STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **18**

to

Contract Number **071B2200070**

CONTRACTOR	
PYRAMID SOLUTIONS INC	
30200 Telegraph Road, Ste. 440	
Bingham Farms, MI 48025	
Robert DuBois	
248-549-1200 x -5800	
rdubois@pyramidsolutions.com	
*******1993	

STATE		
Rich Demello	DTMB-IT	
517-930-6301		
DeMelloR@@Michigan.gov		
Terry Mead	DTMB	
(517) 284-7035		
meadt@michigan.gov		

CONTRACT SUMMARY

431 391 ELECTRONIC DOCUMENT MGT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2015	2 - 1 Year	December 21, 2016

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ Direct Voucher (DV)	☐ Other	☐ Yes	☒ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☒	2 years	December 21, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$4,478,697.00	$1,200,000.00	$5,678,697.00

DESCRIPTION

Effective December 21, 2016,

1. Utilizing Chapter 5, 5.7.6 Useful Life, the ECM Prequalification Program and this Contract is hereby extended through December 21, 2018, and has 3 1-year options available.

2. This Contract is hereby INCREASED by $1,200,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contract Change Notice number 14. The State is under no obligation to utilize all or any specific portion of the allocated dollars.

3. Two new job classifications with corresponding required experience have been added per Attachment 1. A FileNet Technical Services Associate Consultant and a FileNet Technical Services Systems Analyst.

4. The attached vendor agreement and revised Not-to-Exceed (NTE) Rate Card for Services has been added to this Contract.

All other terms, conditions, specifications and pricing remain the same. Per (DTMB) contrctor (request/proposal) and agency (request) agreement, DTMB Procurement approval, and State Administrative Board approval on December 20, 2016.

Attachment 1

ECM Prequalification Program – New FileNet Positions

FileNet Technical Services Associate Consultant
Provide technical knowledge and assistance for the design, customization, integration, implementation, migration and production support of the IBM FileNet product family and combine these to develop content management solutions. These technical services include the following:

- *System implementation*
- *Deployment development and support*
- *Legacy system conversion*
- *Content migration and federation*
- *Media migration*
- *Workflow and process modeling*
- *Security and access control modeling*
- *Disaster recovery configuration*
- *Best practices implementation*
- *Technical Integration Services to other COTS (i.e. SAP, Siebel)*
- *Knowledge Transfer*

Examples of Consultant experience required are:

Skill Sets – FileNet Associate Consultant
Certified FileNet P8 or Certified Datacap Specialist
Experience installing and configuring FileNet P8 environments
Experience installing and configuring Capture Manager environments.
1 years' experience with IBM FileNet P8 or Datacap Taskmaster Capture
2 years' experience analyzing business requirements, generating project specifications and converting them into code, and applying knowledge of computer programming techniques and computer languages
Experience with FileNet or Datacap workflow, ability to diagnose and troubleshoot workflow issues
Interview on the phone or in person

FileNet Technical Services Systems Analyst

Provide technical knowledge and subject matter leadership for the design, customization, integration, implementation, migration and production support of the IBM FileNet product family and combine these to develop content management solutions. These technical services include the following:

- *Enterprise planning and design*
- *System implementation*
- *Deployment architecture*
- *Resource planning and system sizing*
- *Transition planning*
- *Legacy system conversion*
- *Content migration and federation*
- *Workflow and process modeling*
- *Best practices development*
- *Knowledge Transfer*

Examples of FileNet Systems Analyst experience required are:

Skill Sets – FileNet Systems Analyst
Certified FileNet P8 Specialist
Certified Datacap 8.x/9.x Specialist
Experience installing and configuring FileNet P8 environments
Experience installing and configuring Capture Manager environments
7 years' experience with IBM FileNet P8
7 years' experience with IBM Datacap
2 years' experience analyzing business requirements, generating project specifications and converting them into code, and applying knowledge of computer programming techniques and computer languages
Experience with FileNet workflow, ability to diagnose and troubleshoot workflow issues
Experience with Datacap workflow, ability to diagnose and troubleshoot workflow issues
Interview on the phone or in person

PYRAMIDSOLUTIONS

January 3, 2017

Terry Mead
State of Michigan - DTMB
525 W. Allegan
Lansing, MI 48913

Dear Terry,

Per your request, this letter is written approval from Pyramid Solutions to extend Contract Number 071B2200070 (431/391 RFP Electronic Doc Mgmt – C2011062) between Pyramid Solutions and the State of Michigan from December 22, 2016 to December 21, 2018. Pyramid also approves the addition of the following two new positions to the contract:

1) FileNet Technical Services Associate Consultant
2) FileNet Technical Services Systems Analyst

The following is an updated rate card that includes rates for the two new positions and revised rates for the extended period of coverage.

Position Type	Hourly Rate
FileNet Support Services, 1000 hours or less	$158
FileNet Support Services, more than 1000 hours	$147
FileNet Project Manager, 1000 hours or less	$190
FileNet Project Manager, more than 1000 hours	$175
FileNet Technical Services Consultant or Systems Analyst, 1000 hours or less	$170
FileNet Technical Services Consultant or Systems Analyst, more than 1000 hours	$160
FileNet Technical Services Associate Consultant, 1000 hours or less	$145
FileNet Technical Services Associate Consultant, more than 1000 hours	$134

Terry, we appreciate the opportunity to continue our partnership with your team and the State of Michigan.

Sincerely,

Robert J. DuBois
President

Pyramid Solutions, Inc. 30200 Telegraph Road Suite 440, Bingham Farms, MI 48025-4519
P 248.549.1200 • F 248.549.1400 • www.pyramidsolutions.com

VISIONARY SOLUTIONS ▲ EXCEPTIONAL RESULTS

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **17**
to
Contract Number **071B2200070**

CONTRACTOR	
	PYRAMID SOLUTIONS INC
	30200 Telegraph Road, Ste. 440
	Bingham Farms, MI 48025
	Roberrt DuBois
	248-549-1200 x ~~124~~ X5800
	rdubois@pyramidsolutions.com
	*******1993

STATE		
PROJECT MANAGER	Rich Demello	DTMB
	517-930-6301	
	DeMelloR@@Michigan.gov	
CONTRACT ADMINISTRATOR	Terry Mead	DTMB
	(517) 284-7035	
	meadt@michigan.gov	

CONTRACT SUMMARY

DESCRIPTION: 431 391 Electronic Document Mgt

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2015	2 - 1 Year	December 21, 2016

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes	☒ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$3,778,697.00	$ 700,000.00	$4,478,697.00

DESCRIPTION: Effective July 22, 2016, this contract is hereby INCREASED by $700,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 14. The State is under no obligation to utilize all or any specific portion of the allocated dollars. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 7/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 16 - REVISED

to

CONTRACT NO. 071B2200070

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. Dubois	rdubois@pyramidsolutions.com
30200 Telegraph Road, Suite 440	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
Bingham Farms	(248) 549-1200 x224	1993

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	Rich Demello	(517) 930-6301	DeMelloR@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Terry Mead	(517) 284-7035	Meadt@michigan.gov

CONTRACT SUMMARY

DESCRIPTION: 431/391-RFP ELECTRONIC DOC MGMT-C2011062

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	(2) 1-Year Options	December 21, 2015

PAYMENT TERMS	DELIVERY TIMEFRAME
N/A	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1-Year	☐	N/A	December 21, 2016

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$3,778,697.00	$0.00	$3,778,697.00

DESCRIPTION: Effective October 6, 2015, the second and final option year available on this Contract is hereby exercised. The revised Contract expiration date is December 21, 2016. All other terms, conditions, specifications, and pricing remain the same, per Contractor and Agency agreement, and DTMB Procurement approval.

Revision to reflect correction of the Program Manager's email and effective date.

Form No. DTMB-3521 (Rev. 7/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 15

to

CONTRACT NO. 071B2200070

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30200 Telegraph Road, Suite 440	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
Bingham Farms, MI 48025	(248) 549-1200 x224	1993

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	Rich DeMello	(517) 930-6301	DeMellowR@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Terry Mead	(517) 284-7035	Meadt@michigan.gov

CONTRACT SUMMARY

DESCRIPTION: 431/391 RFP Electronic Doc Mgmt – C2011062

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, one year	December 21, 2015

PAYMENT TERMS	DELIVERY TIMEFRAME
N/A	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$2,778,697.00	$1,000,000.00	$3,778,697.00

DESCRIPTION: **Effective August 28, 2015, this contract is hereby INCREASED by $1,000,000 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 14. The State is under no obligation to utilize all or any specific portion of the allocated dollars. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.**

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 14
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Rich DeMello	517-930-6301	DeMelloR@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2015
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		Dec. 21, 2015

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$817,440.00	$2,778,697.00

Effective March 02, 2015, Contract Section 2.024 is amended. DTMB Financial Services will issue Purchase Orders per approved/signed Statement of Work(s) in place of a Contract Change Notice.

As part of this amendment, this Contract is hereby INCREASED by $817.440.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s). The State is under no obligation to utilize all or any specific portion of the allocated dollars.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 13
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Rich DeMello	517-930-6301	DeMelloR@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2015
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		Dec. 21, 2015

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$0.00	$1,961,257.00

Effectively January 15, 2015 this Contract is hereby amended to update the Contract Compliance Inspector and Program Manager to Rich DeMello. All other terms, conditions, specifications and pricing remain the same. Per agency request and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 12
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☐ No ☒ Yes	☒	☐	1 year	Dec. 21, 2015

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$0.00	$1,961,257.00

Effective December 21, 2014, this contract is extended for 1 year. The new contract end date is December 21, 2015. All other terms, conditions, specifications and pricing remain the same. Per vendor agreement, DTMB Procurement approval and the approval of the State Administrative Board on November 25, 2014.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 11
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$147,000.00	$1,961,257.00

Effective November 12, 2014, this contract is hereby amended for the following services to be continued on the State's Work Request (TH-ECM-0002 EDM) based on a rate of $147.00 an hour not to exceed 1000 hours. Contract is increased by $147,000.00. All other terms, conditions, specifications, and pricing remain the same. Per agency and contractor agreement and DTMB Procurement approval.

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
IT SERVICES
for
FileNet Enterprise Content Management (ECM)
STATEMENT OF WORK TEMPLATE

Enterprise Content Management (ECM) Work Request

The FileNet Enterprise Content Management (ECM) is maintained and hosted by DTMB and currently supports multiple agencies, including the Department of Civil Service Commission (DCSC), the Department of Community Health (DCH), the Department of Human Services (DHS), the Department of Licensing and Regulatory Affairs (DLARA), the Department of State (DOS), the Department of State Police (MSP), the Department of Technology, Management, and Budget (DTMB), the Department of Transportation (MDOT), and the Department of Treasury (DOT). Additional agencies may be supported in the future.

ECM services will be provided in a two-tier fashion. The primary support for an agency's ECM needs will come from its associated DTMB Agency Services team. Where this is not possible, due either to lack of skills or resource shortages, the Agency Services team will create a Statement of Work to contract with a pre-qualified ECM service Contractor to provide appropriate support. That support may come in the form of staff augmentation where Contractor staff works side by side with DTMB staff under the direction of a DTMB supervisor. In that case the ECM Contractor must be able to provide knowledge transfer to State staff sufficient to maintain and extend the application.

A Pre-Qualification Program was developed to provide a mechanism for staff augmentation and project development support of the FileNet Enterprise Content Management Services and related application development.

Process for obtaining FileNet Enterprise Content Management Services

The State after formalizing a comprehensive Statement of Work request will facilitate a second tier selection process for each Contracting effort. This ECM Statement of Work request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

<u>Awards made as a result of any formal Statement of Work request for ECM Services will be subject to the Terms and Conditions of the Primary Contracts. Each award will be issued as a change notice to the applicable Primary Contract.</u>

Purchase Request Form (PRF) Instructions

ITEM #	ITEM NAME	INSTRUCTIONS
1	Requesting Agency	Select from the drop down list the requesting Agency.
2	Office/Bureau/Division	Indicate name of requesting Office/Bureau/Division. For IT requests, select end-user agency.
3	Agency Contact	Indicate agency contact person for the request (Agency Services contact for IT requests).
4	Phone Number	Indicate phone number of agency contact.
5	Fax Number	Indicate fax number of agency contact.
6	E-mail Address	Indicate e-mail of agency contact.
7	Date	Indicate the date PRF is completed.
8	Purchase Request Category	Select ONE of the four choices in item #8a-d. If requestor is unsure which category to select, contact a Purchasing Operations buyer or manager to discuss.

	8c - IT Services	Select
9.	Purchase Request Category	Select all categories that apply in this section.
	Contract Change	Select
	IT Contract Release	Select
10.	Purchasing Request Category	N/A
11.	Vendor Name	Indicate the full name of the vendor, or “TBD” for new requests that must be bid.
12.	Title of Purchase	Use a brief, descriptive title that can be used to identify the purchase (ex: “Collection Services” or “Michigan Air Emission Reporting System”).
13.	Contract Number	N/A
14.	Requisition	N/A
15.	New Purchase Est. Amount	Indicate the estimated value of the Statement of Work.
16.	Current Contract Amount	N/A
17.	Contract Change Amount	N/A
18.	New Contract Amount	This field automatically calculates the new amount for change requests.
19.	Contract Period	Indicate the start and end date for specific purchase based on the Statement of Work.
20.	Revised Contract Period	N/A
21.	One Time or Multi-Year Purchase	N/A
22.	CS-138 Number	N/A
23.	Preauthorized CS-138	N/A
24.	CS-138 Standard	N/A
25.	Union/NERE Code	N/A
26.	Notice Date	N/A
27.	Explanation for Personal Services	For personal services only, provide a brief explanation why current departmental staff cannot perform the requested services.
28a.	Description of Product/Service	Provide a brief description of the product or service being requested.
28b.	Attachments	Select if any attachments are included with the request. For new requests over $25,000, bid specifications and/or RFP documents MUST be submitted with the PRF.
29.	Purpose/Business Case	Provide a brief justification for why the product or service must be purchased or the current contract or PO must be amended.
30.	Risk/Liability	Provide a brief description of the consequences to the State if this request is not completed.
31.	Funding Source	Select all that apply and provide percentage of each applicable source. Total percentage may not exceed 100%.
32a.	DIT Services Coding	For IT purchases only.
32b.	DIT Services Coding	For IT purchases only.
33.	Exemption Criteria	Select all applicable exemption criteria.
34.	Exemption Criteria Justification	Provide a brief description of how the request meets the selected criteria.
35.	Internal Agency Approval Signature	For internal agency use if needed.
36.	Requesting Agency Signature	N/A
37.	OSE Signature	N/A
38.	DIT Signature	N/A
39.	Purchasing Operations	DTMB Procurement Director or Designee.

This is a FileNet Enterprise Content Management (ECM) ITB. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number

HTC Global Services, Inc.	Troy	MI	071B2200068
Pyramid Solutions, Inc.	Bingham	MI	071B2200070
HCL America, Inc.	Troy	MI	071B2200069
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B
IBM	Armonk	NY	071B
Deloitte Consulting LLP	Detroit	MI	071B2200071

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Procurement, as established under the FileNet Enterprise Content Management Program.

