

**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. 713 of Public Act 528 of 2002

(March 31, 2003)

Questions regarding this report may be directed to Jim Konrad, 517-373-0315

March 31, 2003

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

CONTRACT DESCRIPTION: 071B6000606 - Develop, Implement and Maintain the Child Support Enforcement System Program (CSES) - Department of Information Technology

CONTRACT PERIOD: 4/1/1996 through 9/30/2003 (7 years, 6 months)

CONTRACTOR:	INCREASE
Compuware Corporation, Farmington Hills, MI	\$24,211,622.72

Check if contract is extended.

DESCRIPTION OF PURCHASE:

The Department of Information Technology requests an addition of \$24,211,622.72 to their contract with Compuware for development, implementation and maintenance of the Michigan Child Support Enforcement System. The requested increase is expected to cover the salaries and expenses of Compuware staff for augmentation in the effort to develop and implement the fourth version of the CSES software which they originally developed for the department. According to the Department's request, Compuware is responsible for 35 to 45% of project staffing for this effort. The requesting department indicates that the Compuware staff "may be managed by State staff, or the state's primary vendor, Policy Studies, Inc." The requested reports, documenting the need for this modification, include a schedule through 9/30/2003, with the new targeted end date for Federal Certification listed as 9/30/03. The milestone report also indicates that the following milestones have been met on their target dates beginning March 31, 2002: development and testing of MiCSES version 2.2, 3/31/02; support three one-week Federal Certification Reviews during the Spring/Summer of 2002; development and testing of MiCSES version 2.3, 8/30/2002 with version 2.4 targeted on 9/30/03. The Department of Information Technology requests this increase in an effort to avoid additional penalties regarding obtaining Federal certification, and indicates that it is their intent to conduct an open competitive procurement process for maintenance services in the future.

FUNDING: 66% Federal, 34% General.

PRICE CLAUSE: Prices shall remain firm for the duration of this contract period.

CS-138: 071S9000245

ORIGINAL CONTRACT AMOUNT: \$1,823,482.50

CURRENT CONTRACT AMOUNT: \$109,717,213.57

PROPOSED AMENDMENT INCREASE AMOUNT: \$24,211,622.72

PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND ORIGINAL CONTRACT AMOUNT: 1328%

PERCENTAGE OF CHANGE BETWEEN AMENDMENT AND CURRENT CONTRACT AMOUNT: 22%

ESTIMATED 03 FISCAL YEAR INCREASE: \$24,211,622.72

NEW TOTAL CONTRACT COST: \$133,928,836.29

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

INFORMATION BELOW THIS LINE FOR INTERNAL USE ONLY

Buyer Signature

Manager Signature

Division Director Signature

Acquisition Services Director Signature