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)
P00002	10/10/14		

6. ISSUED BY CODE HC1028

DISA/DITCO-SCOTT-PL83
2300 EAST DRIVE
SCOTT AFB IL 62225-5406

7. ADMINISTERED BY (If other than item 6) CODE

See Item 6

8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)
CISCO SYSTEMS INC.
170 WEST TASMAN DRIVE
SAN JOSE CA 95134-1700
KAREN KING

CODE 0GX96 FACILITY CODE 0GX96

	9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED (SEE ITEM 11)
X	10A. MOD. OF CONTRACT/ORDER NO. HC1028-14-D-0003
X	10B. DATED (SEE ITEM 13) 18-Sep-2014

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.

☐ 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:

X D. OTHER (Specify type of modification and authority)
Unilateral, Mutual Agreement of Both Parties.

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 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: rossc1589

The purpose of this modification is to incorporate Cisco SMARTnet support details and In Process Reviews (IPRs) at no additional cost to the Government.

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)	
DANA GIAMPETRONI DIRECTOR FINANCE		TEL: 618.229.9569 EMAIL: carrie.m.ross.civ@mail.mil	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED 10/9/2014	16B. UNITED STATES OF AMERICA BY ROSS.CARRIE.M.1230417381 Digitally signed by ROSS.CARRIE.M.1230417381 DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DISA, cn=ROSS.CARRIE.M.1230417381 Date: 2014.10.10 06:35:48 -05'00' (Signature of Contracting Officer)	16C. DATE SIGNED 10/10/14

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

SECTION H - SPECIAL CONTRACT REQUIREMENTS

The following have been added by full text:
CISCO SMARTNET DETAILS

CISCO SMARTnet: Three categories of support are included and available to Enrollees. If Enrollment Option 2 is selected, the level of support provided in categories 2 and 3 will be substantially less than that available under Enrollment Option 1.

- **Category 1:** Without limit (for covered equipment as determined by the enrollment/entitlement model): break-fix technical support, equipment replacement, inventory management tools and services, and access to online technical library
- **Category 2:** In limited quantities: Cisco Technical Education, Classified Network Support, and 4-hour hardware replacement
- **Category 3:** In limited quantities and managed via points: consulting, proof of concept support, lab testing, network optimization, and project engineering support.

Category 1: Support Available to Enrollees without Limit

The following types of support are available to Enrollees for covered equipment as determined by the enrollment/entitlement model and are not limited under the scope of the contract.

1. Technical Support

This support provides SMARTnet coverage for Enrollee-owned, Cisco-branded equipment. Re-inspection and recertification shall not be required for the baseline (upon enrollment) installed base of Cisco-branded equipment. When Cisco goes through the process of entitling serial numbers, if a serial number does not match our database of eligible products or was purchased and/or shipped to an address not affiliated with the current owner or end user, Cisco may investigate further. This may include the engagement of Cisco Brand Protection and Global Compliance specialists. If a determination is made that a device is grey market or counterfeit, Cisco will notify the Enrollee and this equipment will be ineligible for SMARTnet support on this contract.

1.1 SMARTnet - Technical Assistance Center (TAC)

The Cisco TAC provides access to highly trained customer support engineers, including over 630 Cisco-Certified Internetworking Experts (CCIE) and Research and Development (R&D) engineers, each with a high level of knowledge in voice, video, and data communications

networking technology. Each engineer averages 5 years of industry experience. A sophisticated call routing system quickly routes calls to the correct technology expert. The Cisco TAC is available 24 hours a day, 7 days a week, 365 days a year via the Internet, email, or telephone. TAC characteristics supporting availability are as follows:

- Approximately 600,000 contacts handled per quarter
- 7x24x365 global support using the "follow-the-sun" model
  - Eight worldwide TAC locations
  - Seven regional TAC locations
  - Five satellite TAC locations.

Cisco will provide unlimited, direct access to the Cisco TAC for technical support 24 hours x 7 days x 365 days per year (24x7x365) via telephone, the web, email, chat, and social media for all hardware and software technical issues for covered equipment, as determined by the enrollment model. Cisco will provide access to Cisco product business units as required in accordance with its commercial business practices.