Project Title: **DHS Electronic Document Management (EDM)**	**Period of Coverage:** **11/01/2014 – 09/30/2015**
Requesting Agency: **DTMB/AS/DHS**	**Date:** **10/14/14**
Agency Project Manager:	**Phone:**
DTMB Project Manager: **Kemal Tekinel**	**Phone:** **517-241-5779**
DTMB Contract Administrator: **Whitnie Zuker**	**Phone:** **517-284-7030**

Required Skill Category Requested:

FileNet Technical Services Consultant

Brief Description of Services to be provided:

BACKGROUND:

The Department of Human Services (DHS) is in the process of implementing an Electronic Document Management system utilizing IBM Datacap and IBM FileNet. The system is currently being rolled out to the State's Local DHS Offices. During the course of the project Pyramid resources configured and customized the Datacap software in order to meet all requirements of the DHS users. It was expected that DTMB resources would have taken over full development and support of the system by July 2012. The DTMB staff is not prepared to take full development and support without continued support from Pyramid. It is critical that the continued support be provided by Pyramid as system customization was required to meet DHS needs. Pyramid's knowledge of the current system is critical and full statewide rollout would be put on hold if the full selection process was used or if another vendor was selected to provide this support. Pyramid was selected using critical selection criteria in the original SOW (TH-ECM-0002 EDM) for the development of the application system. This statement of work should be offered to the preferred vendor based on the timeliness and critical knowledge of the currently engaged vendor

PROJECT OBJECTIVE:

DHS is planning additional production deployments in 2014 and 2015 to deliver additional enhancements to the BSI application including the implementation of NENU. The additional features to the system will be provided by Pyramid in conjunction with DTMB DHS Agency Services resources until DTMB DHS Agency Services resources have become experts on the system. These enhancements were identified during Statewide Rollout and the selection of items to be included in each deployment will be based on a review with DTMB-AS and DHS at the start of each deployment phase. In addition to the necessary development/deployment activities, Pyramid will continue to provide ad hoc technical support for troubleshooting system issues.

Furthermore, the objective is to allow the DTMB Technical Team enough knowledge of DHS's EDM, Bridges, Scanning and Indexing (BSI) and New Enhanced Notification Utility (NENU) to be able to fully support the application ("TRANSITION"). Pyramid conducted several knowledge transfer sessions in the fall of 2013. However, NENU implementation was put on hold while DTMB focused on the statewide rollout. Pyramid Solutions will continue to concurrently work with the DTMB Technical Team to develop the NENU application. At the end of the TRANSITION, Pyramid will provide code reviews and mentoring to DTMB developers as DTMB addresses NENU and other Datacap development tasks.

During statewide rollout, DTMB also identified a need to split the production environment into two distinct Datacap systems, one which will support central imaging users, and another to support branch offices. In addition, DTMB identified performance limitations with the underlying LDAP environment (Sun One LLLDAP) which Datacap depends on. DTMB would like to migrate to Tivoli LDAP services for increased performance and stability. Pyramid will provide consulting services and ad hoc support for both of these activities.

Finally, DTMB has upgraded FileNet P8 from version 4.5.1. to version 5.2. Pyramid will provide assistance to configure the PACE component (note: PACE is a Pyramid provided software product) in the upgraded FileNet environment. Pyramid will also provide services to assist the DTMB technical team in reconfiguring Datacap to point to the upgraded FileNet environment.

SCOPE OF WORK:

1. Post Rollout Support
    a. On call technical support for production environment issues. This would be backup for the State's FileNet team.
    b. On call ad hoc Datacap technical Support to assist State technical staff as they experience Bridges Scanning and Indexing application production issues which require more in-depth knowledge of the application.
    c. Implement and test Datacap fix packs as they become available from IBM.
2. Enhancement Requests
    a. Design, develop, test and deliver enhancement requests identified during the Statewide Rollout. These enhancements include:
        i. Implementation of NENU
        ii. Work Requests created during Statewide Rollout and prioritized by the Local Office staff and included in a release through the BSI Release Planning process. Pyramid will work with DTMB-AS and DHS to assess and select WR enhancements required for each deployment.
3. Code Review/Mentoring
    a. Provide ad hoc code reviews of development undertaken by DTMB developers.
    b. Provide ad hoc mentoring to DTMB developers.
4. Environment Split
    a. On call ad hoc Datacap technical Support to assist State technical staff as they split the Datacap environment to support different user groups.
5. FileNet Upgrade Support
    a. Provide installation services for PACE in the upgraded FileNet Environment

b. On call ad hoc Datacap technical Support to assist State technical staff as they reconfigure Datacap to leverage the upgraded FileNet environment.

TASKS:
Technical support is required to assist with the following tasks:

- Attend all meetings scheduled by DTMB Project Management Office (PMO)/DHS Technology and Project Support (TPS) intended to facilitate the collection of requirements from DTMB's business partners in DHS
- Attend all meetings scheduled by DTMB PMO/DHS TPS intended to collect project status and to complete all phases of the System Life Cycle (SLC)
- Develop, unit test and deploy any required changes into the BSI INT environment.
- Estimate the effort to implement the approved solution design for approved enhancements
- Provide application support through any implementation's SLC phases up to and including post-implementation metrics reporting
- Transition support to DTMB for implemented solution
- Provide weekly status reports to the PMO Project Manager including actual and remaining effort for tasks assigned in the Project Schedule
- Follow all State of Michigan Change Request processes
- Communicate with DTMB Project Manager for questions or concerns regarding DHS Business Requirements
- Provide input for the Project Schedule based on the tasks assigned and the detailed estimate of effort required per task

DELIVERABLES:
Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them. Deliverables for this project include:

- Deliver an estimate of the effort to implement the approved enhancements
- Configurations of the COTS and any customized code must be migrated/promoted to production on the agreed to implementation weekend
- Deliver the build manifest utilizing the State's approved format 3 days prior to any build (3 day required is waived for Break Fix actions)
- Structured Walk Through documents on all deliverables
- Documentation of the configuration and implementation of Datacap

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work/Purchase Order following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described

deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the DTMB Project Managers throughout the life of this project. Each bi-weekly progress report must contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.

PAYMENT SCHEDULE:
DTMB will pay the Contractor upon receipt of properly completed invoices and supporting signed acceptance documents by DTMB and DHS. Invoices must be submitted to the billing address on the State issued purchase order not more often than monthly. All invoices should reflect actual work completed by payment date, and must be approved by the DTMB Project Manager prior to payment. DTMB Accounts Payable area will coordinate obtaining approval from the DTMB Project Manager, which will be provided only upon the completion of each release and the deliverables outlined for the release. The invoices shall describe and document to the State's satisfaction and a description of the work performed and the progress of the project.

Payment shall be considered timely if made by the DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:
The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:
The DTMB Project Manager is:

Kemal Tekinel
Project Manager
DTMB Agency Services – DHS
Grand Tower – 3rd floor
235 S. Grand Ave
Lansing, MI 48933
517-241-5779
Email: TekinelK@michigan.gov

The DTMB Contract Administrator for this project is:

Whitnie Zuker

Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations
Lansing, MI 48933
517-284-7030
Email: ZukerW@michigan.gov

AGENCY RESPONSIBILITIES:
The DTMB/AS/DHS will provide necessary on-site office accommodations with necessary equipment (PC, phone, printer and copier), site access, and privileges granted for data access.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work at 235 S. Grand Avenue, Grand Tower Building in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate. The State will not pay overtime.

RIGHT TO OWNERSHIP:

Choose one of the following:

State intends to own the Software at the end of the Contract

- Ownership of Work Product by State. All Deliverables shall be owned by the State and shall be considered works made for hire by the Contractor for the State. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

- Vesting of Rights. With the sole exception of any preexisting licensed identified in _____, the Contractor agrees to assign, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Contractor, insofar as any such Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon State's request, the Contractor and/or its personnel shall confirm such assignment by execution and delivery of such assignments, confirmations of assignment, or other written instruments as the State may request. The State shall have the right to obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

PROPOSAL SUBMITTAL

Submit 2 copies of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

1. SEALED BIDS (PROPOSALS) MUST BE RECEIVED AT PROCUREMENT AND TIME-STAMPED BY PROCUREMENT NOT LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BID4MICHIGAN.

2. Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number and INSERT IT IN YOUR SEPARATE SEALED RATE PROPOSAL BEFORE SUBMITTAL.

CONTRACTORS ARE RESPONSIBLE FOR ASSURING THAT THE FOLLOWING IDENTIFYING INFORMATION APPEARS ON THE OUTSIDE ENVELOPE: "Sealed Bid" notation, bid number, company or organization name, bidder number, date due, and time due. If a delivery service is used which prohibits such markings on their envelope or package, this information must be placed on the outside of an interior envelope or package.

Procurement address for proposals submitted by CONTRACT CARRIER, COURIER DELIVERY, or PERSONAL DELIVERY, is:

State of Michigan
Department of Technology, Management and Budget
Procurement
2nd Floor, Mason Building
530 West Allegan Street
Lansing, Michigan 48933

Proposals submitted through the U.S. POSTAL SERVICE should be addressed as follows:

State of Michigan
Department of Technology, Management and Budget
Procurement
Post Office Box #30026
Lansing, Michigan 48909

Detailed description of specific skill sets required including:

1. FileNet Support Services

DTMB requires occasional optional support staff and services to assist its development team in maintaining, implementing changes, performing upgrades, and continuing development initiatives related to the FileNet application. These support staff or services would work under the direction of the DTMB Staff.

2. FileNet Project Manager

The person will serve as the Project Manager for all matters related to a FileNet project. The FileNet Project Manager will verify and confirm project task deliverables with the assigned State Project Manager. The FileNet Project Manager will maintain ongoing communication regarding project status with management teams. This person should be very familiar with the FileNet application.

- Provide project management services for all aspects of the FileNet project including adherence to project schedules, task assignments, and budgets
- Verify and confirm project task deliverables with the State Project Manager
- Maintain ongoing communication regarding status with management teams
- Weekly status reports indicating percent complete, budget vs. actual, changes in progress, inventory of issues/problems, and similar data

3. FileNet Technical Services Consultant

Provide technical knowledge and project leadership for the design, customization, integration, implementation, migration and production support of the IBM FileNet product family and combine these to develop content management solutions. These technical services include the following:

- Enterprise planning and design
- System implementation
- Deployment architecture
- Resource planning and system sizing
- Transition planning
- Legacy system conversion
- Content migration and federation
- Media migration
- Workflow and process modeling
- Security and access control modeling
- Disaster recovery configuration
- Best practices development
- Technical Integration Services to other COTS (i.e. SAP, Siebel)
- Knowledge Transfer

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 10
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$10,000.00	$1,814,257.00

Effective May 20, 2014, this contract is hereby amended to include FileNet training to State Staff to support ITB-JK-ECM-0002. Contract is increased by $10,000.00.

All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 9
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$169,201.00	$1,804,257.00

Effective Immediately, the following ongoing services are continued based on:

The State's Work Request TH-ECM-0002EDM for transition services based on a rate of $147/hour, not to exceed 1,000 hours and for named resource, James Taylor, senior consultant, at a rate of $160/hour, not to exceed 2,050 hours.

Please also note that the buyer has been changed to Whitnie Zuker. All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 8
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes	☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$147,000.00	$1,635,056.00

Effective immediately, this Contract is hereby INCREASED by $147,000.00 to include services based on ITB-TH-ECM-0002.

All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement approval.

+Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 7
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$32,000.00	$1,488,056.00

Effective immediately, this Contract is hereby INCREASED by $32,000.00 to include the time and materials based on RFP-EDMBR3-18-13, Statement of Work for ECM Consulting Services.

All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 6
to
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	rdubois@pyramidsolutions.com
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 224	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DHS and DCH			
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 6, 2011	December 21, 2014	1, 1 Year Options	December 21, 2014
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS:
N/A

DESCRIPTION OF CHANGE NOTICE:

EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$656,000.00	$1,456,056.00

Effective immediately, this Contract is hereby INCREASED by $656,000.00 to include the fixed price deliverable based on ITB-JK-ECM-0002, Statement of Work (SOW) for ECM Consultant Services.

All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET September 10, 2012
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48913

CHANGE NOTICE NO. 4

To

CONTRACT NO. 071B2200070

Between

THE STATE OF MICHIGAN

And

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	**Robert J. DuBois**	**rdubois@pyramidsolutions.com**
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	**(248) 549-1200 ext 224**	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	**DHS and DCH**			
BUYER:	**DTMB**	**Joe Kelly**	**(517) 373-3993**	**kellyj11@michigan.gov**

INITIAL CONTRACT SUMMARY:			
DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
2 yrs	**December 6, 2011**	**December 21, 2014**	**1, one year**
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	**N/A**	**N/A**	**N/A**
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ YES ☒ NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:	
OPTION EXERCISED: ☒ NO ☐ YES	IF YES, NEW EXPIRATION DATE:
Effective immediately, this contract is hereby INCREASED by $294,000.00 to incorporate the attached changes allowed under the current contract, Section 2.024. **Please note the buyer has changed to Joe Kelly.** **Per vendor and agency agreement and DTMB Procurement approval.**	
VALUE/COST OF CHANGE NOTICE:	**$294,000.00**
ESTIMATED REVISED AGGREGATE CONTRACT VALUE:	**$533,986.00**

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

May 31, 2012

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48913

CHANGE NOTICE NO. 3
To

CONTRACT NO. 071B2200070

Between
THE STATE OF MICHIGAN
And

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 124	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	DHS and DCH			
BUYER:	DTMB	Tammi Hart	(517) 335-4770	Hartt3@michigan.gov

INITIAL CONTRACT SUMMARY:			
DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
2 yrs	December 6, 2011	December 21, 2014	1, one year
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ YES ☒ NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:	
OPTION EXERCISED: ☒ NO ☐ YES	IF YES, NEW EXPIRATION DATE:
Effective immediately, this contract is hereby INCREASED by $62,742.00 to incorporate the attached changes allowed under the current contract, Section 2.024. **Per vendor and agency agreement and DTMB Procurement approval.**	
VALUE/COST OF CHANGE NOTICE:	$62,742.00
ESTIMATED REVISED AGGREGATE CONTRACT VALUE:	$239,986.00

State of Michigan
Electronic Document Management (EDM) Statewide Implementation
Project Change Request

A. General Information

Information to be provided in this section is general in nature and provides the necessary information about the organization of the project and project participants.

Project ID/Acronym:	EDM	*Date:*	04/26/2012
Controlling Agency:	DHS/BTPS & FOA	*Modification Date:*	
Prepared by:	Laura Brancheau	*Control Number (From Control Log)*	Pyramid 02

B. Requestor Information

Proposed Change Description and References:.

This change covers the development of a Bridges Scanning and Indexing (BSAI) login toolbar that has the following functionality:

1. Provides a Desktop Login that is branded as Bridges Scanning and Indexing.
2. Presents the Confidentiality form for review and acceptance at each login.
3. Finds the authorized offices for the authenticated user and present these as a choice list.
4. A new detailed requirement was discovered during the recent JAD sessions. This requirement is that a single person could have different roles (i.e. Scan Operator, Indexer) in different offices, and that they should not be able to access Datacap screens for both of their roles in each office. They must be limited to see only the screens for the role they perform in that specific office. So the login toolbar will launch Datacap with the selected office and only allow the person to see the screens for the role they have in that specific office, and not the screens available to them in other offices. This will limit the work that they see to the selected office and the tasks that they can perform will be specific to that office.
5. Provides a link to the reporting interface.
6. Provides a means to change working office without logging out and logging back in to the Bridges Indexing application. This way they will not need to re-authenticate (providing username and password and check the confidentiality screen).
7. Provides a toolbar that will display the current working office.

Impact of Not Implementing Proposed Change:

1. User will not automatically see the Confidentiality form on login.
2. Users will have to type in the Office name rather than selecting from a choice list.
3. Users will be able to see all of the roles that they are allowed to perform across all offices that they have access to.
4. Users will need to logout and back in if they want to switch offices.

Alternatives:

1. There is no simple alternative to the Confidentiality form.
2. Limiting login rights and privileges by office would require separate login credentials for each user in every office that they have access. For Central scanning, this would over 5000 user profiles in LDAP.

C. Initial Review Results of the Change Request

Initial Review Date: 04/26/2012 **Assigned to:** Project Team

- ☐ Approve for Impact Analysis
- ☐ Reject
- ☐ Defer Until:

  Reason:

D. Initial Impact Analysis

Baselines Affected:

Design, Development, Integration Testing, QAT, and UAT.

