
A Proposal for Managed IT Services

Texas Osteopathic Medical Association

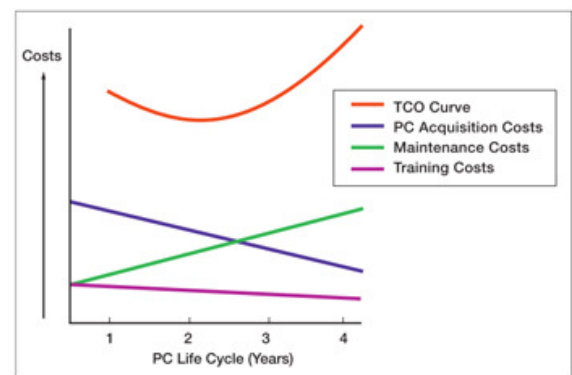


Texas Osteopathic Medical Association - Executive Briefing

Independent studies have documented how the Total Cost of Ownership associated with IT equipment begins to increase after 2.5 years, and this TCO expense increase accelerates rapidly as the third year of ownership approaches. This problem points to the need for a regular “refresh” of an organization’s IT resources.

After three years, the TCO associated with support & maintenance of office computer systems often exceeds the cost of replacement with new, more current and less problematic equipment. This increase in hardware support costs, when coupled with associated configuration and down-time expenses, makes the periodic refreshing of an organization’s IT resources a critical aspect of maintaining a smooth-running IT infrastructure.

Large, enterprise-class organizations routinely refresh their IT resources before the TCO increase curve begins its hockey-stick rise.



The traditional small-business approach to solving this problem is to replace out-of-date, under-performing computers in an ad-hoc manner, not utilizing an methodical, organization-wide process that minimizes the impact of introducing new computers and software into the organization’s IT mix. This approach brings with it a myriad of problems, not the least of which are higher deployment costs, repeated interruption in IT functions and the resulting lack of a cohesive overall IT infrastructure. These issues result in the ad-hoc IT roll-out model being unsatisfactory from both a functional and financial point of view.

The ITeam solves these problems by bringing the “Enterprise-Class Solution” to the small & medium size business (SMB) market. Utilizing our combined experience with large, comprehensive IT roll-outs, ITeam associates can bring this enterprise-class solution to the SMB market at prices that are surprisingly affordable. By streamlining the IT refresh cycle, and providing on-going support for a fixed monthly fee, The ITeam makes its customers IT experience more efficient, effective and problem free.

As an ITeam customer, Texas Osteopathic Medical Association will enjoy the benefits of current IT technology and first-class maintenance & support of its IT infrastructure. Technology obsolescence is a thing of the past. Your computers will be upgraded following a pre-planned schedule. Our technicians will be onsite each month to make sure each computer will always be current and working at peak efficiency.

By providing all services for a fixed monthly fee, The ITeam allows you to budget your IT expenses as a fixed amount, not one that varies from month to month. The ITeam is truly an enterprise solution at an SMB price.

Texas Osteopathic Medical Association - Statement of Work

The ITeam (The Contractor) proposes the following hardware and services for the Texas Osteopathic Medical Association (The Client):

Initial Setup and Delivery

Hardware (see Attachment B for specifications)

- ★ 6 Dell OptiPlex desktop computers
- ★ 1 Dell PowerEdge file server (see *Attachment A* for specifications)
- ★ Up to 1,000gb of onsite backup storage capacity
- ★ Up to 10gb of offsite backup storage capacity
- ★ ZyWall firewall/router
- ★ ITeam Backup Device (B.U.D.)
- ★ ITeam buyback of three (3) Vostro 200 PCs @ \$300 per computer

Software Licensing, Installation & Configuration (See Attachment C for MS Office Configurations)

- ★ Microsoft Windows 7 Professional - desktop computers
- ★ Microsoft Windows Small Business Server Premier Edition & 10 Client Access Licenses - file server
- ★ Adobe Acrobat Standard 9.0 – desktop computers
- ★ AVG Antivirus Business Edition or equivalent – 10 licenses

