

FAQ – Cisco’s Texas DIR-TSO-2542 Contract

A Vendor (or “Authorized Reseller”) has received and accepted a Purchase Order (PO) under the Cisco Texas DIR-TSO-2542 contract. How will the partner process that order for the Customer?

- The Authorized Reseller has 2 options: 1) place Customer order directly through distribution (Disti) or 2) Cisco (if they are able to do so). Placing orders is at the Authorized Reseller’s sole discretion. The process of submitting Customer orders to Disti(s) or Cisco has not changed.
- There is no special requirement for processing orders under DIR-TSO-2542. Cisco’s Authorized Resellers listed on the [TX DIR webpage](#) and the [Cisco Texas DIR Branded website](#) may process customer orders through Disti(s) or Cisco as usual.

Does the PO need to reference the Cisco Texas DIR-TSO-2542 contract on an order?

- Yes, every PO must reference the Cisco contract number “DIR-TSO-2542” **as a contractual obligation under this vehicle**. If Customer order does not reference the contract number, please ask the Customer to resubmit the PO referencing contract number “DIR-TSO-2542”.

When configuring a quote, does an Authorized Reseller need to take any additional steps?

- Authorized Resellers are required to enter the contract name “Contract for Cisco Branded Products and Related Services” as well as the contract number “DIR-TSO-2542” in the “Notes” section of the ordering tool when generating customer quotes.

What are the minimum, guaranteed contract discounts for Customers under the Cisco Texas DIR-TSO-2542 contract?

- **Products:** For Cisco products, including software and accessories, the **minimum, guaranteed** discount that an Authorized Reseller must provide to the Texas DIR Customer is 36% off the Global Price List MSRP as posted on the [Cisco Texas DIR Branded website](#). Authorized Resellers may, at their sole discretion, offer additional, incremental discount(s) (i.e., deeper discounts) on a case by case basis to any eligible Texas DIR Customer under the Cisco DIR-TSO-2542 contract. It is the sole legal obligation of the Authorized Reseller to honor those additional, incremental discount(s). For example, an Authorized Reseller may offer 38% off the Global Price List MSRP as posted on the [Cisco Texas DIR Branded website](#) for products rather than the contract pricing minimum guarantee of 36% off. Remember to report the **actual discount %** provided to the customer when reporting sales to the portal.
- **SMARTnet:** For SMARTnet, the minimum guaranteed discounts are listed below. Note, however, the minimum guaranteed discount differences for government Customers (i.e., State agencies and local governments) versus education Customers (i.e., K-12 and higher education). **For Advanced Service and Training (Learning Credits) there are no minimum guaranteed discounts offered.**

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Minimum Pricing & Discounts off Cisco US Global Price List to Customers

<u>Scope of Offering</u>	Discount % off MSRP
Products	
Cisco Equipment on the Global Pricelist	36.00%
Related Services	
Government - 1 Year Cisco SMARTnet Contract	10.00%
Government - 3 Year Cisco SMARTnet Contract	17.00%
Government - 5 Year Cisco SMARTnet Contract	21.00%
Education - 1 Year Cisco SMARTnet Contract	25.00%
Education - 3 Year Cisco SMARTnet Contract	28.00%
Education - 5 Year Cisco SMARTnet Contract	30.00%
Training - Cisco Learning Credits	0.00%

Partner Services Question

Partner Services	NTE Amount/Hour*
Enterprise Network Services I	\$285.00
Enterprise Network Services II	\$325.00
Enterprise Network Services III	\$375.00
Technician	\$180.00
Network Engineer	\$225.00
Senior Network Engineer	\$275.00
Project Manager	\$250.00
Program Manager	\$275.00

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Per the subcontracting agreement with Cisco (USPSS), Partner Services are LIMITED to Basic Installation and Configuration (“BIC”). BIC includes the following types of authorized Partner Services:

- Certified and Technical Project Management
- Staging & Implementation Engineering (Installation)
- Site Survey
- High Level Design Review
- Global Implementation Capability
- Configuration Development
- Knowledge Transfer
- Acceptance Testing

*The following are **general descriptions and guidelines** for purposes of cross-mapping against Authorized Reseller’s existing, equivalent job titles. Authorized Resellers are **NOT** required to have to all these job titles/positions available under this contract. However, if you are offering some or all of these Partner Services, the applicable labor rates must **NOT** exceed the amounts listed above.*

Enterprise Network Services I (ENS I): CCIE or equivalent. Generally, expert-level certification that ensures knowledge and experience in solutions integration and interoperation, configuration, and troubleshooting of complex networks. Bachelor’s degree and 5+years of relevant work experience.