1.2 SMARTnet - Advance Hardware Replacement

Hardware replacement helps maximize network availability and reliability and expedites issue resolution by providing fast access to replacement hardware, minimizing the risk of potential network downtime, and decreasing the costs associated with onsite sparing.

Cisco will provide 8x5xNext Business Day hardware replacement for the Enrollee's installed base of Cisco devices, as determined by the enrollment model (Option 1 or 2). Cisco's obligations for sparing of parts will commence within thirty (30) days after Cisco's receipt of an Enrollee's delivery order. During the thirty (30) day period, Cisco will use commercially reasonable efforts to provide the requested parts.

Cisco will provide new or equivalent-to-new Cisco hardware of the same make and model as the replaced hardware. Factory seconds or remanufactured products will not be provided. All replacement parts will be Cisco-branded products (Cisco OEM). Cisco maintains global parts depots, including more than 1,000 depots, in support of this requirement.

Enrollees who have mission-critical needs may upgrade to 7x24x4-hour hardware replacement (see Category 2.

1.3 SMARTnet - Internetwork Operating System Software Support

Cisco Internetwork Operating System (IOS) software is the world's premiere network infrastructure software, delivering seamless integration of technological innovation, business-critical services, and hardware support.

Cisco IOS software releases deliver cutting-edge technologies and industry-leading functionality. Continuously adapted to meet evolving business and security needs, Cisco IOS software releases

are tailored to address the requirements of specific markets and customers. Sound software development, quality assurance, and rapid time to market are fundamental to the success of our customers' networks. This software strategy is designed to minimize operational spending, maximize return on investment, improve productivity, and address security vulnerabilities.

Cisco IOS software support provides major and minor updates for a licensed IOS feature set. By downloading new releases, patches, or updates of IOS software, customers enhance and extend the useful life of their organization's devices. Through major software updates, it is possible to extend the life of equipment and maximize application technology investments by:

- Increasing the performance of current functionality
- Ensuring compliance with network security policies and regulations
- Adding new functionality, often without additional hardware investment
- Enhancing network and/or application availability, reliability, and stability
- Extending the useful life of Cisco devices.

Cisco will provide 24x7x365 direct access to all Cisco IOS software updates for an Enrollee's installed base, as determined by its enrollment (Option 1 or 2).

Cisco will provide access to Cisco IOS software developers in accordance with its commercial business practices.

1.4 SMARTnet – Application Software Support

Application software support includes access to updates and upgrades including minor updates/patches and in some cases major upgrades (when entitlement is sold as a SMARTnet subscription service) for all products and applications covered under this contract. This includes Software Application Support (SAS), Software Application Support plus Upgrades (SAU/SASU), Software Support Service (SWSS), Essential Operate Service (ESW), Essential Operate Services for TelePresence (ECDN), and Cisco Services for IPS (CIPS) as each of those support services are defined in Cisco's standard commercial offering.

- SAS provides maintenance and minor updates, plus access to online resources and TAC support services for over 100 security, network management, and data center software applications. SAU/SASU, where available, provides major upgrades.
- SWSS provides maintenance and major and minor updates for Cisco Unified Communications software.
- ESW provides maintenance and minor updates, plus access to online resources and TAC support services for certain software applications.
- ECDN provides updates and upgrades to certain application software and firmware; resolution of security vulnerabilities; patches to resolve bugs; and version updates to improve performance and /or added functionality.

- CIPS delivers continuously updated, comprehensive, and accurate detection technology to identify and block fast-moving and emerging threats before they damage computing assets including:
  - Frequent IPS intelligence, signature, and detection engine updates from Cisco Global Security Intelligence Engineering to provide up-to-the-minute threat and vulnerability protection
  - Cisco Global Correlation and Reputation filtering that improves the accuracy of threat recognition and blocking, and overall IPS effectiveness
  - Ongoing Cisco IPS operating system software updates and upgrades for improved security, performance, and device management.