Implementation Tasks

- ★ Development of standard notebook and desktop image to include Windows 7 Professional, Office 2010, Adobe Acrobat 9.0, Antivirus Software, ITeam system management tools
- ★ 12 additional application installations (one application on one pc is considered to be one application installation) – licensing supplied by Texas Osteopathic Medical Association
- ★ Development & implementation of IT security policies
- ★ Backup system & procedures planning & implementation
- ★ Troubleshooting of hardware & software
- ★ Initial setup of third party software
- ★ Setup of up to 2 print devices per PC
- ★ Installation and setup of existing Microsoft Office 2007 on new desktop computers

Client Initials _____

ITeam Initials _____

Services

Recurring Monthly

- ★ Support of all ITeam Delivered devices, file server, backup systems and network equipment.
- ★ Ensure all ITeam installed, off-the-shelf, commercial software packages are installed and working properly (e.g. we make sure your applications are running but are not responsible for how you use your applications)
- ★ Monthly on-site tune-up and system diagnostics at Austin location
- ★ Coverage is 9-5 Monday – Friday
- ★ Telephone response to initial service calls is less than 4 hours
- ★ On-Site response for desktop & notebook systems is within 24 hours from initial call for service
- ★ On-Site response for servers is within 4 hours from initial call for service

As-Needed

- ★ Software configuration & problem identification & resolution for all ITeam-supplied software
- ★ Hardware repair for all ITeam-supplied computers
- ★ Network problem identification & resolution
- ★ Remote access support for all locations
- ★ Telephone support for all locations

Client Initials _____

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In-Scope Devices & Services

Hardware

- ★ Dell OptiPlex desktop computers installed by The ITeam
- ★ Dell Latitude notebook computers installed by The ITeam
- ★ Dell PowerEdge server installed by The ITeam
- ★ Server Uninterruptible Power Supply (UPS)
- ★ Off-Site Backup System
- ★ On-Site Backup System

Local Area Network

- ★ Network Switch (existing - configuration only)
- ★ Network Router (existing - configuration only)

Operating System & Productivity Software

- ★ Microsoft Windows 7 Professional
- ★ Microsoft Windows Small Business Server 2008
- ★ AVG Network Edition Antivirus or Equivalent
- ★ Microsoft Office 2010

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Out-of-Scope Devices & Support

Hardware

- ★ Non-ITeam installed or supplied hardware
- ★ Installation of new equipment not previously installed & covered under this agreement (e.g. new printer, switch, etc.)

Software

- ★ User-developed or 3rd party application support
- ★ Unapproved user software (peer-to-peer, etc.)

Virus/Spyware/Malware infection removal resulting from non-business user activities including but not limited to:

- ★ Accessing adult-oriented web sites
- ★ Accessing gambling web sites
- ★ Use of peer-to-peer file sharing applications (Limewire, BitTorrent, etc.)
- ★ Removal or disabling of ITeam-installed anti-virus or anti-spam software
- ★ Installation of non-ITeam supplied anti-virus, anti-spam or anti-malware software

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Texas Osteopathic Medical Association - Price Sheet

The ITeam & VAR Resources will deliver respectively all services & hardware previously outlined for the following Managed Services Fee. This fee includes Client's complete hardware refresh, implementation and on-going support services.

This contract has a term of 36 months from date of signing.

Standard Fees

___ Fair Market Value Lease Option

VAR Resources Lease	\$446.75
ITeam Managed Services Fee	\$335.00
Monthly Total	\$781.75

___ \$1 Buy-Out Option

VAR Resources Lease	\$468.82
ITeam Managed Services Fee	\$335.00
Monthly Total	\$803.82

Optional fees described below are incurred at the direction & discretion of the Client.

Special Projects	\$100.00 / hour
Interfacing with 3 rd -party software vendors	\$50.00 / hour
On-Site User Training	\$400.00 / ½ day
Virus/Spyware/Malware removal *	\$150.00 / hour

*Costs incurred associated with removal of Antivirus/Spyware/Malware infections resulting from non-business activities are not included under this agreement. See section "Out of Scope Devices & Support" for more details.

Client Initials _____

ITeam Initials _____

Client Initials _____

ITeam Initials _____



Texas Osteopathic Medical Association - Maintenance Agreement

This Maintenance Agreement (the Agreement) is effective as of _____ by and between
Date

The ITeam
10965 Long Branch Dr.
Austin, Texas 78736

hereafter known as the **Contractor**

and

Texas Osteopathic Medical Association
1415 Lavaca Street
Austin, TX 789701

hereafter known as the **Client**.

1. Description of Services

A complete listing of contracted services is contained in the Attachment: Statement of Work to this Agreement.