Enterprise Network Services II (ESN II): CCIE or equivalent. Generally, expert-level certification that ensures knowledge and experience in solutions integration and interoperation, configuration, and troubleshooting of complex networks. B.S. degree and 7+years of relevant work experience.

Enterprise Network Services (ESN III): CCIE certification required, senior network infrastructure architect able to produce technical specifications for the network to support business objectives. Understands the business strategy and possesses the ability to translate them into technical infrastructure requirements. B.S. degree required, but advanced degree preferred (Masters, Phd) with 10+ years of relevant work experience.

Technician: Cisco Certified Technician or equivalent. Has the necessary skills to diagnose, restore, repair, and replace critical Cisco networking and system devices at customer sites. Able to perform basic installation and configuration work of Cisco equipment (i.e., “rack and stack” work). Minimum of 1 - 3 years of relevant work experience.

Network Engineer: A CCDA certified network professional or equivalent. Demonstrates the skills required to design basic campus, data center, security, voice, and wireless networks. Minimum of - 3 years of relevant work experience.

Senior Network Engineer: CCNP or equivalent. Must be able to discuss, design, and create advanced addressing and routing, security, data center, and IP multicast multi-layered enterprise architectures, including virtual private networking and wireless domains and can focus on the design components of larger networks. B.S. degree with 5+ years of relevant work experience.

Project Manager: 3+ years of project management experience including successful completion of medium to large scale IT initiatives. Strong collaboration and coordination skills with internal team members and customers to meet delivery objectives and deadlines.

Program Manager: 5+ years as a technical program leader with a track record of successfully managing multiple complex, cross-disciplined projects. Possess strong skills set in i) developing and maintaining relationships with internal and external stakeholders, including customers, ii) strong communication skills with all levels, including executive management, iii) strategic thinker and problem solver in resolving problems and removing hurdles, and iv) implementing process improvements, metrics, training, change management activities, etc., as applicable.

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Is there “special pricing” for the Authorized Reseller under this Cisco Texas DIR-TSO-2542 contract?

- No, there is no special pricing or blanket provided to Authorized Reseller on this contract. *However, (1) DSAs are still available, on a deal-by-deal basis, in accordance with Cisco policies and guidelines, (2) all current standard Channels programs (i.e., OIP, SIP, VIP, etc.) and/or (3) special promotions are available for all Authorized Resellers, subject to the applicable program or promotion rules and guidelines.*
 - For example, if an Authorized Reseller finds an opportunity and can register an OIP for it, Cisco will review and process the OIP registration just like any other registration. There are no changes in the rules or approval process.

What sales transactions should be reported on a monthly basis and be subject to the administrative fee?

- ALL orders for Cisco Products/Services and partner branded services are required to be reported if they were placed by eligibility customers under Texas DIR-TSO-2542, regardless of discount quoted, including but not limited to the following:

Products:

- All sales where the Authorized Reseller provides a minimum guaranteed discount of 36% off products
- All sales where the Authorized Reseller provides a deeper/greater discount than the minimum guarantee of 36% off products (ie. 35.5%, 38%, etc.) without DSA or deal registration/promotion
- All sales where the Authorized Reseller provides a deeper/greater discount than the minimum guarantee of 36% off products (ie. 35.5%, 38%, etc.) with DSA or deal registration/promotion

SMARTnet:

- All SMARTnet sales where the Authorized Reseller provides the minimum guaranteed discount as listed below
- All SMARTnet sales where the Authorized Reseller provides a deeper/greater discount than the minimum guaranteed discount as listed below without DSA or deal registration/promotion
- All SMARTnet sales where the Authorized Reseller provides a deeper/greater discount than the minimum guaranteed discount as listed below with DSA or deal registration/promotion

AS and Training:

- All sales for Cisco AS and Training Services with or without DSA or deal registration

Partner Services:

- All sales for Partner Services.

Is structured cabling allowed under this contract?