Configuration Items Affected:

Project Milestones, Requirements and Design for Bridges Indexing

Cost / Schedule Impact Analysis Required? ☐ Yes ☐ No

Impact on Cost:

TBD

Impact on Schedule:

The basic interface to launch the toolbar showing the confidentiality screen, provide login credentials and select from a list of hard coded offices (items 1, 2 and 3 in section B above) can be developed in time for the code release scheduled for 5/11. This will give users the appropriate login behavior for UAT.

The ability to select an office with distinct roles will require an additional two weeks to complete and therefore will <u>not</u> be available in time for QA on 5/14, UAT on 5/21 and Production deployment on 6/4. So this functionality will need to go into the subsequent release.

Impact on Resources:

160 hours for Pyramid resources. A new development resource would be added to the project to create the Login toolbar. Testing resources will increase marginally to verify the toolbar operates correctly.

Final Review Results:

Review Date: 04/26/2012

Classification: ☒ HIGH ☐ MEDIUM ☐ LOW

E. Impact Analysis Results

Specific Requirements Definition:

Additional Resource Requirements	Effort	Cost
1. Login toolbar for confidentiality screen, office selection and office specific role changes.	160 hours	
TOTAL	160 hours	

Impact of Not Implementing the Change:

Same as Above

Alternatives to the Proposed Change:

Same as Above

Final Recommendation:

Same as Above

F. Signatures

Governance Body: Include all accountable / impacted key project stakeholders.

	Name / Title	Signoff	Date
EDM Project Manager	Laura Brancheau	L Brancheau	5/4/12
DHS Field Operations (DHS EDM Business Manager)	Jeffrey A. Cook	Jeffrey A. Cook	5/7/12

	Name / Title	Signoff	Date
DHS OTIM (DHS EDM Project/Business Manager)	Janet Kunick-Ziegler	Janet Kunick-Ziegler	5/10/12
DTMB CSD	Richard DeMello	[illegible]	5/7/12
DTMB ASD	Tess Layman	Tess Layman	5/7/12
Pyramid Program Manager	Russ Milano		

State of Michigan
Electronic Document Management (EDM) Statewide ImplementationProject
Change Request

A. General Information

Information to be provided in this section is general in nature and provides the necessary information about the organization of the project and project participants.

Project ID/Acronym:	EDM	*Date:*	04/26/2012
Controlling Agency:	DHS/BTPS & FOA	*Modification Date:*	
Prepared by:	Laura Brancheau	*Control Number (From Control Log)*	Pyramid 03

B. Requestor Information

Proposed Change Description and References:.

This change covers the development of a new set of scanning interfaces to capture batch properties (priority, receive date and scan date) during batch creation. Separate interfaces will be built for each of the different manual entry methods as outlined below. These interfaces will be put into separate workflow jobs: Scan, Central Scan, Import from MFU, Import from Directory.

1. Scan: the scan panel will allow the user to manually enter the priority and receive date. Scan date will be set automatically when the batch is scanned.
2. Central scan: The user will browse to a directory and select a single file in that directory. The system will automatically extract the receive date and priority from the file directory and display them on screen for the user. The user will then press the Import button to import all files in that directory. The format by which the receive date and priority are contained within the directory name will be provided by DTMB.
3. MFU: Pyramid will investigate whether it is possible to select a single multipage TIFF file that was scanned into a directory. If selection of a single file is possible, then this method will be implemented. The import process will extract the priority from the parent folder and extract the receive date and scan date from the filename. These three fields will be displayed in read only format for the user. The user will then press the Import button to import the files.
4. Scan from Directory: The user browses to a directory and selects a single file in that directory. The user will then have to add the priority and receive date in fields on the screen. The user will then press the Import button to import all files in that directory.

Impact of Not Implementing Proposed Change:

1. Users will need to set batch properties in Scan Validation. This has the potential to lose important priority and receive date information.
2. Based on the current scan process, it also means that users will be keying the same batch property information twice.

Alternatives:

1. Users could enter the information through the Scan Validation module.

C. Initial Review Results of the Change Request

Initial Review Date: 04/26/2012 **Assigned to:** Project Team

- ☐ **Approve for Impact Analysis**
- ☐ **Reject**
- ☐ **Defer Until:**

Reason:

D. Initial Impact Analysis

Baselines Affected:

Design, Development, Integration Testing, QAT, and UAT.

Configuration Items Affected:

Project Milestones, Requirements and Design for Bridges Indexing

Cost / Schedule Impact Analysis Required? ☐ Yes ☐ No

Impact on Cost:

TBD

Impact on Schedule:

This development will be completed in the time available before the 5/11 code completion date.

Impact on Resources:

56 hours for Pyramid resources. Testing resources will increase marginally to verify the new input screens operate for each of the four cases.

Final Review Results:

Review Date: 04/26/2012

Classification: ☒ HIGH ☐ MEDIUM ☐ LOW

E. Impact Analysis Results

Specific Requirements Definition:

Additional Resource Requirements	Effort	Cost
1. Four (4) separate login screens and property entry methodologies.	56 hours	
TOTAL	56 hours	

Impact of Not Implementing the Change:

Same as Above

Alternatives to the Proposed Change:

Same as Above

Final Recommendation:

Same as Above

F. Signatures

Governance Body: Include all accountable / impacted key project stakeholders.

	Name / Title	Signoff	Date
EDM Project Manager	Laura Brancheau	L Brancheau	5/4/12
DHS Field Operations (DHS EDM Business Manager)	Jeffrey A. Cook	Jeffrey A. Cook	5/7/12
DHS OTIM (DHS EDM Project/Business Manager)	Janet Kurnick-Ziegler	Janet Kurnick Ziegler	5/9/12
DTMB CSD	Richard DeMello	[illegible]	5/7/12
DTMB ASD	Tess Layman	Tess Layman	5/7/12
Pyramid Program Manager	Russ Milano		

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

April 24, 2012

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48913

CHANGE NOTICE NO. 2
To

CONTRACT NO. 071B2200070

Between
THE STATE OF MICHIGAN
And

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pyramid Solutions	Robert J. DuBois	
30150 Telegraph Road, Suite 200	TELEPHONE	CONTRACTOR #, MAIL CODE
Bingham Farms, MI 48025	(248) 549-1200 ext 124	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	DHS and DCH			
BUYER:	DTMB	Tammi Hart	(517) 335-4770	Hartt3@michigan.gov

INITIAL CONTRACT SUMMARY:			
DESCRIPTION: **431/391 RFP Electronic Doc Mgmt – C2011062**			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
2 yrs	December 6, 2011	December 21, 2014	1, one year
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ YES ☒ NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:	
OPTION EXERCISED: ☒ NO ☐ YES	IF YES, NEW EXPIRATION DATE:
Effective immediately, this contract is hereby INCREASED by $71,514.00 to incorporate the attached changes allowed under the current contract, Section 2.024. **Per vendor and agency agreement and DTMB Procurement approval.**	
VALUE/COST OF CHANGE NOTICE:	$71,514.00
ESTIMATED REVISED AGGREGATE CONTRACT VALUE:	$177,514.00

State of Michigan
Electronic Document Management – Bridges Indexing
Project Change Request

A. General Information

Information to be provided in this section is general in nature and provides the necessary information about the organization of the project and project participants.

Project ID/Acronym:	EDM	***Date:***	04/10/2012
Controlling Agency:	DHS/BTPS & FOA	***Modification Date:***	
Prepared by:	Kevin Knill & Laura Brancheau	***Control Number (From Control Log)***	

B. Requestor Information

Proposed Change Description and References:.

This change covers a number of specific changes required to deliver the Bridges Indexing

1. Drop the document search function from the deliverables
2. Provide a Technical Specialist to work with the DTMB Technical Lead to help coordinate Datacap system development with enterprise infrastructure planning and Bridges technical development.
3. Design, develop and unit test a FileNet workflow needed to deliver groups of documents to Bridges. This approach will automate document delivery from Bridges Indexing to Bridges.
4. Develop multiple new data interfaces for metadata lookups and automated data validation.
5. Incorporate the managerial review of deleted and confidential documents into the Datacap system to avoid unwanted documents from being stored in FileNet.
6. Additional installation costs to support Datacap installation in the large number of Rule Runner servers planned in the installation.

Impact of Not Implementing Proposed Change:

1. Document search is a capability already available in Bridges. By continuing to implement this change, the same capability would be developed in two different interfaces.
2. Without the Technical Specialist, Datacap development would progress at a slower pace putting the June 1 deliver date in jeopardy.
3. Without the FileNet functionality, Bridges workflow would need to be substantially redesigned to accept single document import from Datacap. Coordinating Bridges workflow with FileNet document links would be substantially more complicated and the possibility of lost documents would increase.
4. Lookup interfaces could be offered as web service calls for every document. The concern is that this will create excessive load on web server infrastructure to support the additional calls.

5. Without the Manager review in Datacap, a similar function would need to be coded in Bridges. Deleted and confidential documents would be available in FileNet and Bridges would have to manage their deletion. This would be a significantly more costly implementation.
6. Software would not be available on all of the installed servers.

Alternatives:

1. The document search capability would need to be written in FileNet resulting in another interface for the business to perform their work.
2. DTMB could accept more of the responsibility for the planning and coordinating Datacap system requirements and interfaces to Bridges.
3. Bridges could be modified to accept documents one at a time and build the groups internally. If there was a problem with import, users could manually search for and correct problems in FileNet. Also, the existing interactive FileNet application to export documents to Bridges could be modified to accept incoming documents and export complete groups to Bridges.
4. Lookup calls could be offered directly through web service calls.
5. New workflows could be written in Bridges to review deleted and confidential documents. New procedures would also need to be written to extract and delete these documents from FileNet.
6. Software installation will need to be completed by another resource.

C. Initial Review Results of the Change Request

Initial Review Date: 04/10/2012 **Assigned to:** _____

- ☐ **Approve for Impact Analysis**
- ☐ **Reject**
- ☐ **Defer Until:**

Reason:

D. Initial Impact Analysis

Baselines Affected:

Design, Development, Integration Testing, QAT, and UAT.

Configuration Items Affected:

Project Milestones, Requirements, and Design for Bridges Indexing

Cost / Schedule Impact Analysis Required? ☐ **Yes** ☐ **No**

Impact on Cost:

TBD

Impact on Schedule:

522 additional hours

Impact on Resources:

522 hours for Pyramid resources. Two new development resources will be added to the project. Testing resources will increase marginally to support the additional managerial review and reporting database verification.

Final Review Results:

Development is able to accommodate the request from the DHS Business Partner to provide the Search Functionality without impact to cost or final delivery. The requested functionality can be included prior to Phase 3 to UAT.

Review Date: 04/10/2012

Classification: ☒ **HIGH** ☐ **MEDIUM** ☐ **LOW**

E. Impact Analysis Results

Specific Requirements Definition:

Additional Resource Requirements	Effort	Cost
1. Drop document search	-24 hours	
2. Technical Specialist	212 hours	
3. FileNet Workflow	224 hours	
4. Lookup interfaces	48 hours	
5. Managerial Review in Datacap	40 hours	
6. Additional Datacap software installation and testing for 40 servers	22 hours	
TOTAL	522 hours	

Impact of Not Implementing the Change:

Same as Above

Alternatives to the Proposed Change:

Same as Above

Final Recommendation:

Same as Above

F. Signatures

Governance Body: Include all accountable / impacted key project stakeholders.

	Name / Title	Signoff	Date
EDM Project Manager	Laura Brancheau		
DHS Field Operations (DHS EDM Business Manager)	Jeffrey A. Cook		
DHS OTIM (DHS EDM Project/Business Manager)	Janet Kurnick-Ziegler		
DTMB CSD	Richard DeMello		
DTMB ASD	Tess Layman		
Deloitte Program Manager	Tamil Balakrishnan		
Pyramid Program Manager	Russ Milano		

Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET **January 30, 2012**
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO.1
OF
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR **Pyramid Solutions** **30150 Telegraph Road, Ste. 200** **Bingham Farms, MI 48025** **Email:**	TELEPHONE (248) 549-1200 x-124 **Robert J. DuBois** CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 335-4770 **Tammi Hart**
Contract Compliance Inspector: **431/391-RFP ELECTRONIC DOC MGMT-C2011062**	
CONTRACT PERIOD: 2 **yrs. + 1 one-year options** From: **December 06, 2011** To: **December 21, 2014**	
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
ALTERNATE PAYMENT OPTIONS: ☐ P-card ☐ Direct Voucher (DV) ☐ Other	
MINIMUM DELIVERY REQUIREMENTS **N/A**	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Effective immediately, this Contract is hereby INCREASED by $106,000.00 to include the fixed price deliverable based on ITB-ECM-0002, Statement of Work (SOW) for ECM Date Cap Services.

Please note the buyer has changed to Tammi Hart.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per vendor and agency agreement and DTMB Procurement approval.

INCREASE: $106,000.00

TOTAL ESTIMATED CONTRACT VALUE REMAINS: $106,001.00

DHS – Electronic Document Management System
Business Requirements

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1. Document Purpose

The purpose of this Business Requirements document is to define the business needs for configuring Datacap Taskmaster Capture as part of an integrated Electronic Document Management solution.

This document contains the business overview, and details where the DHS Bridges application will interface with the Datacap Taskmaster Capture configured solution.

2. Document Management Overview

2.1 Purpose

The Michigan Department of Human Services (DHS) uses Bridges to manage eligibility related processes and tasks to administer public assistance and services programs across the state. Bridges is used to determine eligibility for all of Michigan's social service programs including food stamps, cash assistance, and Medicaid.

The eligibility verification process involves managing a large volume of paper documents received from individuals and beneficiaries. Currently, documents are digitized by scanning documents and attaching relevant data through a customized application. The documents are managed in a centralized FileNet P8 repository. DHS plans to leverage the State of Michigan's Enterprise FileNet solution and configuring Datacap Taskmaster Capture and other IBM products to provide an integrated solution. The Datacap Taskmaster Capture solution is intended to provide a configurable solution maintained by the DTMB Agency Services and Enterprise Content management (ECM) teams after the initial configuration and implementation.

2.2 Solution Overview

This implementation of an imaging and document management solution will provide the following capabilities to DHS staff to administer and manage eligibility related processes and tasks.

1) Capture scanned paper documents using document scanners located in the DHS local offices across the state, Scan Optics high capacity scanners located in Lansing for the central scanning operation and multi-function copier units as a (back up for the document scanners).
2) Capture Fax and email (including attachments) to be indexed and stored into the system
3) Capture metadata (index data) for captured documents using a web browser
4) Configure work queues and workflow to process documents
5) Store and archive scanned documents and other digital assets into FileNet P8 content repository
6) Role based access to the functions, features and documents
7) Direct search and retrieval of documents using keywords in index fields

8) Access to documents from Bridges via WebService calls maintained by DTMB

2.3 Document Imaging and Indexing Process

The paper documents will be scanned using a standard or high-capacity document scanner or multifunction copier unit either at a central location or at the local offices throughout the State. A Right Fax server will receive faxes at the central location, and a single Outlook mailbox will receive emails that must be processed the same as the scanned images.

Document images will be retrieved for review and indexing by the document processing staff. The indexing task will involve either entering the index data from the image or query in Bridges to lookup information by individual name and capture the index record. The reviewed document image and associated index data will then be stored/re-stored into the FileNet P8 repository.

Additional documents are provided through CDs, USB drives or other media and are uploaded into the system through a customized application. The documents retrieved must be converted into images and provided for indexing the same as scanned, emailed, or faxed images.

Users will access the stored documents by either logging into Bridges to access information records and clicking on the links for the associated documents or by directly logging into the FileNet portal through a web browser and using the search interface. The search interface provides a form for entering keyword to search documents. The search query will return a list of documents that matched the search criteria. The documents can be retrieved from the search result list by clicking on the document link.

