including attorney fees), or liabilities of any kind arising and as a result of the Contractor's performance of the deliverables specified in Section Two Deliverables.

IPERS and Contractor hereby agree to indemnify, defend and hold each other harmless from and against any and all loss, damage, cost, expense or liability, including reasonable attorneys' fees, (collectively called "Damages") to the extent arising from the acts or omissions of the indemnitor. IPERS shall indemnify, defend and hold Contractor harmless from any and all Damages arising out of or related to IPERS' possession, use or resale of any product or Equipment installed or owned by Contractor.

It is IPERS' responsibility to ensure that all of its electronic files and other data are adequately duplicated, documented, and protected, and in no event shall Contractor be responsible for IPERS' failure to do so.

In no event shall either party be liable for any indirect, incidental, special, punitive, or consequential damages whatsoever arising out of or in connection with this Agreement, including, but not limited to, loss of profits, revenue, data or use, incurred or suffered by either party or any third party, whether in an action in contract or tort, even if the other party or any other person has been advised of the possibility of damages.

- M. **INDEPENDENT CONTRACTOR:** The Contractor understands and agrees that its status under this Agreement shall be that of an independent Contractor. The System shall not provide to the Contractor an office, support staff, equipment, tools, or supervision beyond what is expressly stated in this Agreement.

N. **INSURANCE:** Contractor shall obtain at its own cost and expense and maintain the following insurance in full force and effect during the term of the Agreement:

1. Commercial General Liability Insurance with minimum limits of liability of not less than \$1 million per occurrence/aggregate.

O. **LIABILITY:** The State shall have no liability except as specifically provided in this Agreement.

P. **NOTICE:** Any notice, advice or report to be given pursuant to this Contract shall be delivered or mailed to:

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

(Mailing address)

ATTN: OPERATIONS

P.O. Box 9117

Des Moines, Iowa 50306-9117

(Street address)

ATTN: OPERATIONS

7401 Register Drive

Des Moines, Iowa 50321-2900

Q. **NONAPPROPRIATION:** Notwithstanding any other provisions of this Agreement, if funds anticipated for the continued fulfillment of this Agreement are at any time not forthcoming or insufficient, either through the failure of the State of Iowa to appropriate funds or the discontinuance or material alteration of the program under which funds were provided, or there has been a change in law, then the State of Iowa shall have the right to terminate this Agreement or a portion of this Agreement without penalty by giving not less than ten (10) days written notice. Should this clause be exercised by the System, the Contractor's exclusive remedy is to receive payment for services performed.

R. **REMEDIES:** In addition to the right to terminate this Agreement, the System may also file suit against the Contractor and any individuals involved for breach of duty and/or confidentiality. This section shall not be interpreted to limit the State's or System's remedies as provided for by law.

S. **SETOFF:** Should the System or the State obtain a money judgment against the Contractor as a result of a default under this Agreement, the Contractor shall consent to such judgment being set off from monies owed the Contractor by the System, the State of Iowa or any other agency of the State of Iowa under any other agreement(s).

T. **SECURITY OF DATA:** Some data files of the System are of a confidential nature. The Contractor's employees and agents shall be allowed access to these files only as needed for their duties related to the Contract and in accordance with the rules established by the

custodian of the records. The Contractor shall preserve the confidentiality of these files and shall maintain positive policies and procedures for safeguarding the confidentiality of such data. The Contractor recognizes that it may be liable civilly or criminally for the negligent release of such information.

- U. **SEVERABILITY:** If any provision of this Agreement is deemed invalid or unenforceable, the remainder shall be valid and enforceable.

- V. **SUBCONTRACTS AND ASSIGNMENTS:** The Contractor shall receive the System's written approval of all subcontractors and assignments entered into by the Contractor for the purpose of completing the provisions of this Agreement. All such subcontractors and assignees shall be procured with adequate attention to the principles of competition and reasonableness of costs. The Contractor remains responsible for the performance of and payment to all subcontractors and assignees. For purposes of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment as will any agreement which may be made by the Contractor with a third party. All records relating to subcontractors, assignments and agreements with third parties shall be available for audit or examination as stipulated in paragraph A above.

- W. **TAXES - STATE AND LOCAL:** The System is exempt from federal excise taxes, and from state and local sales and use taxes on the services supplied pursuant to this Agreement. No payment will be made for any such taxes or for any taxes levied with respect to the Contractor's employees 'and agents' compensation.

- X. **TERMINATION:** IPERS reserves the right to terminate this Agreement without penalty under any one of the following circumstances:
 - 1. At IPERS' discretion, with or without cause, after thirty (30) days written notice to the Contractor; or
 - 2. Because of the Contractor's default or material breach of Agreement.

- Y. **TERMINATION DUE TO MUTUAL AGREEMENT:** With the mutual agreement of both parties and upon receipt and acceptance of not less than thirty (30) days written notice, the Agreement may be terminated on an agreed date before the end of the Agreement without penalty to either party.

