

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

December 16, 2008

**CHANGE NOTICE NO. 4
 TO
 CONTRACT NO. 071B3001404
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075 Mitzi_V_Shepherd@Keane.com	TELEPHONE: Mitzi V. Shepherd (859) 321-3013
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-3993 Dale Reif
Contract Compliance Inspector Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: August 1, 2003 To: June 1, 2009	
TERMS Net 45 Days	SHIPMENT N/A
F.O.B. Destination	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

NATURE OF CHANGE (S):

Effective immediately, this contract is hereby EXTENDED to June 1, 2009. All other terms and conditions remain the same.

AUTHORITY/REASON:

Vendor agreement and Ad Board approval on December 2, 2008.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$2,000,000.00

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

November 19, 2008

**CHANGE NOTICE NO. 3
 TO
 CONTRACT NO. 071B3001404
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075 Mitzi_V_Shepherd@Keane.com	TELEPHONE: Mitzi V. Shepherd (859) 321-3013
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-3993 Dale Reif
Contract Compliance Inspector Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: August 1, 2003 To: March 1, 2009	
TERMS <p align="center">Net 45 Days</p>	SHIPMENT <p align="center">N/A</p>
F.O.B. <p align="center">Destination</p>	SHIPPED FROM <p align="center">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p align="center">N/A</p>	

NATURE OF CHANGE (S):

Effective immediately, this contract is hereby EXTENDED to March 1, 2009. All other terms and conditions remain the same.

AUTHORITY/REASON:

Vendor agreement on November 5, 2008 and DMB Purchasing Operations approval. Per Ad Board approval on November 5, 2008.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$2,000,000.00

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

August 14, 2007

**CHANGE NOTICE NO. 2
 TO
 CONTRACT NO. 071B3001404
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075 Mitzi_V_Shepherd@Keane.com	TELEPHONE: Mitzi V. Shepherd (859) 321-3013
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-3393 Dale Reif
Contract Compliance Inspector Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: September 1, 2003 To: September 1, 2008	
TERMS Net 45 Days	SHIPMENT N/A
F.O.B. Destination	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

NATURE OF CHANGE (S):

Effective September 1, 2007, the remaining option on this contract is hereby exercised to EXTEND the contract period to September 1, 2008. All other terms and conditions remain the same.

AUTHORITY/REASON:

Agency request, vendor agreement and DMB Purchasing Operations approval.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$2,000,000.00

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

August 1, 2005

**CHANGE NOTICE NO. 1
 TO
 CONTRACT NO. 071B3001404
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075 SankarKrishnan@Keane.com	TELEPHONE: Sankar Krishnan (248) 356-2000 Ext. 235
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-3393 Dale Reif
Contract Compliance Inspector Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: September 1, 2003 To: September 1, 2007	
TERMS Net 45 Days	SHIPMENT N/A
F.O.B. Destination	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

NATURE OF CHANGE (S):

Effective immediately, this contract is hereby EXTENDED through September 1, 2007. All other terms and conditions remain the same.

PLEASE NOTE: The buyer has been CHANGED to Dale Reif

AUTHORITY/REASON:

Per DMB/Acquisition Services.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$2,000,000.00

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

September 24, 2003

**NOTICE
 TO
 CONTRACT NO. 071B3001404
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075	TELEPHONE Denny Sikkila (248) 356-2000 Ext. 216
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 335-4804 Doug Collier
Contract Administrator: Norm Buckwalter Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: September 1, 2003 To: September 1, 2005	
TERMS Net 45 Days	SHIPMENT N/A
F.O.B. Destination	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

The terms and conditions of this Contract are those attached to this Contract.

Estimated Contract Value: **\$2,000,000.00**

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

CONTRACT NO. 071B3001404
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Keane, Inc. 3000 Town Center, Suite 1600 Southfield, MI 48075	TELEPHONE Denny Sikkila (248) 356-2000 Ext. 216 VENDOR NUMBER/MAIL CODE BUYER (517) 335-4804 Doug Collier
Contract Administrator: Norm Buckwalter Prequalified IT Devices for Business Requirements/Needs Assessment/System Design/Quality Assurance– Department of Information Technology	
CONTRACT PERIOD: From: September 1, 2003 To: September 1, 2005	
TERMS <p style="text-align: center;">Net 45 Days</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">Destination</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those attached to this Contract. Estimated Contract Value: \$2,000,000.00	

All terms and conditions of the invitation to bid are made a part hereof.

Reference: ITB 07113000003

FOR THE VENDOR: <p style="text-align: center;">Keane, Inc.</p> <hr/> <p style="text-align: center;">Firm Name</p> <hr/> <p style="text-align: center;">Authorized Agent Signature</p> <hr/> <p style="text-align: center;">Authorized Agent (Print or Type)</p> <hr/> <p style="text-align: center;">Date</p>	FOR THE STATE: <p style="text-align: center;">Signature</p> <hr/> <p style="text-align: center;">Anthony J. DesChenes, Acting Director</p> <hr/> <p style="text-align: center;">Name</p> <p style="text-align: center;">Strategic Business Development Acquisition Services</p> <hr/> <p style="text-align: center;">Title</p> <hr/> <p style="text-align: center;">Date</p>
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TABLE OF CONTENTS