2.4 Imaging and Document Management Processes

The activities associated with the business processes of Imaging and Document Management are described below.

Business Process	Activity	Description
Document Imaging	Scanning	Enables conversion of paper documents into digital images using scanning devices.
Document Indexing	Document Indexing	Enables creation of the index records for the documents being stored into the FileNet P8 repository.
Document Storage	Storage of scanned images, documents, and metadata	Enables storage of documents and metadata into the FileNet P8 repository.
Document Processing	Document review and processing	Involves review of documents from the Bridges work queues and performing specific tasks to processes a case or a

		document transaction.
Document Access	Search and retrieval of documents	Provides a means to access documents by specifying document index value or a search query built using keywords.
Administration	Define document types and associated Index Elements. Manage access control for documents.	Provides a means to define document types and associated index elements in the Document Management System to enable storing of documents. Provides interface to add and remove users from LDAP groups to control access to documents.

3. Business Requirements

This section describes the functional requirements that are needed to meet the goals, objectives, and strategies for the project.

3.1 Scanning

The document scanning solution shall utilize IBM Datacap Taskmaster Capture and should enable scanning of documents at various DHS locations and provide ability to apply metadata and load them into a centralize FileNet P8 repository for processing and archiving. It should support scanning of documents using document scanners and the ability to use multi-function copiers for scanning as a backup is required.

The paper documents for scanning may contain printed (laser or dot-matrix) and/or handwritten text.

The full Datacap Taskmaster Capture solution should enable scanning of multiple batches of documents where each batch will contain documents that were received in a package (i.e. mail envelope) and belong to a specific case, or an individual. The ability to track a single document through the system from the moment is it scanned is critical.

During scanning, the operator must be able to enter the date the documents were received. Tracking the received and scanned date is necessary for prioritization of the documents presented to the indexer.

Additionally, documents received must be prioritized at the time of scanning. Currently the priorities are High Priority (must be acted upon first/immediately), Unprocessed (the case worker will have to act), and Processed (the document needs to be stored). Documents received in a single envelope must be processed together and each document should be a single file, even if the document has multiple pages.

3.2 Document Indexing

The document indexing will involve keying document metadata (index data) to enable search and retrieval of documents by entities such as case number, individual name or number, provider name or number, document title and dates.

1) Indexing interface should support indexing of the following types of documents
   a) Application forms from individuals
   b) Document(s) that belong to individuals
   c) Document(s) that belong to a case
   d) Document(s) that belong to providers
2) The index record for all document types will include the following system generated index data
   a) Document Control Number
   b) Scan Date
   c) Group Number
   d) Received Date
3) For applications from individuals, the following index fields will be captured by the Indexer
   a) Document Title
   b) Office Number
   c) First Name, Middle Name and Last Name
   d) Processed (Y/N)
4) For documents received from Individuals, the following index fields will be captured by the Indexer
   a) Document Title
   b) Office Number (Optional)
   c) First Name, Middle Name and Last Name
   d) Individual ID
   e) Processed (Y/N)
5) For documents received for a case, the following index fields will be captured by the Indexer
   a) Document Title
   b) Office Number (Optional)
   c) First Name, Middle Name and Last Name

d) Case Number

e) Group Number

f) Processed (Y/N)

6) For documents received from providers, the following index fields will be captured by the Indexer

a) Document Title

b) First Name, Middle Name and Last Name

c) Business Name

d) Office Number (Optional)

e) Provider ID

f) Processed (Y/N)

7) The indexing interface should provide navigation tools to

a) View the document being indexed

b) Provide metadata based on the information needed for the selected document type

c) Route document to Hold, Rescan or Delete status

d) Cancel the indexing and return the work item back to the work queue

e) Query Bridges records for a given individual by name and select a record

8) The pick list for the Document Title index field should display the document number and title in the list. The list should support "type-ahead" feature and sort this list as characters are entered in the query box.

9) The pick list for the Office Name index field should display the Office Number and Office Name for a given zip code. If multiple offices are associated with a single zip code, the user should be able to select one record from the list.

10) Indexing rules for documents that are received from individuals

a) If user enters first name and/or last name, use Bridges lookup to populate Individual ID

b) If Individual ID is not available, Office Number IS required

c) Individual ID is 10 characters long

d) There should be a "Not available" check box when no Individual ID is

available

11) Indexing rules for documents that are received for a case

a) If Case Number is not available, Office Number IS required

b) Case Number is 10 characters long

12) Indexing rules for provider documents

a) If Provider ID is not available, Provider Name IS required.

b) If Provider ID and Provider Name is not available, Office Name IS required

13) Document group processing rules:

a) If any specific document from a group is routed to Hold or Rescan status, the whole group should be routed

b) If any specific document is deleted from a group, only that document should be de-linked from the group and moved to the delete document status

14) Index field "Processed" rules:

a) If documents are being indexed from Unprocessed, this index field should default to "N"

b) If documents are being indexed from Processed, this index field should default to "Y"

15) The pick list for the document titles will contain document types that should not have been scanned. If the Indexer selects Confidential Status document title, the indexing interface should not allow indexing of that document, and move it to the Confidential Status.

16) Notification to Bridges

a) When document indexing is complete, the system should sort the documents in the group by the priority defined for each document

b) Within a group, the document with the highest priority will drive the workflow processing in Bridges and must be sent in the notification

c) Web Services are used for the notifications to Bridges and are maintained by the DTMB Agency Services team

d) The Datacap Taskmaster Capture solution will kick off the notifications

3.3 Document Rescan

During the processing of scanned documents, if the content on the scanned image is not legible, it should be possible to route the document to be rescanned. The solution should provide ability to replace the original scanned document with the rescanned document and route it back to the Indexer. Documents to be rescanned should be routed in a fashion that provides notification to the Scanner Operator.

1) If the document contains multiple pages, it should be possible to rescan the whole document
2) The system should provide an interface to view list of documents to be rescanned
3) The system should provide an interface to retrieve and view a document from the list of documents to be rescanned
4) The system should provide ability to scan the whole document and save it by overwriting the old document
5) The system should provide ability to change scanning settings during rescanning the document
6) The system should provide an interface to update document metadata attributes and comments for the document
7) Upon completion of rescan, the document should be routed back to the Indexer from where it was sent to be rescanned

3.4 Document Deletion

For deleting any document from a work queue or FileNet P8 repository, the user with appropriate privileges will have to directly log into FileNet P8 system.

1) The system will allow deleting documents only from "Confidential" and "Delete".
2) When documents are deleted from "Confidential", the DHS manager will retrieve the physical copies of these documents from the Indexer.

3.5 Hold while Indexing

During the indexing of scanned documents, if the Indexer desires to put the work item on hold for any clarification, the system will provide capability to move that work item to a "Hold" status. The work items moved to "Hold" will remain assigned to the Indexer who routed it to "Hold".

1) If the work item contains more than one document, the whole document group should be moved to "Hold" status
2) The system should provide an interface to view the list of documents available in "Hold" status
3) The system should provide an interface to retrieve and work on the document from the list of documents in "Hold" status

3.6 Document Search

DHS caseworkers will query documents in the FileNet P8 repository from the Bridges interface; however, the FileNet P8 repository should provide a search interface. The interface will enable DHS Managers to search for and retrieve documents directly from the FileNet P8 repository.

1) The documents stored in the FileNet P8 repository should be searchable by entering keywords in a search interface
2) The search interface should support search for documents within a date range
    a) The date range can be for Scanned Date or Received Date
3) When the search is executed by entering keyword(s)
    a) The search results should be displayed on the screen by listing all the documents that matched the search criteria
4) It should be possible to view the document and/or its metadata by clicking on the document link displayed in the search result
5) It should be possible to save the search results into a file in csv format
6) Access to the search interface should be controlled through user roles defined in the system

3.7 Indexing Emailed Documents

For documents that are emailed to State staff, DHS users will have the option to store them in FileNet by forwarding the email to a central Outlook mailbox.

1) The email and the attachments must be processed through the system as if they came in an envelope and were scanned
2) Attachments may come as images, MS Office documents or worksheets, PDF, or additional Outlook msg.
3) Indexing data should be included in the subject line of the email forwarded to the Outlook mailbox.

3.8 View Documents

For viewing the scanned documents from the work queues and FileNet P8 repository, FileNet's native viewer Daeja viewONE Pro Image Viewer or an IBM Datacap Taskmaster Capture alternative will be used. The viewer will extend the web browser capabilities to view, zoom, magnify, scroll, pan, rotate, and print images and imaged documents. This viewer will support following features:

1) A user interface with toolbars for the following:
    a) Menus
    b) View thumbnails
    c) Navigate using mouse and keyboard

d) Annotation tools to add and edit annotations on the images

e) Document page navigation tools

2) Support viewing of large documents using multi-page TIFF files or separate files for each page

3) Provide ability to control viewer's features through user roles

4) Multi-threaded design allowing many operations to be performed quickly and easily

5) Separate documents in one file into separate files if the images were grouped as pages to one single document inaccurately

6) Restrict annotations to always look like an annotation and to provide the user name and date of the annotation

7) Print with or without annotations

   a) If annotations are printed the username and date must print

3.9 Reports

The system should provide counts and productivity reports.

1) The reports at a minimum include the following

   a) Scanned document counts by day, week or month

   b) Document counts by Categorizations (High Priority, Processed, and Unprocessed)

   c) Document counts by Status (Scanned, Indexed, Stored, Hold, Deleted)

   d) Processed document counts by Users

   e) List of user accounts and access level

2) The ability to generate reports should be controlled by the user roles defined in the system

3) All the reports should be generated dynamically and displayed in HTML format

4) The system should support printing of consistent Header / Footer information for all reports as follows:

   a) Report Name

   b) Page Number

   c) Date

3.10 User Roles and Security

The system must provide security and an interface for creating and maintaining user accounts. Maintaining user accounts includes, updating access to document types, access to local office or central documents, deletion of user accounts, and maintaining user passwords and password resets.

Multiple users should have access to the documents in Datacap Taskmaster Capture application. For example, if a document is scanned at a local scanner, then any user set as an Indexer in that local office should be able to access the document and provide the indexing Metadata. Additionally, any user who is an Indexer in the Central Office should be able to access the documents scanned in any local office (in addition to those scanned at the Central Scanning Office) in order to provide support to the local office with indexing documents. However, an Indexer assigned to one local office should not have access to index documents scanned in another local office.

Users should be provided the documents to index in the prioritized order; however, the Indexer should be able to select out of order if necessary.

The system should provide the following roles to define access privileges for the users. The DHS Security Office will manage the user access and a detailed security document has been created and is owned by DHS BTPS OTIM and Central Security.

Role	Description
Scan and Indexing Staff (SIS) – the Indexer	Role for the staff who would be responsible for document scanning and indexing; this role will have access to the following functions and features: • Scanning and Rescan • Indexing • "Hold" status • Reset own password
Caseworkers (Inquiry only)	Role for the staff who would be working on the scanned document through Bridges; this role will have access to the following functions and features: • View documents • Update Indexed Metadata • Reset own password
Case Manager	Role for the staff who would be working and managing document information through Bridges; this role will have access to the following functions and features: • View documents • Update Indexed Metadata • Add Annotations while viewing in Bridges • Reset own password
DHS FileNet Manager	Role for the staff who would be managing documents in the FileNet P8 repository; this roll will have access to the following functions and features: • Indexing

	• Confidential documents • Delete documents • Search documents • View documents • Reports • Reset own password
DHS FileNet Administrator	Role for the staff who would be responsible to manage user roles and security; this role will have access to the following functions and features: • Search documents • View and edit user groups and roles • Edit group and role level security • Add work status and Metadata fields • Reset own password • Reset Passwords (for other users)
DTMB FileNet P8 Administrator	Role to manage and administer the FileNet P8 software; this role will have full access to the system's functions and features

3.11 Non-Functional Requirements

Datacap Taskmaster Capture should be used, if possible, on the Scan Optics High Capacity scanners at Central Scanning and should support scanning of at-least 1,000 documents / 20,000 pages per day. If Datacap Taskmaster Capture cannot be used at Central Scanning, then the system must still allow for tracking of the documents from the moment the document is scanned.

The system infrastructure should be configured to support the following:

1) Up to 50 transactions per second (transactions could include user logins, document loading, document retrieval, document data updates, documents search and system administration)
2) Auto archive and auto deletion of documents after the specified period required by law. Documents with permanent retention required by law should be archived and never deleted
3) The system should be accessible to the users at various locations over secured connections (https)
4) The system should support IE 6.0 or above and Firefox 2.0 or above web browsers
5) The response time for rendering the user interface screen should be sub seconds and for viewing documents should be less than 3 seconds (Number of pages in document might vary the download time)

6) The response time for generating reports should be less than 15 seconds; however, the response time could vary depending on the date range specified for the report

7) The system should maintain all the transaction logs and these logs should be accessible to the system administrators

PYRAMID SOLUTIONS

January 24, 2012

State of Michigan
DTMB
Agency Services – DHS
235 S. Grand Avenue
Lansing, MI 48933

RE: ITB# TH-ECM-0002 Addendum #1

Attention: Tammi Hart

Pyramid Solutions, Inc. is pleased to submit this response to State of Michigan's Request for Proposal for ECM Datacap Services

Pyramid has been an IBM Premier Business Partner since 1996 delivering solutions particularly focused around State, County, and City municipal agencies. As a result Pyramid has gained extensive expertise and deep understanding of governmental operations and workflows and thus highly confident of our ability to support your business requirements.

Our proposed approach is centered on IBM's Data Capture, the installation and implementation schedule would follow the process below:

1. Install Datacap

2. Ingestion (scanning/imaging) of documents/content:
    a. Scan
    b. Fax
    c. Email
    d. Convert uploaded images

3. Indexing:
    a. Four (4) types of documents
    b. Rules and Look-ups
    c. Design User Interface

4. Export to FileNet (including Work Item creation)

5. Implement Document Search

6. Documentation:
    a. Requirements
    b. Design
    c. Test plan & results
    d. System documentation required for transition of support

7. Testing/QA

8. Deploy – one Production environment and four (4) non:
    a. DEV
    b. INT
    c. QAT
    d. UAT

In the above scenario we estimate a scope of work requiring 650 hours ($89,050), plus or minus 10%.

Please let me know if you have questions or need further clarification of our response. We're excited at the opportunity to support your initiatives. Thank you for the opportunity to participate in your RFP.

Sincerely,

Mike Williams
Pyramid Solutions, Inc.
30150 Telegraph Rd, #200
Bingham Farms, MI 48025

PYRAMID SOLUTIONS

January 25, 2012

State of Michigan
DTMB
Agency Services – DHS
235 S. Grand Avenue
Lansing, MI 48933

RE: ITB# TH-ECM-0002
Addendum #2

Attention: Tammi Hart

Pyramid Solutions, Inc. is pleased to submit this response to State of Michigan's Request for Proposal for ECM Datacap Services, ITB# TH-ECM-0002, **Addendum #2,** specifically:

In addition to the functionality covered in the Electronic Document Management System Business Requirements the following functionality should be estimated as an addendum to the original estimates provided on 1/19/2012:

- ***Configure Datacap to perform "auto-indexing" functions***
  - ***"FingerPrint"***
  - ***OCR***
  - ***200 structured documents – future maintenance by DHS Analysts***
    - ***40 Case Level***
    - ***20 Office Level***
    - ***10 Provider Level***
    - ***130 Individual Level***

Based on the following assumptions:

- A Structured Document is defined as: documents in which information appears in the same place every time (for example a W2 form)
- All 200 documents noted above will be "FingerPrinted" or OCR'd by Pyramid Solutions
- This configuration exercise will require some regression testing once all forms have been configured. This effort is included in our hours estimate

To deliver the additional functionality we estimate a scope of work requiring 120 hours ($16,440) plus or minus 10%.

