

**Department of Management and Budget  
Office of Purchasing**

**Report of Proposed Changes in Excess of \$500,000  
To Current Contracts for Computer Software  
Development, Hardware Acquisition, or Quality Assurance**

Sec. 716 of Public Act 83 of 2001

(April 25, 2002)

Questions regarding this report may be directed to Mike Katlin, 517-373-7309.

April 18, 2002

**BID TABULATION AND RECOMMENDATION FOR AWARD  
DEPARTMENT OF MANAGEMENT AND BUDGET  
ACQUISITION SERVICES**

**CONTRACT DESCRIPTION:** 071B0000240 Programming and Consulting services for Consumer and Industry Services, Unemployment Agency (UA)

**CONTRACT PERIOD:** 11/22/99 through 11/22/03 (4 years)

**CONTRACTOR:** **INCREASE**  
Compuware Corporation, Farmington Hills, MI \$2,481,236.00

Check if contract is extended.

**DESCRIPTION OF PURCHASE:**

The Unemployment Agency is currently undertaking a major project, Remote Initial Claims (RIC), to reinvent how the agency delivers service in order to better serve the needs of its customers across the State. This project includes both the consolidation of all branch offices Statewide into three Remote Initial Claims (RIC) centers, as well as total reengineering of all business processes. UA was experiencing some difficulty through the initial phases of this huge endeavor and determined they needed the assistance of an outside contractor to resolve project issues. Since Compuware has an extensive working knowledge of UA's operations, they were asked by the Department to assist. The work completed for this additional project, along with a requested one-year extension for existing contract activities, has resulted in the need for an increase in total contract available funds. The amount required for the RIC project assistance is \$1,373,335.63 and the additional funds necessary for the one-year continuation of existing contract services, amounts to \$1,107,900.00 for a total increase of \$2,481,236.00

**FUNDING:** 100% General Funds.

**PRICE CLAUSE:** Prices to be subject to annual escalation based upon industry changes.

**CS-138:** 191S9000118

**ORIGINAL CONTRACT AMOUNT:** \$5,616,000.00

**CURRENT CONTRACT AMOUNT:** \$5,616,000.00

**PROPOSED AMENDMENT INCREASE AMOUNT:** \$2,481,236.00

**PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND ORIGINAL CONTRACT AMOUNT:** 44%

**PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND CURRENT CONTRACT AMOUNT:** 44%

**ESTIMATED 02 FISCAL YEAR INCREASE:** \$827,078.67

**NEW TOTAL CONTRACT COST:** \$8,097,236.00

Check if > \$500,000 for software development, computer hardware acquisition or quality assurance?

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Buyer Signature

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Division Director Signature

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Acquisition Services Director Signature

April 17, 2002

**BID TABULATION AND RECOMMENDATION FOR AWARD  
DEPARTMENT OF MANAGEMENT AND BUDGET  
ACQUISITION SERVICES**

**CONTRACT DESCRIPTION:** 071B9000382 PowerBuilder and Oracle Programmers for Michigan Department of Transportation

**CONTRACT PERIOD:** 03/01/99 through 12/31/02 (2 years, 9 months)

<b>CONTRACTOR:</b>	<b>INCREASE</b>
Data Core Systems Inc., Livonia, MI 48152	\$2,800,000.00

**Check if contract is extended.**

**DESCRIPTION OF PURCHASE:**

This contract is for ongoing development utilizing client/server technology for the Michigan Department of Transportation. All new and existing systems are expected to be developed on micro-computer client/server based systems using PowerBuilder and Oracle. These Programmers and Analysts are required on an as needed basis over the period of the contract to provide the enhancements and maintenance to these various systems. This contract extension is needed to allow the projects to continue while pursuing an RFP for a new contract.

**FUNDING:** 100% restricted funds

**PRICE CLAUSE:** The hourly rates for this contract will remain firm for the duration of the contract period.

**CS-138:** 192S0002112

**ORIGINAL CONTRACT AMOUNT:** \$7,750,080.00

**CURRENT CONTRACT AMOUNT:** \$9,150,080.00

**PROPOSED AMENDMENT INCREASE AMOUNT:** \$2,800,000.00

**PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND ORIGINAL CONTRACT AMOUNT:** 36%

**PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND CURRENT CONTRACT AMOUNT:** 3%

**ESTIMATED 02 FISCAL YEAR INCREASE: \$2,800,000.00**

**NEW TOTAL CONTRACT COST: \$11,950,080.00**

Check if > \$500,000 for software development, computer hardware acquisition or quality assurance?

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Buyer Signature

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Division Director Signature

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Acquisition Services Director Signature