2. Contingencies

This agreement is contingent on acceptance of the Client's credit application with the Contractor's leasing partner. Should the Client not qualify for equipment financing, this agreement will be rendered null and void.

3. Payment for Services

For contracted services, the Client shall pay compensation to the Contractor at the agreed upon fees as outlined in the attached Price Sheet. Payment commences upon execution of this document and continues on a monthly basis at the first of the month thereafter.

4. Term / Termination

The term of this agreement runs for thirty-six months. Either party may terminate the agreement upon delivery of thirty days written notice to the other party. The delivery mechanism of this notice may include USPS, fax, email or in person.

Client Initials _____

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Texas Osteopathic Medical Association - Maintenance Agreement (cont.)

5. Relationship of Parties

It is understood by the parties that the Contractor is an independent contractor with respect to the Client, and not an employee of the Client. The Client will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of the Contractor. It is the Contractor's responsibility to keep an accounting of any federal, state or local taxes due from compensation received from the Client.

6. Confidentiality

The Contractor will not at any time or in any manner, either directly or indirectly, use for the personal benefit of the Contractor, or divulge, disclose or communicate in any manner any information that is proprietary to the Client. The Contractor will protect such information and treat it as strictly confidential. This provision shall continue to be effective after the termination of this Agreement. Upon termination of this Agreement, the Contractor will return to the Client all records, notes, documentation and other items that were used, created, or controlled by the Contractor during the term of this agreement.

7. Limitation of Liability

Neither party will be liable for any incidental, indirect, special or consequential damages arising out of or in connection with the services provided by the Contractor even if a party has been advised of the possibility of such damages. Except for claims that the services caused bodily injury, the Contractor's total liability arising out of, or in connection with, any event or series of connected events occurring in connection with the services that are the subject of the claim shall not exceed the amount of fees paid under the Agreement for the specific service during the prior year.

8. Indemnification

The Client accepts responsibility for, and agrees to indemnify and hold the Contractor harmless from, any and all liability, damages, claims or proceedings arising out of the failure of the Client to obtain the appropriate license, intellectual property rights, or any other permissions required to support the contracted services or statement of work (SOW) or the Contractor's performance of the services, but not limited to, the right to make any copies or reproductions of any Client provided software, or any inaccurate representations regarding the existence of an export license or the eligibility for export of software or other materials without a license.

9. Injuries

The Contractor waives any rights to recovery from the Client for any injuries that the Contractor may sustain while performing services under this Agreement. These injuries include any that are a result of the negligence of the Client or the Client's employees.

Client Initials _____

ITeam Initials _____

Texas Osteopathic Medical Association - Maintenance Agreement (cont.)

10. Entire Agreement

With the exception of the optional **Interim Support Addendum**, this Agreement contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement either oral or written.

11. Severability

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or enforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforces as so limited.

12. Applicable Law

This Agreement shall be governed by the laws of the State of Texas.

Agreed upon this day by

The Contractor

The ITeam

Printed Name

Signature

The Client

TEXAS OSTEOPATHIC MEDICAL
ASSOCIATION

By: _____
Printed Name

Signature

Client Initials _____

ITeam Initials _____

Client Initials _____

ITeam Initials _____



Attachment A: Interim Support Addendum

This Interim Support Addendum (the Addendum) is effective as of _____ and is an extension of the Maintenance Agreement between

Date

The ITeam
10965 Long Branch Dr.
Austin, Texas 78736

hereafter known as the **Contractor**

and

Texas Osteopathic Medical Association
1415 Lavaca Street
Austin, TX 789701

hereafter known as the **Client**. Unless otherwise specified, the terms and conditions of the Maintenance Agreement apply equally to this Addendum.

1. Description of Services

Until the IT products and services to be provided by the Contractor to the Client as part of the agreed upon and executed Statement of Work & Maintenance Agreement have been put in place, the Contractor agrees that support and maintenance of the Client's existing IT infrastructure will be required from time to time. The Contractor will support the Client's current IT infrastructure within limits of the following considerations.

General Considerations

- a. Only hardware and software currently installed at the Client's site are covered by this agreement.
- b. No new hardware or software will be installed at Client site unless determined by the Contractor to be associated with the execution of services outlined in the Statement of Work and/or Maintenance Agreement.
- c. Contractor will provide labor under this agreement and will invoice the Client for parts and/or software as needed to resolve Client issues.
- d. Upon receipt of an invoice from the Contractor The Client agrees to reimburse the Contractor, under terms specified by said invoice, for parts and/or software required to resolve Client issues.