1.5 SMARTnet - Cisco.com — Anytime, Anywhere Access to Information

Cisco's award-winning website at www.cisco.com provides 24x7x365 direct customer access to a comprehensive collection of Cisco intellectual property, product and technology information, interactive network management, and troubleshooting tools and other knowledge-base resources that can help customers reduce costs by increasing staff self-sufficiency and productivity, including the following:

- 78 percent of all customer technical support issues are solved online
- Over 250,000 technical support issues resolved online each month
- Over 2.8 million unique visitors per month
- 5.5+ million software downloads per month
- Intuitive navigation and advanced search options
- Enhanced personalization and Web 2.0 features
- Online community forums
- Localized content in five languages
- 18+ core tools and resources
- 90,000+ technical documents
- Certification and training resources.

Cisco continually develops new methods of accessing support, including the incorporation of popular social media sites such as You Tube, Facebook, and Twitter; RSS feeds; and mobile apps.

2. Technical Knowledge Library

The Cisco Technical Knowledge Library (TKL) is a collection of knowledge and best practices designed to provide users with access to valuable Cisco intellectual property. Access to TKL

helps Enrollee personnel understand and avoid common problems and become more familiar with Cisco products and technologies.

TKL contains a wide range of technical white papers, design guides, and on-demand videos based on Cisco's breadth of optimization experience and expertise. Other content includes Cisco Press titles, case studies, validated configurations, and self-study guides.

TKL is organized into five solution modules: Wireless, Security, Network Infrastructure, Collaboration, and Data Center. This presentation format enables IT professionals to quickly locate the technical and operational guidance they need by architectural solution.

The contract entitles all Enrollee personnel access to this resource through a secure portal provided by Cisco.

3. Support Access Portal

Cisco will provide a secure online portal to serve as a one-stop-shop for support. This portal will be an important communications tool that will be leveraged throughout the life of the contract to provide information about the types of support available, overview information about the contract, detailed instructions for accessing support, and a single access point providing useful links and consolidating information from various sources.

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Cisco will work with the Enrollees to ensure the portal is easy to access for all appropriate end users, including providing direct links from existing sites and online tools that users already know and access frequently for technical and contract support.

While portal contents and functionality will be customized to meet the specifics of this contract, standard portal sections and capabilities include:

- Scope and overview information
- Detailed descriptions of support types available and how to access them, including, where necessary, process steps to follow established governance procedures for support requests
- Direct links to open a Technical Assistance Center (TAC) case
- Direct links to review and update the Inventory Collection and Reporting System (ICRS)
- Access to the Technical Knowledge Library and Cisco Technical Education online resources

- Feeds from Cisco's industry-leading network security advisories and technical recommendations
- Key contact information for direct access to program points of contact
- Instructions and user guides for all other systems or tools used to administer contract support
- News, updates, and announcements from the contract, Cisco, DoD and MILDEP/ODA teams.

Cisco will work with Enrollee representatives to ensure this portal meets appropriate security requirements and supports permissions-based hierarchy and other access control and information security features.

3.1 Inventory Collection and Reporting System

An Inventory Collection and Reporting System (ICRS) provides a customized, secure web-based portal for Enrollee personnel to manage installed base data.

The ICRS enables the Enrollee and Cisco to build and validate the inventory of Cisco-branded equipment.

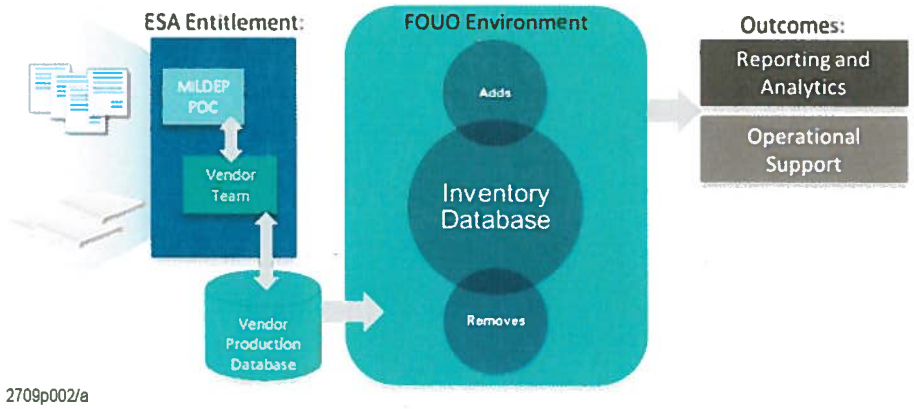

Figure 1. Proposed MILDEP/ODP Enrollment Systems

Cisco will provide initial functionality and operating capability for the portal and underlying database within 90 days of receipt of a delivery order for MILDEP/ODA enrollment.