PYRAMID SOLUTIONS

Please let me know if you have questions or need further clarification of our response. We're excited at the opportunity to support your initiatives. Thank you for the opportunity to participate in your RFP.

Sincerely,

Mike Williams
Pyramid Solutions, Inc.
30150 Telegraph Rd, #200
Bingham Farms, MI 48025

Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET **December 21, 2011**
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

NOTICE
OF
CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR **Pyramid Solutions** **30150 Telegraph Road, Ste. 200** **Bingham Farms, MI 48025** **Email:**	TELEPHONE (248) 549-1200 x-124 **Robert J. DuBois** CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 241-1638 **Reid Sisson**
Contract Compliance Inspector: **431/391-RFP ELECTRONIC DOC MGMT-C2011062**	
CONTRACT PERIOD: 2 **yrs. + 1 one-year options** From: **December 06, 2011** To: **December 21, 2014**	
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
ALTERNATE PAYMENT OPTIONS: ☐ P-card ☐ Direct Voucher (DV) ☐ Other	
MINIMUM DELIVERY REQUIREMENTS **N/A**	
MISCELLANEOUS INFORMATION:	

The terms and conditions of this Contract are those of RFP 084R1300126, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: $1.00

Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CONTRACT NO. 071B2200070
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR **Pyramid Solutions** **30150 Telegraph Road, Ste. 200** **Bingham Farms, MI 48025** **Email:**	TELEPHONE (248) 549-1200 x-124 **Robert J. DuBois** CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 241-1638 **Reid Sisson**
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All terms and conditions of the invitation to bid are made a part hereof.

FOR THE CONTRACTOR:	**FOR THE STATE:**
Pyramid Solutions Firm Name	Signature
Authorized Agent Signature	Jeff Brownlee, Chief Procurement Officer Name/Title
Authorized Agent (Print or Type)	DTMB, Procurement Division
Date	Date

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Article 1 – Statement of Work (SOW)

1.000 Project Identification

1.001 Project Request

The Michigan Department of Technology, Management, and Budget (DTMB) has issued this request for proposal (RFP) to obtain proposals to establish a prequalified program to provide certified FileNet Enterprise Content Management Services, in order to implement storage and metadata collection on documents, to enable storage and retrieval by state applications, and to migrate paper files to electronic storage. The intent of this solicitation is to select multiple contractors who have demonstrated the ability as Software Value-Plus Authorized for IBM FileNet ECM, to provide FileNet services, and that will be able to provide fixed price bids on the type of services listed below when the State has a need.

1.002 Background

DTMB supports and operates multiple Enterprise Content Management systems for its client agencies. These systems are in need of upgrade and migration. Examples include, but are not limited to:

- The Department of Community Health (DCH) utilizes Enterprise Content Management in five business areas. The solution utilizes FileNet P8 4.5 and is supported by DTMB Agency Services supporting DCH.

- The Department of Human Services (DHS) spends over a million dollars a year for storage and copying of paper case files and postage to transfer paper case files between local offices and Central Office. On occasion these paper case files are lost and jeopardize Federal audits. To address this issue DHS has implemented an Electronic Document Management solution for their Bridges application that integrates with the DCH FileNet environment. It is currently in pilot in one local office.

- The Department of Treasury Electronic Document Management System currently uses FileNet Panagon and intends to migrate to FileNet P8.

DTMB envisions using services under this Contract for specific projects to be identified in future individual Statements of Work. Examples of work the State may have performed under this Contract include, but are not limited to:

- Installation of IBM Case Manager for in-place or new test, development or production environments
- Upgrade existing IBM FileNet P8 4.5 environment to IBM FileNet P8 5.x
- Migrate existing IBM FileNet Image Services systems to an existing IBM FileNet P8 platform
- Scoping and requirements analysis for applications deploying in IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets
- Design and prototyping of IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets applications
- Out-of-the-box configuration of IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets applications
- Integration of IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets applications to line-of-business systems
- Testing of IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets applications
- Training for IBM Case Manager, Workplace XT, or ECM Widgets deployed applications
- Application Support of deployed IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets applications
- Project Management for IBM Case Manager, Custom Workplace, Workplace XT, or ECM Widgets projects

-
- Installation/review of workflow and application security.
- Provide application maintenance and enhancements for the DHS Bridges Indexing application (custom application based on IBM Workplace)
  - Support for Model Office Pilot
  - Support for State Wide Roll-out
- Develop an automated interface for the new Michigan Statewide Automated Child Welfare Information System (MISACWIS) based on requirements
  - Participate in business requirement sessions
  - Design the interface
  - Develop the interface
  - Test and implement the interface
  - Document the interface
- Develop a document upload interface for DHS Human Resources MI Bridges application
  - Participate in business requirement sessions
  - Design the interface
  - Develop the interface
  - Test and implement the interface
  - Document the interface

1.100 Scope of Work and Deliverables

1.101 In Scope

FileNet Support Services to include, but are not limited to the following:

- Business Requirements Development, including
  - Best practices development
  - Proof of Concept / Demonstration
- Solution and Resource Consulting, Analysis, sizing
- Enterprise Planning, Design and Prototyping, including
  - Deployment architecture
  - Workflow and process modeling
  - Security and access control modeling
  - Disaster recovery configuration
- Software Implementation, including:
  - New Installation
  - New Instance Implementation
  - Version upgrade
  - Patch-fix
  - Out-of-the-box configuration
  - Technical Integration Services to other COTS (i.e. SAP, Siebel)
  - Technical Integration Services to State of Michigan custom applications
  - Testing
- System Migration, including:
  - Legacy system conversion
  - Content migration and federation
  - Media migration
- Project Management
  - Transition planning
- Knowledge Transfer, including
  - Documentation
  - Administrative Staff Training

1.102 Out Of Scope

- IBM FileNet Software Licenses
- IBM FileNet Software Maintenance

1.103 Environment

The links below provide information on the State's Enterprise information technology (IT) policies, standards and procedures which includes security policy and procedures, IT strategic plan, eMichigan web development and the State Unified Information Technology Environment (SUITE).

Contractors are advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards. All services and products provided as a result of this RFP must comply with all applicable State IT policies and standards. Contractor is required to review all applicable links provided below and state compliance in their response.

Enterprise IT Policies, Standards and Procedures:

http://www.michigan.gov/dmb/0,1607,7-150-56355-107739--,00.html

All software and hardware items provided by the Contractor must run on and be compatible with the DTMB Standard Information Technology Environment. Additionally, the State must be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by DTMB. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The DTMB Project Manager must approve any tools, in writing, before use on any information technology project.

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. The State's Project Manager must approve any changes, in writing, and DTMB, before work may proceed based on the changed environment.

Enterprise IT Security Policy and Procedures:
http://www.michigan.gov/dit/0,1607,7-139-34305-108216--,00.html

The State's security environment includes:

- DTMB Single Login.
- DTMB provided SQL security database.
- Secured Socket Layers.
- SecurID (State Security Standard for external network access and high risk Web systems)

IT Strategic Plan:

http://www.michigan.gov/itstrategicplan/0,1607,7-222-39817-192234--,00.html

The State Unified Information Technology Environment (SUITE):
Includes standards for project management, systems engineering, and associated forms and templates – must be followed: http://www.michigan.gov/suite

Agency Specific Technical Environment
DTMB is establishing an enterprise-wide FileNet Center of Excellence that will become the solution offering for all future FileNet Document Management services. This will stand as the target for migration of existing legacy FileNet solutions. Technical details of the FileNet Center of Excellence are:

- FileNet P8 4.5, load balanced across Hosting Centers
- Virtual Application and Web Servers, Windows 2008 R2
- Sun v490 Servers, Solaris 10, Oracle Database Enterprise Edition 11g
- FileNet Workplace Web Tools
- Microsoft Internet Explorer 6 and Internet Explorer 8

-
- IBM Cognos Reporting tools
- Interfaces: Java, .NET, API
- Current enhancements under way:
    - Implementation of IBM DataCap and FileNet System Monitor
- Classes of users: external and internal
- Other systems/applications requiring integration
    - CHAMPS – Community Health Automated Medicaid Processing System
    - MI Bridges - Assistance Eligibility Application System
    - MISACWIS – Michigan Automated Child Welfare Information System
    - Commercial Driver Licenses Self-Certification
    - SAP
    - Siebel
    - Birth Records System

1.104 Work And Deliverable
Deliverables described in section 1.104 are not all inclusive.

Professional FileNet Enterprise Content Management Services

The State requires FileNet services in support of the Enterprise Content Management environments. In some cases this will be to support agencies without sufficient DTMB support to enable them to accomplish this with state staff. In other cases the agency has extensive DTMB support, but requires staff augmentation to assist them to deal with agency demand for services. In other cases DTMB may ask for the pre-qualified FileNet service Contractor to quote and build a system to support an agency, to be maintained by DTMB.

Pre-qualified Contractors will be required to sign a Primary Contract with DTMB Purchasing Operations.

The Primary Contracts and any resulting Work Contracts will be written so as to incorporate by reference all the terms of this Contract. DTMB may include additional terms and conditions within their specific Work Request. There is no stated or implied guarantee that Work Contracts will be awarded to any pre-qualified Contractor(s) by the State.

In any of these cases there will be specific skill sets required, including:

FileNet Support Services
DTMB requires occasional optional support staff and services to assist its development team in maintaining, implementing changes, performing upgrades, and continuing development initiatives related to the FileNet application. These support staff or services would work under the direction of the DTMB Staff.

FileNet Project Manager
The person will serve as the Project Manager for all matters related to a FileNet project. The FileNet Project Manager will verify and confirm project task deliverables with the assigned State Project Manager. The FileNet Project Manager will maintain ongoing communication regarding project status with management teams. This person should be very familiar with the FileNet application.

- Provide project management services for all aspects of the FileNet project including adherence to project schedules, task assignments, and budgets
- Verify and confirm project task deliverables with the State Project Manager
- Maintain ongoing communication regarding status with management teams
- Weekly status reports indicating percent complete, budget vs. actual, changes in progress, inventory of issues/problems, and similar data

FileNet Technical Services Consultant
Provide technical knowledge and project leadership for the design, customization, integration, implementation, migration and production support of the IBM FileNet product family and combine these to develop content management solutions. These technical services include the following:

- Enterprise planning and design
- System implementation
- Deployment architecture
- Resource planning and system sizing
- Transition planning
- Legacy system conversion
- Content migration and federation
- Media migration
- Workflow and process modeling
- Security and access control modeling
- Disaster recovery configuration
- Best practices development
- Technical Integration Services to other COTS (i.e. SAP, Siebel)
- Knowledge Transfer

Knowledge Transfer/Transition

While the FileNet services Contractor(s) will be working closely with DTMB staff, they are still required to provide documentation for all work that they do, which describes both what was done and why it was done in that fashion. In addition FileNet services staff will be required to perform informal training to state staff on platform issues, and applications written by the Contractor.

1.200 Roles and Responsibilities

1.201 Contractor Staff, Roles, and Responsibilities

FileNet Enterprise Content Services Staff Requirements

1. Contractor(s) must provide services during normal working hours (Monday through Friday, 7:00 a.m. to 6:00 p.m. ET.) and possible night and weekend hours depending on position and project requirements. No overtime will be authorized or paid. The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project. Contractor(s) shall observe the same standard holidays as State employees. The State does not compensate for holiday pay. Contractor(s) will not be reimbursed for travel expenses or travel time.

2. Contractor(s) work is to be performed, completed, and managed in the Lansing, MI area:

3. Obtaining FileNet Services
   The State after formalizing a comprehensive Work Request will facilitate the second tier selection process for each Contracting effort. A Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

   a. Contractor(s) must respond fully to a Work Request with the following candidate information within ten (10) days of issuance by the State on the Bid4Michigan site. Responses must include:

Resumes of qualified staff for each position the State has requested.
Date of availability for each candidate.
The results of two reference checks that the Contractor(s) has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
Verification of a candidate's permission to work in the United States.
Rate for each resume submitted. Rates may not exceed the rates in the Contract. However, the rates may be less, depending on the State's requirements, nature of the job market, and the candidate's abilities.

b. Contractor(s) may request clarification regarding the State's request during the response period. If the Contractor is unable to provide the personnel requested, the Contractor must record this fact in a written response to the State.

c. The State will evaluate the resumes and references of submitted candidates. Selection will be based on a best value evaluation using the criteria identified in the Work Request and the rate provided by the Contractor. Other selection criteria or tools which may be in the best interest of the State may be utilized to make a selection.

   The State may contact the Contractor to request an interview with a candidate. The Contractor will be responsible for setting up all interviews. At the State's discretion, the interview may be conducted over the telephone. The State may, at its discretion, request a face-to-face interview. In this case, all expenses travel or otherwise, resulting from such a request must be borne by the Contractor.

d. After selecting the resume(s) that present the best value to the State, the State will notify Contractor(s) regarding its selection.

4. Contractor(s) will provide a mechanism for expedited procurement of staff to meet a need for immediate replacement or for mission critical services.

5. Contractor(s) will ensure that the staff proposed for this assignment are fully trained and meet the skill set requirements of the job position being filled, based on the State's current technical architecture. If a Contract individual is assigned to a State project or support area and the technology associated with their assignment changes, the Contractor (s) are responsible for training in the new or changed technology (e.g., Contractor personnel needs training in a particular tool in order to perform their State assignment.) or providing new resources who are trained in the new tool, at the State's discretion.
6. Contractor(s) is responsible for providing a 30-day written notice to the State in addition to a plan for transitioning to a new resource including knowledge transfer in the event an individual is terminated or voluntarily withdrawn from an assignment. The State can request the Contractor replace the individual with an individual of equal or greater qualifications
   a. Contractor(s) staff shall comply with all State and DTMB policies, standards, and procedures.
   b. Contractor(s) staff assigned to work with restricted (a.k.a. sensitive) data have an obligation to safeguard and protect the confidentiality of such data. Further, if the staff member accidentally or purposefully releases restricted or sensitive data, the Contractor assumes full responsibility for any resulting penalties.

   c. Contractor(s) assumes full responsibility for the acts of all subcontractors.

   d. Contractor(s) may use subcontractors to fulfill requirements of the Contract

e. Contractor(s) will ensure that staff exhibits professional conduct and act in the best interest of the State.

Contractor(s) may not remove or reassign staff to other Contracts unless mutually agreed upon by the State and the Contractor(s

A. Contractor Staff

The Contractor will provide representative resumes in the attached Personnel Resume templates (Attachment 2) for staff, including subcontractors, indicating the qualifications of such personnel. The competence of the personnel the Contractor proposes for this project will be measured by the candidate's education and experience with particular reference to experience on similar projects as described in this Statement of Work.

Contractor must provide a list of all subcontractors, including firm name, address, contact person, and a complete description of the work to be contracted. Include descriptive information concerning subcontractor's organization and abilities.

The Contractor shall identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:

- supporting the management of the Contract,
- facilitating dispute resolution, and
- advising the State of performance under the terms and conditions of the Contract.
- Manage all defined Contractor responsibilities in this Scope of Services.
- Manage Contractor's subcontractors, if any

The State reserves the right to require a change in the current SPOC if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

The Contractor will provide, and update when changed, an organizational chart indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work.

The Contractor will provide sufficient qualified staffing to satisfy the deliverables of this Statement of Work.

B. Additional Security and Background Check Requirements:

Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff identified for assignment to this project

In addition, proposed Contractor personnel will be required to complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC) Finger Prints, if required by project.

Contractor will pay for all costs associated with ensuring their staff meets all requirements.

1.202 State Staff, Roles, And Responsibilities

Agency should specify State personnel dedicated to project, and identify their associated roles and responsibilities.