- Z. **TIME IS OF THE ESSENCE:** The System declares, and the Contractor acknowledges, that time is of the essence in the performance by the Contractor of the terms and conditions of the Agreement. The System declares, and the Contractor acknowledges, that the System will suffer damages due to a lack of effort by the Contractor to perform on a timely basis in accordance with the terms and conditions of this Agreement. Should the Contractor fail to perform the terms and conditions of this Agreement, in addition to the Systems' other remedies, the Contractor shall forfeit any amount still due and owing the Contractor at that point in time.

Notwithstanding the above, neither party shall be in default or otherwise liable for any delay in or failure of its performance under this Contract where such delay or failure arises

by reason of any act of God, or any government or governmental body, acts of the common enemy, the elements, strikes or labor disputes, or other similar or dissimilar cause beyond the reasonable control of such party. .

AA. WAIVER OF INFORMALITIES: Failure of the System at any time to require strict performance of any provision of this Agreement shall not constitute a waiver of that provision nor in any way limit the enforcement of the provision.

BB. WARRANTY AGAINST CONTINGENT FEES: The Contractor warrants that no person or selling agency has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage or contingency: excepting bona fide employees or selling agents maintained by the Manager for the purpose of securing business. For breach of violation of this warranty, the System shall have the right to award this Agreement without liability, or in its discretion, to deduct from the Contact price or to otherwise recover, the full amount of such commission, percentage, brokerage or contingency.

CC. ACCESS TO CERTAIN INFORMATION.

During the period of construction, contractor employees may have access to certain areas of the IPERS Headquarters Building that contain information or records that are confidential or are not releasable to the public under the Iowa Open Records Act. Contractor will brief its employees and employs of any subcontractor that information and/or records are present that are confidential. These employees shall take positive steps to protect information or records from unauthorized disclosure to anyone who is not an IPERS employee.

DD. COMPLIANCE WITH IPERS ETHICS POLICY.

Contractor acknowledges that it has been provided with a copy of the IPERS Ethics Policy, and agrees to comply with that policy as a material requirement under this Contract. Contractor agrees that, except as otherwise disclosed and pre-approved by IPERS, it shall not be involved in relationships with IPERS' Key Employees or with any other party providing products and/or services to IPERS where the relationships would constitute a conflict of interest under the IPERS Ethics Policy. In addition, the Contractor agrees to certify upon IPERS' reasonable request that the provisions of this paragraph continue to be true, and also to promptly notify IPERS and request a ruling using the IPERS disclosure statement at any time when the provisions of the paragraph may no longer be true because of a potential or actual conflict of interest.

Attachment I (Supported Products)

This Attachment is an Attachment to the SCOPE OF WORK FOR MANAGED SERVICES FOR IPERS INFORMATION TECHNOLOGY. Pursuant to this Attachment, Company will provide monitoring and support as contracted for the following Equipment:

Quantity	Description	Location
1	IPERSTEXT02	4701 Register Drive, Des Moines, IA
1	IPERS09 (PDC)	4701 Register Drive, Des Moines, IA
1	IPERSNETFYI02	4701 Register Drive, Des Moines, IA
1	IPERSSQL02	4701 Register Drive, Des Moines, IA
1	IPERSOBJ02	4701 Register Drive, Des Moines, IA
1	IPERS11	4701 Register Drive, Des Moines, IA
1	IPERS07	4701 Register Drive, Des Moines, IA
1	HP Tape Library	4701 Register Drive, Des Moines, IA
1	IPERS06	4701 Register Drive, Des Moines, IA
1	IPERS05	4701 Register Drive, Des Moines, IA
1	IPERSFTP01	4701 Register Drive, Des Moines, IA
1	IPERSKOFAXPRINT	4701 Register Drive, Des Moines, IA
1	IPERS10	4701 Register Drive, Des Moines, IA
1	IPERS04	4701 Register Drive, Des Moines, IA
1	IPERS03	4701 Register Drive, Des Moines, IA
1	IPERSGPSQL01	4701 Register Drive, Des Moines, IA
1	IPERSQAIM01	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV01	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV02	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV03	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV04	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV05	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV06	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV09	4701 Register Drive, Des Moines, IA
1	IPERSIQUEDEV10	4701 Register Drive, Des Moines, IA
1	EVA4000 & Fiber Switches	4701 Register Drive, Des Moines, IA
1	Data Protector Software	4701 Register Drive, Des Moines, IA
1	MSL6030 Tape Library	4701 Register Drive, Des Moines, IA
1	Cisco ASA5510 Firewall	4701 Register Drive, Des Moines, IA
1	Cisco 4507 Core Switch	4701 Register Drive, Des Moines, IA
1	Cisco 1113 Security Appliance	4701 Register Drive, Des Moines, IA
1	Cisco 3550 Switch **Best Effort Only Support (EOL Product)	4701 Register Drive, Des Moines, IA
1	IPERS12	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD01	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD02	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD03	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD04	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD05	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD06	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD07	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD08	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD09	4701 Register Drive Des Moines, IA
1	IPERSIQUEPRD10	4701 Register Drive Des Moines, IA