Enrollees will be able to define their organizational hierarchy and user roles and approve user access requests. Approved Enrollee users may use the ICRS portal to register products to their delivery order contract and perform routine updates such as moves, adds, changes, and deletes (**Figure 1**).

The ICRS portal will include workflow and reporting functions. Additional processes may be added or changed as mutually agreed upon.

Cisco will provide ICRS end-user support, which will include delivering training through online demonstration or an alternative training method and maintain an online training manual and self-help guide.

The ICRS will archive all transactions to facilitate historical traceability of any changes made to the database during the contract term.

Cisco recognizes that the Enrollee may need to track assets and associate them with end users to facilitate "chargeback." Cisco will work with each Enrollee to develop, implement, and maintain the relevant data elements and reporting capabilities to meet the Enrollee's business requirements.

Category 2: Support Available to All Enrollees in Limited Quantities

The following types of support are available to all Enrollees, in limited quantities. Based on the Enrollee's needs, installed base size, and other factors at the time of enrollment, Cisco will determine the number of Cisco Technical Education seats and Classified Network Support cases included. Because these support resources are limited, they will be allocated as described in the Governance section.

1. Cisco Technical Education

Cisco Technical Education (CTE) is an e-learning portal containing over 10,000 training modules, which will help Enrollee network personnel address immediate issues, become more self-sufficient in network support, and avoid costly travel and downtime required for in-person training.

CTE modules are organized around primary networking technologies and provide access to new product information, intermediate and advanced-level maintenance, operations, and break-fix training.

CTE enables access to just-in-time training on a variety of topics, such as routing, switching, data center, and security technology.

Under this contract, CTE also includes administrative features that allow administrators to develop specific curricula, track student activities on a course-title basis, and print reports on overall portal and individual module utilization.

2. Classified Network Support

Classified Network Support (CNS) provides personalized, high-touch support from a team of dedicated operations managers and network engineers with requisite security clearances using expedited routing and call handling. CNS personnel are able to transmit and receive classified information via SIPR and VOSIP.

3. 4-Hour Hardware Replacement

Cisco will provide Enrollees who have mission-critical needs with the ability to upgrade to 7x24x4-hour hardware replacement. Specifically, Cisco will support up to 10 percent of the Enrollee's installed base value at the 7x24x4-hour service level. Devices covered at the 4-hour replacement service level will require serial number entitlement and must be located within 4 hours of one of Cisco's depots.

Category 3: Support Available to All Enrollees in Limited Quantities and Managed via Points

The following types of support are available to all Enrollees in limited quantities and are allocated based on a defined point system. Based on the Enrollee's needs, installed base size, and other factors at the time of enrollment, Cisco will determine the total number of points that can be used to consume this support. Consumption of points is described in the Governance section. For Enrollees who may have support requirements beyond their point allocation, Cisco will work with the Government to provide options to accommodate and facilitate additional support.

1. Support Delivery Strategy and Offerings

The contract can support service requests within the areas shown in the delivery strategy model, descriptions and tables below (**Figure 2**).