The State will provide the following resources for the Contractor's use on this project: Work space

- Minimal clerical support
- Desk
- Telephone
- PC workstation
- Printer access via network
- Access to copiers and fax machine

The State project team will consist of Executive Subject Matter Experts (SME's), project support, and a DTMB and Agency project manager:

Executive Subject Matter Experts
The Executive Subject Matter Experts representing the business units involved will provide the vision for the business design and how the application shall provide for that vision. They shall be available on an as needed basis. The Executive SME's will be empowered to:

- Resolve project issues in a timely manner
- Review project plan, status, and issues
- Resolve deviations from project plan
- Provide acceptance sign-off
- Utilize change control procedures
- Ensure timely availability of State resources
- Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.

Name	Agency/Division	Title
Mark Love	DTMB IT Agency Services	IT Manager
Rex Menold	DTMB IT Agency Services	IT Specialist

State Program and Project Managers
DTMB will provide a Project Manager who will be responsible for the State's infrastructure and coordinate with the Contractor in determining the system configuration. The State will designate a State Project Manager in each Statement of Work. The State's Project Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external contractors
- Facilitate communication between different State departments/divisions
- Provide acceptance and sign-off of deliverable/milestone
- Review and sign-off of timesheets and invoices
- Resolve project issues
- Escalate outstanding/high priority issues
- Utilize change control procedures
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Document and archive all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings.

State Program Manager for Enterprise Content Management Services

Name	Agency/Division	Title
Tess Layman	DTMB IT Agency Services	Application Support Director

1.300 Project Plan

1.301 Project Plan Management

Orientation Meeting
Upon ten (10) business days from execution of the Contract, the Contractor will be required to attend an orientation meeting to discuss the content and procedures of the Contract. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

Performance Review Meetings
The State will require the Contractor to attend quarterly meetings, at a minimum, to review the Contractor's performance under the Contract. The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

Project Control

1. The Contractor will carry out this project under the direction and control of DTMB.
2. The Contractor will manage projects in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at http://www.michigan.gov/suite
   a. Contractor will use an automated tool for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool shall have the capability to produce:
      - Staffing tables with names of personnel assigned to Contract tasks.
      - Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) calendar days, updated semi-monthly).
      - Updates must include actual time spent on each task and a revised estimate to complete.
      - Graphs showing critical events, dependencies and decision points during the course of the Contract.
   b. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

1.302 Reports

Reporting formats must be submitted to the State's Program Manager for approval within twenty (20) business days after the execution of the contract resulting from this RFP. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Required Quarterly Reports:

- Active Projects & Purchase Orders Status
- Statements of Work Received – Proposals Submitted

1.400 Project Management

1.401 Issue Management

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

Issues shall be escalated for resolution from level 1 through level 3, as defined below:

Level 1 – Business leads
Level 2 – Project Managers
Level 3 – Executive Subject Matter Experts (SME's)

1.402 Risk Management

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

The Contractor is responsible for establishing a risk management plan and process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, and periodic risk assessment reviews with the State.

A risk management plan format shall be submitted to the State for approval within twenty (20) business days after the effective date of the contract resulting from the upcoming RFP. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon.

The Contractor shall provide the tool to track risks. The Contractor will work with the State and allow input into the prioritization of risks.

The Contractor is responsible for identification of risks for each phase of the project. Mitigating and/or eliminating assigned risks will be the responsibility of the Contractor. The State will assume the same responsibility for risks assigned to them.

1.403 Change Management

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Technology, Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DTMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DTMB Purchasing Operations, risk non-payment for the out-of-scope/pricing products and/or services.**

The Contractor must employ change management procedures to handle such things as "out-of-scope" requests or changing business needs of the State while the migration is underway.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

1.500 Acceptance

1.501 CRITERIA

The State shall evaluate all deliverables per the process defined in the following sections, as applicable:
2.251 – Delivery of Deliverables
2.252 – Contractor System Testing
2.253 – Approval of Deliverables In General
2.254 – Process For Approval Of Written Deliverables
2.255 – Process For Approval Of Custom Software Deliverables

The State may define separate evaluation criteria as part of individual future Statements of Work.

1.502 FINAL ACCEPTANCE

The State will provide final acceptance of deliverable in accordance with Section 2.256 – Final Acceptance, unless specified otherwise as part of individual future Statements of Work.

1.600 Compensation and Payment

1.601 Compensation And Payment

Method of Payment
The State reserves the right to determine whether payment shall be made on an hourly-rate basis, or on completion and acceptance of the specified deliverables, per Section 1.500 – Acceptance.

As part of proposal, Contractor shall provide a Cost Table (Attachment A) specifying not-to-exceed hourly rates based on skill sets that can be utilized by DTMB projects. These hours will be accessed by the State providing a Statement of Work detailing work or deliverables to be performed. In response, Contractor shall provide a detailed Task Proposal, including price, based on an estimate of hours and skill set required to perform the work.

Travel
The State will not pay for any travel expenses, including hotel, mileage, meals, parking, etc. Travel time will not be reimbursed.

If Contractor reduces its prices for any of the software or services during the term of this Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's DTMB Contract Administrator with the reduced prices within fifteen (15) Business Days [or other appropriate time period] of the reduction taking effect. – OR – Contractor shall send updated prices to the State *[quarterly/semi-annually].*

Statements of Work and Issuance of Purchase Orders

- Unless otherwise agreed by the parties, each Statement of Work will include:
    1. Background
    2. Project Objective
    3. Scope of Work
    4. Deliverables
    5. Acceptance Criteria
    6. Project Control and Reports
    7. Specific Department Standards
    8. Payment Schedule
    9. Travel and Expenses
    10. Project Contacts
    11. Agency Responsibilities and Assumptions

12. Location of Where the Work is to be performed
13. Expected Contractor Work Hours and Conditions

- The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

Invoicing
Contractor will submit properly itemized invoices to

DTMB – Financial Services
Accounts Payable
P.O. Box 30026
Lansing, MI 48909
or
DTMB-Accounts-Payable@michigan.gov

. Invoices must provide and itemize, as applicable:

- Contract number;
- Purchase Order number
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Description of any commodities/hardware, including quantity ordered;
- Date(s) of delivery and/or date(s) of installation and set up;
- Price for each item, or Contractor's list price for each item and applicable discounts;
- Maintenance charges;
- Net invoice price for each item;
- Shipping costs;
- Other applicable charges;
- Total invoice price; and
- Payment terms, including any available prompt payment discount.

The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration shall be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

1.602 Holdback

The State shall have the right to hold back an amount equal to ten percent (10 %) of all amounts invoiced by Contractor for Services/Deliverables. The amounts held back shall be released to Contractor after the State has granted Final Acceptance.

Article 2, Terms and Conditions

2.000 Contract Structure and Term

2.001 Contract Term

This Contract is for a period of three (3) years beginning December 13, 2011 through December 21, 2014. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Contract, unless otherwise extended under the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.002 Options to Renew

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to two (2) additional one-year periods.

2.003 Legal Effect

Contractor accepts this Contract by signing two copies of the Contract and returning them to the Purchasing Operations. The Contractor shall not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the Contractor receives a contract release/purchase order that authorizes and defines specific performance requirements.

Except as otherwise agreed in writing by the parties, the State shall not be liable for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract or Change Order has been approved by the State Administrative Board (if required), signed by all the parties and a Purchase Order against the Contract has been issued.

2.004 Attachments & Exhibits

All Attachments and Exhibits affixed to any and all Statement(s) of Work, or appended to or referencing this Contract, are incorporated in their entirety and form part of this Contract.

2.005 Ordering

The State must issue an approved written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order to order any Services/Deliverables under this Contract. All orders are subject to the terms and conditions of this Contract. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are specifically contained in that Purchase Order or Blanket Purchase Order's accompanying Statement of Work. Exact quantities to be purchased are unknown; however, the Contractor will be required to furnish all such materials and services as may be ordered during the Contract period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities.

2.006 Order of Precedence

The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005.**

In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work shall take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of the Contract. The Contract may be modified or amended only by a formal Contract amendment.

2.007 Headings

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

2.008 Form, Function & Utility

If the Contract is for use of more than one State agency and if the Deliverable/Service does not the meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

2.009 Reformation and Severability

Each provision of the Contract is severable from all other provisions of the Contract and, if one or more of the provisions of the Contract is declared invalid, the remaining provisions of the Contract remain in full force and effect.

2.010 Consents and Approvals

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, the consent or approval must be in writing and must not be unreasonably withheld or delayed.

2.011 No Waiver of Default

If a party fails to insist upon strict adherence to any term of the Contract then the party has not waived the right to later insist upon strict adherence to that term, or any other term, of the Contract.

2.012 Survival

Any provisions of the Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section

2.020 Contract Administration

2.021 Issuing Office

This Contract is issued by the Department of Technology, Management and Budget, Purchasing Operations (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. The Purchasing Operations Contract Administrator for this Contract is:

Reid Sisson
Buyer
Purchasing Operations
Department of Technology, Management and Budget
Mason Bldg., 2nd Floor
PO Box 30026
Lansing, MI 48909
Email: SissonR@michigan.gov
Phone: 517-241-1638

2.022 Deleted-NA

2.023 Program Manager

The following individual will oversee the project:

Tess Layman, Director
DTMB IT Agency Services – Agency Support Services
235 Grand Avenue
Lansing, MI 48909
Email: LaymanT@michigan.gov
Phone: 517-335-3779

2.024 Change Requests

The State reserves the right to request from time to time any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, Contractor shall provide a detailed outline of all work to be done, including tasks necessary to accomplish the Additional Services/Deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly before commencing performance of the requested activities it believes are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before the Contractor gives notice shall be conclusively considered to be in-scope Services/Deliverables and not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such Services or providing such Deliverables, the Contractor shall notify the State in writing that it considers the Services or Deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that Service or providing that Deliverable. If the Contractor does so notify the State, then such a Service or Deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(1) Change Request at State Request
If the State requires Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(2) Contractor Recommendation for Change Requests:
Contractor shall be entitled to propose a Change to the State, on its own initiative, should Contractor believe the proposed Change would benefit the Contract.

(3) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal shall include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

(4) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it, or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice must be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(5) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Technology, Management and Budget, Purchasing Operations.

(6) If the State requests or directs the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of this Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

2.025 Notices

Any notice given to a party under the Contract must be deemed effective, if addressed to the party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State:
State of Michigan
Purchasing Operations
Attention:
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Contractor:
Pyramid Solutions
30150 Telegraph Road, Ste. 200
Bingham Farms, MI 48025

Either party may change its address where notices are to be sent by giving notice according to this Section.

2.026 Binding Commitments

Representatives of Contractor must have the authority to make binding commitments on Contractor's behalf within the bounds set forth in the Contract. Contractor may change the representatives from time to time upon giving written notice.

2.027 Relationship of the Parties

The relationship between the State and Contractor is that of client and independent contractor. No agent, employee, or servant of Contractor or any of its Subcontractors shall be deemed to be an employee, agent or servant of the State for any reason. Contractor shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

2.028 Covenant of Good Faith

Each party shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties shall not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

2.029 Assignments

Neither party may assign the Contract, or assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the Contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. If the State permits an assignment, the Contractor is not relieved of its responsibility to perform any of its contractual duties and the requirement under the Contract that all payments must be made to one entity continues.

If the Contractor intends to assign the contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

2.030 General Provisions

2.031 Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and Contract or project to which it relates shall not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the RFP and Contract are to be released without prior written approval of the State and then only to persons designated.

2.032 Contract Distribution

Purchasing Operations retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

2.033 Permits

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.034 Website Incorporation

The State is not bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

2.035 Future Bidding Preclusion

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP; it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any Bidder if the State determines that the Bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a competitive advantage on the RFP

2.036 Freedom of Information

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

2.037 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract shall provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

2.040 Financial Provisions

2.041 Fixed Prices for Services/Deliverables

Each Statement of Work or Purchase Order issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor shall show verification of measurable progress at the time of requesting progress payments.

2.042 Adjustments for Reductions in Scope of Services/Deliverables

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

2.043 Services/Deliverables Covered

The State shall not be obligated to pay any amounts in addition to the charges specified in this Contract for all Services/Deliverables to be provided by Contractor and its Subcontractors, if any, under this Contract.

2.044 Invoicing and Payment – In General

(a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(b) Each Contractor invoice shall show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Invoices for Services performed on a time and materials basis shall show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 1.600**.

(c) Correct invoices shall be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.

(d1) All invoices should reflect actual work done. Specific details of invoices and payments shall be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Purchasing Operations, Department of Management & Budget. This activity shall occur only upon the specific written direction from Purchasing Operations.

The specific payment schedule for any Contract(s) entered into, as the State and the Contractor(s) shall mutually agree upon. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.

The Government may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

2.045 Pro-ration

To the extent there are Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

2.046 Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

2.047 Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor shall it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

2.048 Electronic Payment Requirement

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at http://www.cpexpress.state.mi.us. As stated in Public Act 431 of 1984, all contracts that the State enters into for the purchase of goods and services shall provide that payment shall be made by electronic fund transfer (EFT).

2.050 Taxes

2.051 Employment Taxes

Contractor shall collect and pay all applicable federal, state, and local employment taxes, including the taxes.

2.052 Sales and Use Taxes

Contractor shall register and remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. Contractors that lack sufficient presence in Michigan to be required to register and pay tax must do so as a volunteer. This requirement extends to: (1) all members of any controlled group as defined in § 1563(a) of the Internal Revenue Code and applicable regulations of which the company is a member, and (2) all organizations under common control as defined in § 414(c) of the Internal Revenue Code and applicable regulations of which the company is a member that make sales at retail for delivery into the State are registered with the State for the collection and remittance of sales and use taxes. In applying treasury regulations defining "two or more trades or businesses under common control" the term "organization" means sole proprietorship, a partnership (as defined in § 701(a) (2) of the Internal Revenue Code), a trust, an estate, a corporation, or a limited liability company.

2.060 Contract Management

2.061 Contractor Personnel Qualifications

All persons assigned by Contractor to the performance of Services under this Contract must be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Subcontractor) and must be fully qualified to perform the work assigned to them. Contractor must include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role must be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.

2.062 Contractor Key Personnel

(a) The Contractor must provide the Contract Compliance Inspector with the names of the Key Personnel.

(b) Key Personnel must be dedicated as defined in the Statement of Work to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(c) The State shall have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate State representatives, and shall provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State shall provide a written explanation including reasonable detail outlining the reasons for the rejection.

(d) Contractor must not remove any Key Personnel from their assigned roles on the Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause termination of the Key Personnel's employment. Unauthorized Removals does not include replacing Key Personnel because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its termination and cancellation rights.

(e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

2.063 Re-assignment of Personnel at the State's Request

The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good faith reasons. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service shall not be counted for a time as agreed to by the parties.

2.064 Contractor Personnel Location

All staff assigned by Contractor to work on the Contract shall perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel shall, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

2.065 Contractor Identification

Contractor employees must be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.066 Cooperation with Third Parties

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, the Contractor shall provide to the State's agents and other contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with this Contract and shall not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

2.067 Contract Management Responsibilities

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services. Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties shall include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the Project Plan is likely to delay the timely achievement of any Contract tasks.

The Contractor shall provide the Services/Deliverables directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor shall act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

2.068 Contractor Return of State Equipment/Resources

The Contractor shall return to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

2.070 Subcontracting by Contractor

2.071 Contractor full Responsibility

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State shall consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

2.072 State Consent to delegation

Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Technology, Management and Budget, Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State shall agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work shall not be counted for a time agreed upon by the parties.

2.073 Subcontractor bound to Contract

In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor shall be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State shall not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. A list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract is attached.

2.074 Flow Down

Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.031, 2.060, 2.100, 2.110, 2.120, 2.130, and 2.200** in all of its agreements with any Subcontractors.

2.075 Competitive Selection

The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

2.080 State Responsibilities

2.081 Equipment

The State shall provide only the equipment and resources identified in the Statement of Work and other Contract Exhibits.