- Only cabling services are allowed under Cisco’s Texas DIR-TSO-2542 contract as part of “Partner Services”. Since this is a Cisco-brand contract, 3rd party products are not allowed to be sold under this contract. Only products on Cisco’s GPL (as posted at the contract webpage [Cisco Texas DIR Branded website](#)) are in contract scope and approved for resale.

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How is shipping handled under Cisco’s Texas DIR-TSO-2542 contract?

- Shipping terms are FOB Destination meaning the price to the Customer shall include all shipping and handling fees.
- No additional fees shall be charged to the Customer for standard shipping and handling.
- If the Customer requests expedited or special delivery, Customer will be responsible for any charges for expedited or special delivery.
- Authorized Reseller will be responsible for shipping costs in accordance with their agreement with Distri(s) or Cisco (as applicable).

Scenario 1– Quote is issued by a Partner that had a direct contract with Texas DIR but the contract recently expired. Customer subsequently issues a PO (based on that original quote) to the Partner who is now an Authorized Reseller under Cisco’s DIR-TSO-2542 contract. How should the Authorized Reseller process the PO?

- **Scenario 1**– Authorized Reseller should review its respective recently expired direct contract with Texas DIR and look at the “survival provisions” which should outline their obligations with respect to pending orders that originated from their expired direct contract. For example, Authorized Reseller may be required to complete the fulfillment of such order under the terms and conditions of its recently expired contract. In any event, Authorized Reseller should contact their former Contract Manager at TX DIR to verify and confirm their residual contract obligations (if any) under their recently expired direct contract.

Scenario 2– Quote issued by a Partner that still has an active direct contract with Texas DIR but is now also an Authorized Reseller on Cisco’s Texas DIR-TSO-2542 contract. Customer subsequently issues a PO to the Authorized Reseller. How should the Authorized Reseller process the PO?

- **Scenario 2**– Authorized Reseller should continue to process the PO under their respective active direct contract with Texas DIR since it has not expired yet and the PO originated under that contract. In this case, for reporting purposes, the Authorized Reseller would not be reporting this sale under the Cisco Texas DIR-TSO-2542 contract.

How does an Authorized Reseller market their company under Cisco’s Texas DIR-TSO-2542 contract?

Authorized Reseller must obtain pre-approval of all marketing materials from both Cisco and Texas DIR. Please follow the process below for a marketing requests:

- Submit your marketing material/request to [Cisco’s Contract Administrator](#) to review.
- If approved by Cisco, Cisco will forward to Texas DIR’s Contract Manager for review and sign-off.
- If approved by Texas DIR, Cisco will notify you accordingly. Authorized Resellers should not submit or contact Texas DIR directly regarding their marketing request.

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Will the Authorized Reseller be able to execute a separate Master Services Agreement (Appendix E) under Cisco’s DIR-TSO-2542 Contract?

No, the Master Services Agreement (Appendix E) has already been negotiated between Cisco and the State of Texas and incorporated into the executed DIR-TSO-2542 Contract. Therefore, all “Partner Services” will be subject to the terms and conditions of the negotiated Appendix E. In other words, the provisions in Appendix E will flow down and govern all Partner Services (i.e. Basic Installation and Configuration services) that are provided under Cisco’s DIR-TSO-2542 Contract.

Is lease financing available under Cisco’s DIR-TSO-2542 Contract?

Lease financing is not available under Cisco’s DIR-TSO-2542 Contract. However, there *is* language in Appendix A, Section 1 of the contract that states the following: “DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract.”

Does Other Products Clause (“OPC”) apply under Cisco’s DIR-TSO-2542 Contract?

Yes, OPC is a contractual provision that applies to every channel partner's resale of Cisco Services. OPC recognizes the incumbent partner's investment in the end customer account, and it will not be waived for any partner under Cisco’s DIR-TSO-2542 Contract. A clause on OPC is in every Systems Integrator Agreement (which covers DVARs or 1-tier partners and SP channels) and is also in the program terms of Cisco's Services Partner Program (which covers all tiers of partners, including DVARs, distribution, indirect channel partners or 2-tier partners, and SP channels). On that basis, OPC is therefore, incorporated by reference into each Authorized Reseller’s subcontracting agreement with Cisco with respect to Cisco’s DIR-TSO-2542 Contract.