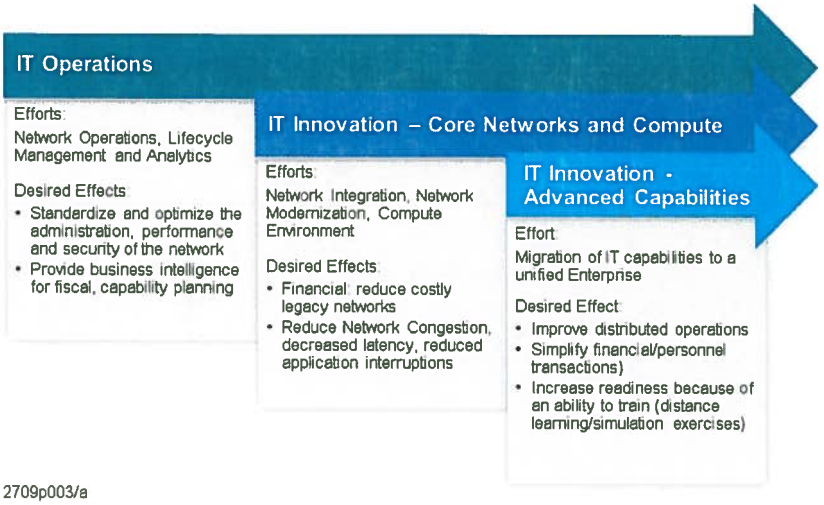

Figure 2. Delivery Strategy Model

2. Engineering and Consulting Support

Engineering support focuses on network optimization and operation, network design engineering, and project and program management. This support is focused on the Enrollee's plan, build, and maintain requirements when considering Cisco network technology to satisfy mission or business requirements.

All engineering support engagements are developed jointly by the Enrollee and Cisco using project discipline to develop a clear project charter and anticipated level of effort. Engineering support may include:

- Advanced Technology Optimization
- Network Engineering Support
- Network Management Architecture Roadmap
- Network Resiliency Assessment
- Operational Risk Assessment
- Operational Support Planning Workshop
- Testing Lab Support
- Project and Program Management Operations Leading Practices
- Network Optimization and Operations.

Network Optimization and Operations (**Table 1**) includes Cisco network consulting engineers and subject matter experts who apply domain expertise and provide dedicated services to support, improve, and optimize the network:

Table 1. Network Optimization and Operations Support

Support Area	*Description*	*Deliverables*
Design Strategy	Engineering methodologies and practices that help manage and evolve network designs and architectures	■ Ongoing Design Support ■ Detailed Design Report(s)
Software Management Strategy	Engineering analysis and recommendations to improve software management practices and lifecycles	■ Ongoing Software Support ■ Proactive Software Recommendation Report ■ Software Infrastructure Analysis Report ■ Software Security Alert (PSIRTs) ■ Configuration Best Practices Report ■ Software Management Strategy Review

Support Area	*Description*	*Deliverables*
Hardware Strategy	Engineering services and practices to help improve network availability, reduce downtime, and avoid degradation	■ Ongoing Hardware Support ■ Technology Protocol Audits ■ Hardware End of Life/Support Reports
Change Management Strategy	Engineering and management practices to help networks, and the teams who manage them, accommodate new business requirements over time	■ Delivery and Network Improvement Plans ■ Onsite Network Optimization Support ■ Scheduled Change Support ■ Ongoing Escalation Engineering Support ■ Knowledge Transfer and Mentoring
Focused Technical Support	Focal point for network problem resolution	■ Solve complex network issues ■ Re-create network behavior in labs and test resolution ■ Determine and document root cause and provide recommendation
High Touch Operations Management	Proactive and reactive engineering and management services providing customized support for network operations	■ Point of Contact for TAC Escalations ■ Service Request & RMA Reports ■ Cisco TAC Service Request and RMA Management ■ Service Contract Access Management ■ Joint Business Review Reporting ■ Knowledge Transfer on Cisco TAC Processes

Consulting support (**Table 2**) focuses on tactical and strategic projects designed to achieve long-term network objectives and develop enterprise-level business and technology strategies:

Table 2. Consulting Support

Support Area	*Description*	*Deliverables*
Collaboration Assessment, Strategy, and Roadmap	IT Efficiency, Business Innovation, Saving to Invest, Reduce Complexity	Collaboration Future State Vision, Prioritized Use Cases, Use Case Business Requirements, Business Architecture, Technical Architecture, Implementation Roadmap
Cloud Market Entry and Service Plan	Cloud Provider: Charge-back models	Benefits and Cost Analysis, Service Pricing and Capabilities, Service Architecture, Value Proposition
Network Lifecycle	IT Cost Reduction, Reduce	Install Base Risk Assessment, Multi-year

Support Area	*Description*	*Deliverables*
Management Analysis	Infrastructure Risk	IT Asset Lifecycle Analysis
Network Strategy and Roadmap	IT Cost Reduction, Reduce Infrastructure Risk	Multi-year network roadmap, Business to IT mapping
Technology Deployment or Modernization Office	Effective Program Management, Reduce Project Risk, Improved Governance	Architecture Management Office
ICT Master Plan	IT Cost Reduction, Communications Transformation	Service Strategy, Services Concepts, Business Case, Technical Architecture

As detailed above, Cisco SMARTnet shall be provided by the contractor at no additional cost to the Government.