2.082 Facilities

The State must designate space as long as it is available and as provided in the Statement of Work, to house the Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). The Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing must observe and comply with all rules and regulations relating to each of the State Facilities (including hours of operation) used by the Contractor in the course of providing the Services. Contractor agrees that it shall not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for the Contractor's use, or to which the Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

2.090 Security

2.091 Background Checks

On a case-by-case basis, the State may investigate the Contractor's personnel before they may have access to State facilities and systems. The scope of the background check is at the discretion of the State and the results shall be used to determine Contractor personnel eligibility for working within State facilities and systems. The investigations shall include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks shall be initiated by the State and shall be reasonably related to the type of work requested.

All Contractor personnel shall also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See http://www.michigan.gov/dit. Furthermore, Contractor personnel shall be expected to agree to the State's security and acceptable use policies before the Contractor personnel shall be accepted as a resource to perform work for the State. It is expected the Contractor shall present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff shall be expected to comply with all Physical Security procedures in place within the facilities where they are working.

2.092 Security Breach Notification

If the Contractor breaches this Section, the Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State shall cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within 10 days of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

2.093 PCI DATA Security Requirements

Contractors with access to credit/debit card cardholder data must adhere to the Payment Card Industry (PCI) Data Security requirements. Contractor agrees that they are responsible for security of cardholder data in their possession. Contractor agrees that data can ONLY be used for assisting the State in completing a transaction, supporting a loyalty program, supporting the State, providing fraud control services, or for other uses specifically required by law.

Contractor agrees to provide business continuity in the event of a major disruption, disaster or failure.

The Contractor shall contact the Department of Technology, Management and Budget, Financial Services immediately to advise them of any breaches in security where card data has been compromised. In the event of a security intrusion, the Contractor agrees the Payment Card Industry representative, or a Payment Card Industry approved third party, shall be provided with full cooperation and access to conduct a thorough security review. The review will validate compliance with the Payment Card Industry Data Security Standard for protecting cardholder data.
Contractor agrees to properly dispose sensitive cardholder data when no longer needed. The Contractor shall continue to treat cardholder data as confidential upon contract termination.

The Contractor shall provide the Department of Technology, Management and Budget, Financial Services documentation showing PCI Data Security certification has been achieved. The Contractor shall advise the Department of Technology, Management and Budget, Financial Services of all failures to comply with the PCI Data Security Requirements. Failures include, but are not limited to system scans and self-assessment questionnaires. The Contractor shall provide a time line for corrective action.

2.100 Confidentiality

2.101 Confidentiality

Contractor and the State each acknowledge that the other possesses and shall continue to possess confidential information that has been developed or received by it. As used in this Section, “Confidential Information” of Contractor must mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below), which is marked confidential, restricted, proprietary, or with a similar designation. “Confidential Information” of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. “Confidential Information” excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

2.102 Protection and Destruction of Confidential Information

The State and Contractor shall each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State shall (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party shall limit disclosure of the other party’s Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State’s Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State’s Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor’s and the Subcontractor’s obligations under this Section and of the employee’s obligation to Contractor or Subcontractor, as the case may be, to protect the Confidential Information from unauthorized use or disclosure.

Promptly upon termination or cancellation of the Contract for any reason, Contractor must certify to the State that Contractor has destroyed all State Confidential Information.

2.103 Exclusions

Notwithstanding the foregoing, the provisions in this Section shall not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose the information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section shall not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose the Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of the disclosure as reasonably requested by the furnishing party.

2.104 No Implied Rights

Nothing contained in this Section must be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

2.105 Respective Obligations

The parties' respective obligations under this Section must survive the termination or expiration of this Contract for any reason.

2.110 Records and Inspections

2.111 Inspection of Work Performed

The State's authorized representatives shall at all reasonable times and with 10 days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and shall have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon 10 Days prior written notice and at all reasonable times, the State's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that the access will not reasonably interfere or jeopardize the safety or operation of the systems or facilities. Contractor shall provide all reasonable facilities and assistance for the State's representatives.

2.112 Examination of Records

For seven years after the Contractor provides any work under this Contract (the "Audit Period"), the State may examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the Contract and with applicable laws and rules. The State shall notify the Contractor 20 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the Contractor to the extent access would require the confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.

2.113 Retention of Records

Contractor shall maintain at least until the end of the Audit Period all pertinent financial and accounting records (including time sheets and payroll records, and information pertaining to the Contract and to the Services, equipment, and commodities provided under the Contract) pertaining to the Contract according to generally accepted accounting principles and other procedures specified in this Section. Financial and accounting records shall be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records shall be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

2.114 Audit Resolution

If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor shall respond to each audit report in writing within 30 days from receipt of the report, unless a shorter response time is specified in the report. The Contractor and the State shall develop, agree upon and monitor an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in the audit report.

2.115 Errors

If the audit demonstrates any errors in the documents provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four invoices. If a balance remains after four invoices, then the remaining amount shall be due as a payment or refund within 45 days of the last quarterly invoice that the balance appeared on or termination of the contract, whichever is earlier.

In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than 10%, then the Contractor shall pay all of the reasonable costs of the audit.

2.120 Warranties

2.121 Warranties and Representations

The Contractor represents and warrants:

(a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.

(b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State shall infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to the items in this Contract, Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.

(e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither the Contractor nor any Affiliates, nor any employee of either, has, must have, or must acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.

(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by the financial statements, reports, other information. Since the respective dates or periods covered by the financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor.

(l) All written information furnished to the State by or for the Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.

(m) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or the department within the previous five years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract.

(n) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after contract award, the Contractor is required to report those changes immediately to the Department of Technology, Management and Budget, Purchasing Operations.

2.122 Warranty of Merchantability

Goods provided by Contractor under this agreement shall be merchantable. All goods provided under this Contract shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor or on the container or label.

2.123 Warranty of Fitness for a Particular Purpose

When the Contractor has reason to know or knows any particular purpose for which the goods are required, and the State is relying on the Contractor's skill or judgment to select or furnish suitable goods, there is a warranty that the goods are fit for such purpose.

2.124 Warranty of Title

Contractor shall, in providing goods to the State, convey good title in those goods, whose transfer is right and lawful. All goods provided by Contractor shall be delivered free from any security interest, lien, or encumbrance of which the State, at the time of contracting, has no knowledge. Goods provided by Contractor, under this Contract, shall be delivered free of any rightful claim of any third person by of infringement or the like.

2.125 Equipment Warranty – DELETED/NA

2.126 Equipment to be New – DELETED/NA

2.127 Prohibited Products – DELETED/NA

2.128 Consequences for Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, the breach may be considered as a default in the performance of a material obligation of this Contract.

2.130 Insurance

2.131 Liability Insurance

The Contractor must provide proof of the minimum levels of insurance coverage as indicated below. The insurance must protect the State from claims that may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether the services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain under this Contract.

All insurance coverage provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance must be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor must have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if the ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract must be issued by companies that have been approved to do business in the State.
See www.michigan.gov/dleg.

Where specific limits are shown, they are the minimum acceptable limits. If Contractor's policy contains higher limits, the State must be entitled to coverage to the extent of the higher limits.

The Contractor is required to pay for and provide the type and amount of insurance checked ☑ below:

☑ 1. Commercial General Liability with the following minimum coverage:

$2,000,000 General Aggregate Limit other than Products/Completed Operations
$2,000,000 Products/Completed Operations Aggregate Limit
$1,000,000 Personal & Advertising Injury Limit
$1,000,000 Each Occurrence Limit

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☑ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☑ 3. Workers' compensation coverage must be provided according to applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If a self-insurer provides the applicable coverage, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision must not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

☑ 4. Employers liability insurance with the following minimum limits:

$100,000 each accident
$100,000 each employee by disease
$500,000 aggregate disease

☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars ($1,000,000.00) with a maximum deductible of fifty thousand dollars ($50,000.00).

☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars ($10,000,000.00), which must apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.

☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars ($3,000,000.00) each occurrence and three million dollars ($3,000,000.00) annual aggregate.

☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The policy must cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State must be endorsed on the policy as a loss payee as its interests appear.

2.132 Subcontractor Insurance Coverage

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor must require all of its Subcontractors under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor(s) must fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

2.133 Certificates of Insurance and Other Requirements

Contractor must furnish to DTMB Purchasing Operations, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). The Certificate must be on the standard "accord" form or equivalent. **The Contract Number or the Purchase Order Number must be shown on the Certificate Of Insurance To Assure Correct Filing.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) must contain a provision indicating that coverage afforded under the policies SHALL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without 30 days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Technology, Management and Budget. The notice must include the Contract or Purchase Order number affected. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State and its agents, officers and employees are listed as additional insured under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

The Contractor must maintain all required insurance coverage throughout the term of the Contract and any extensions and, in the case of claims-made Commercial General Liability policies, must secure tail coverage for at least three years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and must not be construed; to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor is responsible for all deductibles with regard to the insurance. If the Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, then the State may, after the State has given the Contractor at least 30 days written notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due the Contractor, or the Contractor must pay that cost upon demand by the State.

2.140 Indemnification

2.141 General Indemnification

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

2.142 Code Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

2.143 Employee Indemnification

In any claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract must not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

2.144 Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that the action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of the equipment, software, commodity or service, or the use or reproduction of any documentation provided with the equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor must at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if the option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

2.145 Continuation of Indemnification Obligations

The Contractor's duty to indemnify under this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

2.146 Indemnification Procedures

The procedures set forth below must apply to all indemnity obligations under this Contract.

(a) After the State receives notice of the action or proceeding involving a claim for which it shall seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, the Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying the Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State may defend the claim in the manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor must promptly reimburse the State for all the reasonable costs and expenses.

2.150 Termination/Cancellation

2.151 Notice and Right to Cure

If the Contractor breaches the contract, and the State in its sole discretion determines that the breach is curable, then the State shall provide the Contractor with written notice of the breach and a time period (not less than 30 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.152 Termination for Cause

(a) The State may terminate this contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State

(b) If this Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.

(c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

(d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

2.153 Termination for Convenience

The State may terminate this Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for convenience must cease on the effective date of the termination.

2.154 Termination for Non-Appropriation

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State must terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under this Contract shall be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.

(c) If the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. This Section shall not preclude Contractor from reducing or stopping Services/Deliverables or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

2.155 Termination for Criminal Conviction

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract or subcontract.

2.156 Termination for Approvals Rescinded

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State shall pay the Contractor for only the work completed to that point under the Contract. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in the written notice.

2.157 Rights and Obligations upon Termination

(a) If the State terminates this Contract for any reason, the Contractor must (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) If the State terminates this Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this Contract, at the option of the State, becomes the State's property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State may assume, at its option, any subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

2.158 Reservation of Rights

Any termination of this Contract or any Statement of Work issued under it by a party must be with full reservation of, and without prejudice to, any rights or remedies otherwise available to the party with respect to any claims arising before or as a result of the termination.

2.160 Termination by Contractor

2.161 Termination by Contractor

If the State breaches the Contract, and the Contractor in its sole discretion determines that the breach is curable, then the Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach. The Notice of Breach and opportunity to cure is inapplicable for successive and repeated breaches.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the Contractor must discharge its obligations under **Section 2.160** before it terminates the Contract.

2.170 Transition Responsibilities

2.171 Contractor Transition Responsibilities

If the State terminates this contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed ninety (90) days. These efforts must include, but are not limited to, those listed in **Section 2.150.**

2.172 Contractor Personnel Transition

The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor must allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

2.173 Contractor Information Transition

The Contractor shall provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

2.174 Contractor Software Transition

The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This must include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses must, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

2.175 Transition Payments

If the transition results from a termination for any reason, the termination provisions of this Contract must govern reimbursement. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates agreed upon by the State. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.176 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to reconcile all accounts between the State and the Contractor, complete any pending post-project reviews and perform any others obligations upon which the State and the Contractor agree.

(a) Reconciling all accounts between the State and the Contractor;
(b) Completing any pending post-project reviews.

2.180 Stop Work

2.181 Stop Work Orders

The State may, at any time, by written Stop Work Order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to 90 calendar days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order must be identified as a Stop Work Order and must indicate that it is issued under this **Section**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order; or (b) terminate the work covered by the Stop Work Order as provided in **Section 2.182**.

2.182 Cancellation or Expiration of Stop Work Order

The Contractor shall resume work if the State cancels a Stop Work Order or if it expires. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the Stop Work Order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.024**.

2.183 Allowance of Contractor Costs

If the Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated for reasons other than material breach, the termination shall be deemed to be a termination for convenience under **Section 2.153**, and the State shall pay reasonable costs resulting from the Stop Work Order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this Section**.**

2.190 Dispute Resolution

2.191 In General

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work must be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor must submit a letter, together with all data supporting the claims, executed by Contractor's Contract Administrator or the Contract Administrator's designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the claim and the supporting data are current and complete to Contractor's best knowledge and belief.

2.192 Informal Dispute Resolution

(a) All disputes between the parties shall be resolved under the Contract Management procedures in this Contract. If the parties are unable to resolve any dispute after compliance with the processes, the parties must meet with the Director of Purchasing Operations, DTMB, or designee, to resolve the dispute without the need for formal legal proceedings, as follows:

(1) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.

(3) The specific format for the discussions shall be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(4) Following the completion of this process within 60 calendar days, the Director of Purchasing Operations, DTMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

(b) This Section shall not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.193.

(c) The State shall not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work under the Contract.

2.193 Injunctive Relief

The only circumstance in which disputes between the State and Contractor shall not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is that the damages to the party resulting from the breach shall be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

2.194 Continued Performance

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.150**, as the case may be.

2.200 Federal and State Contract Requirements

2.201 Nondiscrimination

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, and marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of the Contract.

2.202 Unfair Labor Practices

Under 1980 PA 278, MCL 423.321, et seq., the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

2.203 Workplace Safety and Discriminatory Harassment

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html.

2.204 Prevailing Wage

Wages rates and fringe benefits to be paid each class of individuals employed by the Contractor, its subcontractors, their subcontractors, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general contractors, prime contractors, project managers, trade contractors, and all of their contractors or subcontractors and persons in privity of contract with them.

The Contractor, its subcontractors, their subcontractors and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the Contract. Contractor shall also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the agency responsible for enforcement of the wage rates and fringe benefits. Contractor shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

2.210 Governing Law

2.211 Governing Law

The Contract shall in all respects be governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

2.212 Compliance with Laws

Contractor shall comply with all applicable state, federal and local laws and ordinances in providing the Services/Deliverables.

2.213 Jurisdiction

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to the jurisdiction on the grounds of lack of personal jurisdiction of the court or the laying of venue of the court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

2.220 Limitation of Liability

2.221 Limitation of Liability

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The Contractor's liability for damages to the State is limited to two times the value of the Contract or $500,000 whichever is higher. The foregoing limitation of liability does not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor is limited to the value of the Contract.

2.230 Disclosure Responsibilities

2.231 Disclosure of Litigation

Contractor shall disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) shall notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor shall disclose in writing to the Contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation shall be deemed to satisfy the requirements of this Section.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

(a) the ability of Contractor (or a Subcontractor) to continue to perform this Contract according to its terms and conditions, or

(b) whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:

(1) Contractor and its Subcontractors will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and

(2) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within 30 days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor must notify DTMB Purchasing Operations.

(2) Contractor shall also notify DTMB Purchasing Operations within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify DTMB Purchase Operations within 30 days whenever changes to company affiliations occur.

2.232 Call Center Disclosure

Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State shall disclose the location of its call or contact center services to inbound callers. Failure to disclose this information is a material breach of this Contract.

2.233 Bankruptcy

The State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish the Works in Process by whatever appropriate method the State may deem expedient if:

(a) the Contractor files for protection under the bankruptcy laws;

(b) an involuntary petition is filed against the Contractor and not removed within 30 days;

(c the Contractor becomes insolvent or if a receiver is appointed due to the Contractor's insolvency;

(d) the Contractor makes a general assignment for the benefit of creditors; or

(e) the Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can deliver the services under this Contract.

Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

2.240 Performance

2.241 Time of Performance

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.241,** Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

(c) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.242 Service Level Agreement (SLA)

(a) SLAs will be completed with the following operational considerations:

(1) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has been determined; Incident means any interruption in Services.

(2) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification or coordination.

(3) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. To invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(4) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following:

(i) Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

(ii) Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling 30 day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different Contractor for the chronic location(s) with Contractor to pay the difference in charges for up to three additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals must be rounded to two decimal places with five and greater rounding up and four and less rounding down unless otherwise specified.

2.243 Liquidated Damages

The parties acknowledge that late or improper completion of the Work will cause loss and damage to the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result. Therefore, Contractor and the State agree that if there is late or improper completion of the Work and the State does not elect to exercise its rights under **Section 2.152**, the State is entitled to collect liquidated damages in the amount of $5,000.00 and an additional $100.00 per day for each day Contractor fails to remedy the late or improper completion of the Work.

Unauthorized Removal of any Key Personnel

It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.152**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount is $25,000.00 per individual if the Contractor identifies a replacement approved by the State under **Section 2.060** and assigns the replacement to the Project to shadow the Key Personnel who is leaving for a period of at least 30 days before the Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 days, in addition to the $25,000.00 liquidated damages for an Unauthorized Removal, Contractor must pay the amount of $833.33 per day for each day of the 30 day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to $25,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide 30 days of shadowing must not exceed $50,000.00 per individual.

2.244 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of a party; provided the non-performing party and its Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

If a party does not perform its contractual obligations for any of the reasons listed above, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. But the party must use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. A party must promptly notify the other party in writing immediately after the excusable failure occurs, and also when it abates or ends.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay the Contractor's performance of the Services/provision of Deliverables for more than 10 Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State is not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the Contract so affected and the charges payable will be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.250 Approval of Deliverables

2.251 Delivery of Deliverables

A list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable") or a Custom Software Deliverable is attached, if applicable. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of this Contract.

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities, and, in the case of Custom Software Deliverables, System Testing to verify that the Deliverable is complete and in conformance with its specifications. Before delivering a Deliverable to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

In discharging its obligations under this Section, Contractor shall be at all times (except where the parties agree otherwise in writing) in compliance with Level 3 of the Software Engineering Institute's Capability Maturity Model for Software ("CMM Level 3") or its equivalent.

2.252 Contractor System Testing

Contractor will be responsible for System Testing each Custom Software Deliverable in Contractor's development environment prior to turning over the Custom Software Deliverable to the State for User Acceptance Testing and approval. Contractor's System Testing shall include the following, at a minimum, plus any other testing required by CMM Level 3 or Contractor's system development methodology:

Contractor will be responsible for performing Unit Testing and incremental Integration Testing of the components of each Custom Software Deliverable.

Contractor's System Testing will also include Integration Testing of each Custom Software Deliverable to ensure proper inter-operation with all prior software Deliverables, interfaces and other components that are intended to inter-operate with such Custom Software Deliverable, and will include Regression Testing, volume and stress testing to ensure that the Custom Software Deliverables are able to meet the State's projected growth in the number and size of transactions to be processed by the Application and number of users, as such projections are set forth in the applicable Statement of Work.

Contractor's System Testing will also include Business Function Testing and Technical Testing of each Application in a simulated production environment. Business Function Testing will include testing of full work streams that flow through the Application as the Application will be incorporated within the State's computing environment. The State shall participate in and provide support for the Business Function Testing to the extent reasonably requested by Contractor. Within ten (10) days before the commencement of Business Function Testing pursuant to this Section, Contractor shall provide the State for State review and written approval Contractor's test plan for Business Function Testing.

Within five (5) Business Days following the completion of System Testing pursuant to this **Section**, Contractor shall provide to the State a testing matrix establishing that testing for each condition identified in the System Testing plans has been conducted and successfully concluded. To the extent that testing occurs on State premises, the State shall be entitled to observe or otherwise participate in testing under this Section as the State may elect.

2.253 Approval of Deliverables, In General

All Deliverables (Written Deliverables and Custom Software Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which, in the case of Custom Software Deliverables, will include the successful completion of State User Acceptance Testing, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed. If Contractor fails to provide a Deliverable to the State in a timely manner, the State will nevertheless use commercially reasonable efforts to complete its review or testing within the applicable State Review Period.

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with this Section.

The State will approve in writing a Deliverable upon confirming that it conforms to and, in the case of a Custom Software Deliverable, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the contract price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses without the need to furnish proof in substantiation of such general expenses; or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

The State, at any time and in its own discretion, may halt the UAT or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the review or UAT process and, in that event, Contractor will correct the deficiencies in such Deliverable in accordance with the Contract, as the case may be.

Approval in writing of a Deliverable by the State shall be provisional; that is, such approval shall not preclude the State from later identifying deficiencies in, and declining to accept, a subsequent Deliverable based on or which incorporates or inter-operates with an approved Deliverable, to the extent that the results of subsequent review or testing indicate the existence of deficiencies in the subsequent Deliverable, or if the Application of which the subsequent Deliverable is a component otherwise fails to be accepted pursuant to **Section 2.080**.

2.254 Process for Approval of Written Deliverables

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Written Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Written Deliverable is approved in the form delivered by Contractor or describing any deficiencies that shall be corrected prior to approval of the Written Deliverable (or at the State's election, subsequent to approval of the Written Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Written Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Written Deliverable to confirm that the identified deficiencies have been corrected.

2.255 Process for Approval of Custom Software Deliverables

The State will conduct UAT of each Custom Software Deliverable in accordance with the following procedures to determine whether it meets the criteria for State approval – i.e., whether it conforms to and performs in accordance with its specifications without material deficiencies.

Within thirty (30) days (or such other number of days as the parties may agree to in writing) prior to Contractor's delivery of any Custom Software Deliverable to the State for approval, Contractor shall provide to the State a set of proposed test plans, including test cases, scripts, data and expected outcomes, for the State's use (which the State may supplement in its own discretion) in conducting UAT of the Custom Software Deliverable. Contractor, upon request by the State, shall provide the State with reasonable assistance and support during the UAT process.

For the Custom Software Deliverables listed in an attachment, the State Review Period for conducting UAT will be as indicated in the attachment. For any other Custom Software Deliverables not listed in an attachment, the State Review Period shall be the number of days agreed in writing by the parties (failing which it shall be forty-five (45) days by default). The State Review Period for each Custom Software Deliverable will begin when Contractor has delivered the Custom Software Deliverable to the State accompanied by the certification required by this **Section** and the State's inspection of the Deliverable has confirmed that all components of it have been delivered.

The State's UAT will consist of executing test scripts from the proposed testing submitted by Contractor, but may also include any additional testing deemed appropriate by the State. If the State determines during the UAT that the Custom Software Deliverable contains any deficiencies, the State will notify Contractor of the deficiency by making an entry in an incident reporting system available to both Contractor and the State. Contractor will modify promptly the Custom Software Deliverable to correct the reported deficiencies, conduct appropriate System Testing (including, where applicable, Regression Testing) to confirm the proper correction of the deficiencies and re-deliver the corrected version to the State for re-testing in UAT. Contractor will coordinate the re-delivery of corrected versions of Custom Software Deliverables with the State so as not to disrupt the State's UAT process. The State will promptly re-test the corrected version of the Software Deliverable after receiving it from Contractor.

Within three (3) business days after the end of the State Review Period, the State will give Contractor a written notice indicating the State's approval or rejection of the Custom Software Deliverable according to the criteria and process set out in this **Section**.

2.256 Final Acceptance

"Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.

2.260 Ownership

2.261 Ownership of Work Product by State

The State owns all Deliverables, as they are work made for hire by the Contractor for the State. The State owns all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

2.262 Vesting of Rights

With the sole exception of any preexisting licensed works identified in the SOW, the Contractor assigns, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Contractor, insofar as any the Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon the State's request, the Contractor must confirm the assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State may obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

2.263 Rights in Data

The State is the owner of all data made available by the State to the Contractor or its agents, Subcontractors or representatives under the Contract. The Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of the Contractor. No employees of the Contractor, other than those on a strictly need-to-know basis, have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, the Contractor must only use personally identifiable information as strictly necessary to provide the Services and must disclose the information only to its employees who have a strict need-to-know the information. The Contractor must comply at all times with all laws and regulations applicable to the personally identifiable information.

The State is the owner of all State-specific data under the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State may use personally identifiable information only as strictly necessary to utilize the Services and must disclose the information only to its employees who have a strict need to know the information, except as provided by law. The State must comply at all times with all laws and regulations applicable to the personally identifiable information. Other material developed and provided to the State remains the State's sole and exclusive property.

2.264 Ownership of Materials

The State and the Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

2.270 State Standards

2.271 Existing Technology Standards

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at http://www.michigan.gov/dit.

2.272 Acceptable Use Policy

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see http://www.michigan.gov/ditservice. All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor's access to the State system if a violation occurs.

2.273 Systems Changes

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the Project Manager. Any changes Contractor makes to State systems with the State's approval must be done according to applicable State procedures, including security, access and configuration management procedures.

2.280 Extended Purchasing

2.281 MiDEAL (Michigan Delivery Extended Agreements Locally

Public Act 431 of 1984 permits DTMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: www.michigan.gov/buymichiganfirst. Unless otherwise stated, the Contractor must ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment to these local governmental agencies at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor must send its invoices to, and pay the local unit of government, on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

Please Visit Mi DEAL at www.michigan.gov/buymichiganfirst under MiDeal.

Estimated requirements for authorized local units of government are not included in the quantities shown in this RFP.

2.282 State Employee Purchases

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor shall send its invoices to and pay the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

2.290 Environmental Provision

2.291 Environmental Provision

Energy Efficiency Purchasing Policy: The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

Environmental Purchasing Policy: The State of Michigan is committed to encouraging the use of products and services that impact the environment less than competing products. The State is accomplishing this by including environmental considerations in purchasing decisions, while remaining fiscally responsible, to promote practices that improve worker health, conserve natural resources, and prevent pollution. Environmental components that are to be considered include: recycled content and recyclables; energy efficiency; and the presence of undesirable materials in the products, especially those toxic chemicals which are persistent and bioaccumulative. The Contractor should be able to supply products containing recycled and environmentally preferable materials that meet performance requirements and is encouraged to offer such products throughout the duration of this Contract. Information on any relevant third party certification (such as Green Seal, Energy Star, etc.) should also be provided.

Hazardous Materials: For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials the as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act.

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Before the commencement of Work, the State shall advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the Contractor shall resume Work as directed in writing by the State. Any determination by the Michigan Department of Community Health or the Michigan Department of Environmental Quality that the Hazardous Material has either been removed or rendered harmless is binding upon the State and Contractor for the purposes of resuming the Work. If any incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to Applicable Laws to the condition approved by applicable regulatory agency(ies).

Labeling: Michigan has a Consumer Products Rule pertaining to labeling of certain products containing volatile organic compounds. For specific details visit http://www.michigan.gov/deq/0,1607,7-135-3310_4108-173523--,00.html

Refrigeration and Air Conditioning: The Contractor shall comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to this contract.

Environmental Performance: Waste Reduction Program - Contractor shall establish a program to promote cost-effective waste reduction in all operations and facilities covered by this contract. The Contractor's programs shall comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).

2.300 Deliverables

2.301 Software

A list of the items of software the State is required to purchase for executing the Contract is attached. The list includes all software required to complete the Contract and make the Deliverables operable; if any additional software is required in order for the Deliverables to meet the requirements of this Contract, such software shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice). The attachment also identifies certain items of software to be provided by the State.

2.302 Hardware

A list of the items of hardware the State is required to purchase for executing the Contract is attached. The list includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). The attachment also identifies certain items of hardware to be provided by the State.

2.310 Software Warranties

2.311 Performance Warranty

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of (90) ninety days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.

2.312 No Surreptitious Code Warranty

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.

2.313 Calendar Warranty

The Contractor represents and warrants that all software for which the Contractor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

2.314 Third-party Software Warranty

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

2.315 DELETED/NA

2.320 Software Licensing

2.321 DELETED/NA

2.322 Cross-License, Deliverables and Derivative Work, License to Contractor

The State grants to the Contractor, the royalty-free, world-wide, non-exclusive right and license under any Deliverable and/or Derivative Work now or in the future owned by the State, or with respect to which the State has a right to grant such rights or licenses, to the extent required by the Contractor to market the Deliverables and/or Derivative Work and exercise its full rights in the Deliverables and/or Derivative Work, including, without limitation, the right to make, use and sell products and services based on or incorporating such Deliverables and/or Derivative Work.

2.323 License Back to the State

Unless otherwise specifically agreed to by the State, before initiating the preparation of any Deliverable that is a Derivative of a preexisting work, the Contractor shall cause the State to have and obtain the irrevocable, nonexclusive, worldwide, royalty-free right and license to (1) use, execute, reproduce, display, perform, distribute internally or externally, sell copies of, and prepare Derivative Works based upon all preexisting works and Derivative Works thereof, and (2) authorize or sublicense others from time to time to do any or all of the foregoing.

2.324 DELETED/NA

2.325 Pre-existing Materials for Custom Software Deliverables

Neither Contractor nor any of its Subcontractors shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its Subcontractor, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

2.330 DELETED/NA

Glossary

Days	Means calendar days unless otherwise specified.
24x7x365	Means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
Additional Service	Means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Audit Period	See Section 2.110
Business Day	Whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
Blanket Purchase Order	An alternate term for Contract as used in the States computer system.
Business Critical	Any function identified in any Statement of Work as Business Critical.
Chronic Failure	Defined in any applicable Service Level Agreements.
Deliverable	Physical goods and/or commodities as required or identified by a Statement of Work
DTMB	Michigan Department of Technology, Management and Budget
Environmentally preferable products	A product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to, those that contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.
Excusable Failure	See Section 2.244.
Hazardous material	Any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of the Contract).
Incident	Any interruption in Services.
ITB	A generic term used to describe an Invitation to Bid. The ITB serves as the document for transmitting the RFP to potential bidders
Key Personnel	Any Personnel designated in Article 1 as Key Personnel.
New Work	Any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Ozone-depleting substance	Any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydro chlorofluorocarbons
Post-Consumer Waste	Any product generated by a business or consumer which has served its intended end use, and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.
Post-Industrial Waste	Industrial by-products that would otherwise go to disposal and wastes generated after completion of a manufacturing process, but do not include internally generated scrap commonly returned to industrial or manufacturing processes.
Recycling	The series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.
Deleted – Not Applicable	Section is not applicable or included in this RFP. This is used as a placeholder to maintain consistent numbering.
Reuse	Using a product or component of municipal solid waste in its original form more than once.
RFP	Request for Proposal designed to solicit proposals for services
Services	Any function performed for the benefit of the State.
Source reduction	Any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.

State Location	Any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
Subcontractor	A company Contractor delegates performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
Unauthorized Removal	Contractor's removal of Key Personnel without the prior written consent of the State.
Waste prevention	Source reduction and reuse, but not recycling.
Waste reduction and Pollution prevention	The practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.
Work in Progress	A Deliverable that has been partially prepared, but has not been presented to the State for Approval.
Work Product	Refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by this Contract.

Attachment A – Cost Table

Position Type	Not To Exceed Hourly rate
FileNet Support Services, 1000 hours or less	$150
FileNet Support Services, more than 1000 hours	$138
FileNet Project Manager , 1000 hours or less	$180
FileNet Project Manager, more than 1000 hours	$166
FileNet Technical Services Consultant, 1000 hours or less	$160
FileNet Technical Services Consultant, more than 1000 hours	$147