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Attachment A: Interim Support Addendum (continued)

In-Scope Services

- a. Network problem determination and resolution.
- b. Repair or replacement of computer equipment.
- c. On-Site and telephone support for operating system configuration issues.
- d. Remote access support for operating system configuration issues.

Out-of-Scope Services

- a. Installation of hardware outside of the Statement of Work & Maintenance Agreement.
- b. Installation of software outside of the Statement of Work & Maintenance Agreement.
- c. Support of any IT hardware, software or services not installed and functional at the time of the execution of this Agreement (hereafter known as the Old Equipment).

2. Payment for Services

The Interim Service and Support will be \$360.00 per four week period, with the first payment due at the execution of this agreement. Payment will be payable in advance for each month thereafter upon receipt of a proper invoice from the Contractor, due and payable within the terms of said invoice.

3. Term / Termination

Payment will continue until all products and services described in the Statement of Work and Service Agreement enter Production Status, and equipment installed at the time of the execution of this Agreement has been decommissioned. Upon termination of this agreement, the Contractor will issue a partial refund to the Client of the final interim support fee, pro-rated by the remaining days in the period from the calendar date the Old Equipment is completely decommissioned and the number of days remaining in the final four week period.

Agreed upon this day by

The Client

TEXAS OSTEOPATHIC MEDICAL
ASSOCIATION

By: _____
Printed Name

Signature

Client Initials _____

ITeam Initials _____

The Contractor

The ITeam

Printed Name

Signature

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Attachment B: Computer Specifications

Desktop - Dell OptiPlex Minitower

- ★ Intel 2.93ghz Core 2 Duo Processor
- ★ 20" LCD Monitor
- ★ 2gb Memory
- ★ 250gb Hard drive
- ★ DVD +/- RW SATA Optical Drive
- ★ Gigabit Network Adapter
- ★ Microsoft Windows 7 Professional Operating System
- ★ Microsoft Office 2010
- ★ AVG Network Edition Anti-Virus or Equivalent

Notebook - Dell Latitude

- ★ Intel 2.00ghz Core 2 Duo Processor
- ★ 2gb Memory
- ★ 160gb Hard Drive
- ★ CDRW/DVD Optical Drive
- ★ Gigabit Network Adapter
- ★ Microsoft Windows 7 Professional Operating System
- ★ Microsoft Office 2010
- ★ AVG Network Edition Anti-Virus or Equivalent
- ★ 15.4" Display
- ★ Docking Station
- ★ Carrying Bag

File Server - Dell PowerEdge T110

- ★ Intel 2.66ghz Xeon Quad Core Processors
- ★ 4gb Memory
- ★ 250gb RAID 0 Configured Hard Drive Storage
- ★ DVD-RW Optical Drive
- ★ Gigabit Network Adapter
- ★ Microsoft Small Business Server 2008 Operating System
- ★ AVG Network Edition Anti-Virus or Equivalent

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Attachment C: Microsoft Office Configurations

Microsoft Office 2010 Basic Edition

- ★ Word
- ★ Excel
- ★ Outlook

Microsoft Office 2010 Home and Business Edition

- ★ Word
- ★ Excel
- ★ Outlook
- ★ PowerPoint
- ★ Publisher

Microsoft Office 2010 Professional Edition

- ★ Word
- ★ Excel
- ★ Outlook
- ★ PowerPoint
- ★ Publisher
- ★ Access

Client Initials _____

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Attachment D: Lease Overview & Sample Lease Agreement

Delivering your IT Managed Services is a collaborative effort between The ITeam, Dell & VAR Resources, our leasing partner, with each provider playing an integral part in the process. The ITeam & the leasing company each contribute to the financing of the over-all cost of the engagement at your company. Each month, you will receive an invoice from VAR Resources and an invoice from The ITeam. The combined invoices will equal the total Managed Services Monthly Fee quoted on the proposal Price Sheet.

Following are a Lease Overview document from our leasing partner, VAR Resources, and a sample Lease Agreement. The Lease Overview details the parameters of the hardware lease and a portion of the ITeam services component of our managed IT services offering.

Client Initials _____

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