The following have been modified:

TERMS AND CONDITIONS

1. Contract Title. Cisco SMARTnet Support Joint Enterprise Support Agreement.

2. Definitions.

Enrollee: Any eligible organization defined below that executes a delivery order against a CLIN during the period of performance (PoP).

Enrollment: Enrollment is initiated when an eligible organization submits a delivery order under this agreement and provides an installed base (IB) value determination.

Equipment: Equipment is considered to be all Cisco-branded hardware and software eligible for SMARTnet coverage. Equipment ownership is determined by which organization has the Property Book accountability or if not on a Property Book, which organization has Operations and Maintenance responsibility for the equipment.

Cisco SMARTnet:

- Maintenance support is defined as follows: Global 24-hour access to experts in the Cisco TAC
- Self-help support through Cisco.com
- 8x5x Next business day hardware replacement
- Updates, upgrades and patches for OS software and all licensed Feature sets

3. Scope.

The scope of this requirement covers the entire DoD. This currently includes the Office of the Secretary of Defense, the Joint Chiefs of Staff, the four Military Services (Army, Navy, Marines, and Air Force), the Combatant Commands, the Office of the Inspector General, 17 Defense Agencies, and 10 DoD Field Activities. Additionally, each military department (MILDEP) enrollment will include organizations for which they have Executive Agency responsibility as defined by DoD Directive (DoDD) 5100.03. Usage by the Executive Agent is limited to the responsibility outlined in DoDD 5100.03 to "provide or arrange for the administrative and logistical support of the Headquarters of the Combatant Commands and the subordinate unified commands." Included in these categories are military, civilian, and contractor personnel purchasing on behalf of the above organizations. The coverage of this requirement applies to all Continental United States (CONUS) and Outside the Continental United States (OCONUS) sites. At the time of enrollment an organization will define which components are included in their IB value determination. For example, a service enrollment will state whether combatant commands are included in their enrollment. Each organization will work with the original equipment manufacturer (OEM) to validate their IB value. Enrollment is initiated when an eligible organization submits a delivery order under this agreement and provides an IB value determination. Mid-term enrollments (less than the full PoP) will be prorated based on the duration of support provided.

The Contractor will provide Cisco-branded SMARTnet support for all eligible DoD equipment. Reinspection and recertification shall not be required for the present IB. If in the process of entitling new serial numbers, a device is identified as grey market or counterfeit, the OEM will notify the Enrollee and this equipment will be ineligible for SMARTnet support on this agreement. An inventory listing, including serial numbers will be provided by each organization as they enroll. Mid-term enrollments (less than the full PoP) will be prorated based on the duration of support provided. The prorated price will be calculated by using the full annual price divided by 365 days then multiplied by the number of days remaining in the current contract period of performance. As existing support contracts expire, that equipment shall be migrated to this enterprise agreement. The contractor shall allow for and facilitate this process.

There will be two enrollment options.

Enrollment Option One:

The first option allows for the enrollment of an entire organization in a single delivery order. The organizational composition of an enrollee is set at the time of the initial order. Changes to organizational components require mutual agreement of the enrollee and the original equipment manufacturer. Under option one, network devices may be added and older equipment replaced throughout the lifecycle of the contract. It is expected that these changes in inventory are anticipated, and therefore the addition of new equipment procured during the lifecycle of the contract will be covered by this agreement. An Enrollee under Option One may add new equipment even if the addition of new equipment causes the Installed Base value to exceed the

upper threshold of the current pricing tier. Inventory reconciliation is defined below in Section 4.

Enrollment Option Two:

The second option allows for partial enrollments of serialized equipment. A partial enrollment is defined as portions of a total organization or portions of equipment for a total organization. Under the partial enrollment option, the contractor shall provide initial serialized Cisco SMARTnet support with the option to transition to Option One; a non-serialized enterprise approach. This includes both Cisco hardware currently owned by the organization and Cisco hardware resulting from future purchases during the lifecycle of the contract. The Government will provide notification to the Contractor of the addition and removal of equipment as required. Additional equipment may only be added up to the upper threshold of the current pricing tier.

