



State of New Jersey

DEPARTMENT OF THE TREASURY

DIVISION OF PURCHASE AND PROPERTY

PURCHASE BUREAU

P.O. BOX 230

TRENTON, NEW JERSEY 08625-0230

SUBJECT: Microsoft Premier Support Services Agreement

TERM: January 1, 2008 through December 31, 2012

The State of New Jersey has concluded an agreement with Microsoft Corporation to provide access to Premier Support Services. The agreement has a 5-year term from January 1, 2008 through December 31, 2012.

The Microsoft Premier Support Services Agreement provides a procurement mechanism through which various State agencies and members of Cooperative Purchasing can electively acquire Microsoft Corporation's Premier Support Service for the agencies' installed base of Microsoft software.

Microsoft Premier Support Service includes:

1. Account management.
2. Problem resolution via break-fix support.
3. Proactive services such as technical workshops, system health checks, advisory services and computer code reviews.
4. Information services tailored to each customer's unique installed base of software.

Microsoft Contact Information:

Microsoft Contact Name: Cynthia Guest

Phone: (980) 776-8283

Email: cynthg@microsoft.com

Facsimile: (425) 708-0495

Members of Cooperative Purchasing may utilize the Microsoft Premier Support Services Agreement and subsequently place orders for Microsoft Premier Support Services as they would any State contract. The contract number is **AB153**. Local entities can enter into a multi-year Microsoft Premier Support Services Agreement, pursuant to the authority in Local Public Contracts Law at NJSA 40A:11-15(42).

PREMIER SUPPORT SERVICES AND FEES (Contract # AB153)

The quantities listed in the table below represent the amount of Services that the State of New Jersey has pre-purchased under this Services Description for use during the term of this Schedule and applicable fees.

Component Description		Premier Support Level				
		NJ Custom PKG	1	2	3	4
Support Account Management	'Up to' number of hours	25	120	240	360	600
	Escalation Mgmt	24 x 7	24 x 7	24 x 7	24 x 7	24 x 7
	Technical Account Manager (TAM) model	designated	designated	designated	designated	dedicated
	TAM site visit	*available	included	included	included	included
	Custom Support	*available	*available	*available	*available	*available
Problem Resolution <small>(Problem Resolution hours may be traded for Proactive Services Hours)</small>	'Up to' number of hours	50	120	160	200	300
	Critical Situation Escalation	included	included	included	included	included
	Call in support hours	24 x 7	24 x 7	24 x 7	24 x 7	24 x 7
	Alliance	Not	*available	*available	*available	*available
	Reactive On Site Support (ROSS)	*available	*available	*available	*available	*available
	additional PRS hours available*	up to 25 hours	Up to 60 hours	Up to 160 hours	Up to 300 hours	Up to 500 hours
Proactive Services (Support Assistance) <small>(Proactive Services hours may be traded for Problem Resolution Hours)</small>	'Up to' number of hours	50	40	80	140	200
	* Health Check/workshop	available	available	available	available	available
Pricing – commercial rates***	Year 1	\$24,625	\$57,160	\$96,560	\$139,900	\$218,700
	Year 2	\$25,856	\$60,018	\$101,388	\$146,895	\$229,635
	Year 3	\$27,149	\$63,019	\$106,457	\$154,240	\$241,117
	Year 4	\$28,507	\$66,170	\$111,780	\$161,952	\$253,173
	Year 5	\$29,932	\$69,478	\$117,369	\$170,049	\$265,831

* available indicates that there will be an additional charge for the service if it is available

*** Current year pricing is based on current commercial rates. The out year pricing listed is based on a 5% uplift as a

cap to the amount that may be charged for the package of services. If the out year commercial rates are less than the yearly rates then the lesser amount will be charged.

ADDITIONAL SERVICES

Additional Service Fees***					
	Year 1	Year 2	Year 3	Year 4	Year 5
Additional problem resolution , Support Account Management or Proactive Services hours	\$197/ea	\$207	\$217	\$228	\$239
Premier Field Engineering (previously known as Alliance support) 400 hour minimum per technology.	\$220/hr	\$231	\$243	\$255	\$267
TechNet Subscription	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216

*** Current year pricing is based on current commercial rates. The out year pricing listed is based on a 5% uplift as a cap to the amount that may be charged for the package of services. If the out year commercial rates are less than the yearly rates then the lesser amount will be charged.

GRATATIOUS SERVICES

“The following services constitute “gratuitous” services for which you shall have no legal or moral obligation to pay and for which we waive any entitlement to compensation. By providing these gratuitous services it is our intent to be in compliance with applicable laws and regulations regarding the provision of gratuitous services. Specifically, it is understood that all services, materials and/or products provided under this work order are for the sole benefit and use of the government agency for which we provide them, directly or indirectly, and are not provided to or for any individual government employee.”

GRATUITOUS SERVICES STRUCTURE

Gratuitous services are services offered at no cost or obligation to customer. In the contract they will be categorized as a “Microsoft Investment”.

The effect of Gratuitous Services is that they will reduce the cost to the customer by the amount listed in the table below.

Following are examples of a purchase of a Package 1 support level at two thresholds (after each respective threshold is met):

Example 1: Threshold of \$250K

Commercial rate for Package 1 = \$57,160

Gratuitous Services level = 2.5% = \$1,429 (\$57,160 x .025)

Value of Services = amount due from customer (**\$55,731**) + Gratuitous Services amount (\$1,429) = \$57,160

Example 2: Threshold of \$450K

Commercial rate for Package 1 = \$57,160

Gratuitous Services level = 4.5% = \$2,572 (\$57,160 x .045)

Value of Services = amount due from customer (**\$54,588**) + Gratuitous Services amount (\$2,572) = \$57,160

If the initial purchase is made all at one time by multiple organizations then each of the purchasing organizations that are contributing to the initial purchase will be provided with Gratuitous Services for the corresponding threshold.

Subsequent purchases by multiple organizations that increase the aggregate amount to the next threshold will receive Gratuitous Services corresponding to the amount of the threshold that is met.

Gratuitous Services Available		
	Threshold	Corresponding Gratuitous Services amounts
Initial customer commitment	\$150,000	1.5%
Thresholds	\$250,000	2.5%
	\$350,000	3.5%
	\$450,000	4.5%
	\$550,000	5.5%
	\$650,000	6.5%
Maximum Threshold	\$750,000	7.5%

CONTRACT STRUCTURE

Each organization that purchases package of support from this contract will be required to sign a separate Premier Support Exhibit which will be attached hereto and incorporated herein by this reference.

The New Jersey Custom packages must co-terminate with the package that they are joining. They may be prorated so that they will co-terminate with the account under which they fall.

7. MICROSOFT CONTACT

Microsoft Contact: Contact for questions and notices about this Schedule and the Service Description:

Microsoft Contact Name: Cynthia Guest
Address: Microsoft Corporation (Attn: Cynthia Guest) _____ 8050 Microsoft Way _____ Charlotte, NC 28273
Phone: (980) 776-8283
Email: cynthg@microsoft.com
Facsimile: (425) 708-0495