4. Inventory Reconciliation.

The purpose of inventory reconciliation is to determine the Enrollee's current IB List Price value in advance of exercising a future option. Each Enrollee will establish an IB baseline based on the List Price value of their inventory at the time of enrollment. IB value determination for inventory reconciliation will be determined by the inventory in the Information Technology Asset Management (ITAM) portal or other authoritative source as determined by the Government.

Enrollment Option One:

Under enrollment Option One of this contract, each enrolled organization's Cisco product inventory will be permitted to fluctuate upward or downward during the applicable PoP. Twenty-two months after enrollment, inventory reconciliation will be required and will be performed annually thereafter. The reconciliation will be conducted no later than 60 days prior to the end of the PoP for that period. Any additional inventory added during this 60 day period will be included in the next inventory reconciliation. The result of this reconciliation will determine the IB range and resulting pricing tier for the subsequent PoP. It will be assumed for reconciliation purposes that if the IB value exceeds the upper limit by 10% or less, the enrollee will remain in the current IB band for the subsequent year. If an enrollee executes an enrollment during the last 24 months of the contract PoP, no inventory reconciliation will be required.

Enrollment Option Two:

Under enrollment option two, an Enrollee will be required to submit inventory reconciliation at least semi-annually. Depending on an Enrollees current price tier, the addition of new hardware or software may or may not result in a tier adjustment. If a tier adjustment is necessary, a contract modification and/or delivery order will be required to adjust to a new tier. Adjustments to lower pricing tiers will not be made mid-term. If an inventory increase results in movement to a higher tier, the pro-rated adjustment to the higher tier will require a purchase order to cover the IB value within 60 days of inventory reconciliation.

For both Enrollment Options, if the IB value of an enrolled organization changes by more than ten percent as a result of an equipment transfer, reorganization, consolidation, or privatization, the contractor shall work with the government agency in good faith to determine how to accommodate the changed circumstances in the context of this agreement. The contractor will grant DoD MILDEPs and agencies the right to transfer hardware or software to any other DoD MILDEP or agency. Any adjustment to IB value will be determined at the time of the next applicable inventory reconciliation.

5. Determining IB Range.

An IB value will be determined using the inventory reconciliation described in Section 4 above. Whether an increase or decrease in the IB value exists at the end of option years 1, 2, and 3 will be agreed to by the parties in good faith. Each enrolled organization will use ITAM or its equivalent as the authoritative source for making this determination. As ITAM is a developing capability that may not be fully functional at the time reconciliation is required, the Government requests the Contractor to provide an alternative solution for this requirement.

In order to account for inventory fluctuations in a dynamic network environment, the contractor shall provide tiered pricing based on IB list price value. Tier ranges are defined in Attachment J-1. Pricing for the IB value ranges for option years 1, 2, 3, and 4 will be provided by the contractor in Attachment J-1 as part of their price proposal.
The IB value has been determined by combining the commercial list price value for all Cisco inventory for each DoD Enrollee. Using list price value allows the DoD to normalize the IB value without having to account for discount variances.

6. Security.

The security classification level expected for work performed under this agreement is TOP SECRET. Please see the DD254 incorporated into this requirement (attachment J-2).

7. In Process Reviews (IPR).

The contractor shall conduct and participate in regular reviews, namely IPR for the duration of this IDIQ. Reviews shall be held at least once a year, but no more than one a quarter, as scheduled by the Government and may require local (50 mile radius of the Pentagon) travel. Additional attendance is authorized as required by the Government and may include other DoD Agencies and related contract support personnel. The IPR review shall address the status of technical and programmatic progress, and each review shall focus on achievements since the last review to include the following: enrollment activities, unresolved issues, action items, reconciliation, and any known problems. These reviews shall take place at either the contractor provided location or a Government facility at a time determined by the Government. Meeting minutes shall be documented by the contractor and a copy provided to the Government. The meeting minutes shall accurately document all the action items and the substantive discussion points from the meeting. The contractor shall track action items identified at the IPR and shall report status to the Government.
IPRs are for the mutual benefit of the contractor and the Government. Accordingly, IPRs, including any associated labor, local travel, or other costs, shall be provided by the contractor at no additional cost to the Government.

(End of Summary of Changes)