DEFINITIONS AND ACRONYM GLOSSARY iii

SECTION I—TERMS AND CONDITIONS 5

I-A PURPOSE 5

I-B TERM OF CONTRACT 5

I-C ISSUING OFFICE 6

I-D CONTRACT ADMINISTRATOR 6

I-E PURCHASE ORDERS..... 7

I-F COST LIABILITY..... 7

I-G CONTRACTOR RESPONSIBILITIES 7

I-H NEWS RELEASES 7

I-I DISCLOSURE..... 7

I-J ACCOUNTING RECORDS 8

I-K INDEMNIFICATION 8

I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS 11

I-M WARRANTIES AND REPRESENTATIONS 11

I-N STAFFING OBLIGATIONS 13

I-O WORK PRODUCT AND OWNERSHIP 13

I-P CONFIDENTIALITY OF DATA AND INFORMATION 14

I-Q REMEDIES FOR BREACH OF CONFIDENTIALITY 15

I-R CONTRACTOR'S LIABILITY INSURANCE 15

I-S NOTICE AND RIGHT TO CURE..... 17

I-T CANCELLATION 17

I-U RIGHTS AND OBLIGATIONS UPON CANCELLATION 19

I-V EXCUSABLE FAILURE 20

I-W ASSIGNMENT 21

I-X DELEGATION..... 21

I-Y NON-DISCRIMINATION CLAUSE..... 21

I-Z WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT 22

I-AA MODIFICATION OF SERVICE 22

I-BB NOTICES..... 24

I-CC ENTIRE AGREEMENT 24

I-DD NO WAIVER OF DEFAULT 24

I-EE SEVERABILITY 24

I-FF HEADINGS 25

I-GG RELATIONSHIP OF THE PARTIES 25

I-HH UNFAIR LABOR PRACTICES 25

I-II SURVIVOR 25

I-JJ GOVERNING LAW 25

I-KK YEAR 2000 SOFTWARE COMPLIANCE 26

I-LL CONTRACT DISTRIBUTION..... 26

I-MM STATEWIDE CONTRACTS..... 26



I-NN STATE STANDARDS 26

I-OO ELECTRONIC FUNDS TRANSFER 27

I-PP TRANSITION ASSISTANCE..... 28

I-QQ STOP WORK..... 28

I-RR PERFORMANCE AND RELIABILITY EVALUATION (PARE)..... 29

I-SS LIQUIDATED DAMAGES..... 32

I-TT PERFORMANCE 33

I-UU PROTESTS..... 33

I-VV LIMITATION OF LIABILITY..... 33

SECTION II - REQUIREMENTS 34

II - A PURPOSE AND QUALIFICATIONS BY CATEGORY: TIER 1 34

II - B BUSINESS REQUIREMENTS/NEEDS ASSESSMENT 35

ATTACHMENTS

- A. Technical Proposal (Excerpts)
- B. Examples of Poor Performance
- C. Pricing

EXHIBIT A - Tier 2 Work Request Process



Definitions and Acronym Glossary

- A. **Acquisition Services:** Department of Management & Budget, Acquisition Services; the procurement authority for the Executive Branch Department in State government.
- B. **Normal Business Days and Hours:** Monday through Friday, 7:00 a.m. to 6:00 p.m., Eastern Standard Time, except for holidays observed by the State of Michigan.
- C. **CUSTOMER:** Michigan Department of Information Technology (DIT) and individual State departments that have received the prior approval of DIT or member of the State of Michigan Extended Purchasing Program (EPP) on whose behalf Primary Contracts are eventually procured as a result of this RFP.
- D. **DIT:** State of Michigan, Department of Information Technology
- E. **DMB:** State of Michigan, Department of Management & Budget
- F. **EPP:** Extended Purchasing Program; Acquisition Services extends its services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community or junior college. This program is called the Extended Purchasing Program.
- G. **JEC:** Joint Evaluation Committee; the team of individuals charged with evaluating the proposals submitted.
- H. **OFM:** State of Michigan, Office of Financial Management
- I. **PCVL:** Primary Contract Vendor Listing
- J. **Pre-Qualified Vendor:** Vendors who have been selected through this RFP and who have signed Contracts to potentially provide DIT with IT Services.
- K. **RFP:** The Request for Proposal as well as all addenda used as a solicitation document in this procurement, as well as all amendments and modifications thereto.
- L. **Software:** the object code version of computer programs and any related documentation, excluding maintenance diagnostics. Software also means the source code version, where provided by Vendor.
- M. **Contractor: Keane, Inc.,** its employees and agents. “Contractor” also includes any firm, provider, organization, individual, or other entity performing services under this Contract. It shall also include any Subcontractor retained by Contractor as permitted under the terms of this Contract.



- N. **Work Contract:** a contractual document (supplemental to the Primary Contract) issued by DIT or an EPP participant and signed with a pre-qualified vendor as a result of the second tier work request process. A Work Contract generally contains a specific description of work/tasks to be performed by the vendor staff, period of performance, costs or hourly rate(s), deliverables, etc.
- O. **Work Request:** a solicitation document developed and issued by the DIT or an EPP participant to pre-qualified vendors to request proposals. The document identifies the statement of work, period of performance, and any special terms and conditions, etc.
- P. **Primary Contract:** the main contractual agreement that identifies the Terms and Conditions that both parties are in agreement on.



SECTION I—TERMS AND CONDITIONS

I-A PURPOSE

The goal of this contract is to establish a pool of vendors to bid on second tier work requests in the information technology (IT) service category listed on the cover page of this contract. To be included in the pool, pre-qualified vendors will be required to sign this Primary Contract with Acquisition Services. After the signing of the Primary Contracts and the creation of the qualified vendor pool, Acquisition Services and DIT will conduct mandatory training for all qualified vendors on the streamlined, second tier, competitive contract selection process under which future Work Contracts may be awarded.

The Primary Contracts and any resulting Work Contracts will be written so as to incorporate by reference all the terms of this contract. DIT will advise Acquisition Services of any 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 vendor(s) by the SOM.

The second tier work request process will be initiated by DIT as specific needs arise. DIT after formalizing a comprehensive work statement will facilitate the second tier selection process for each contracting effort. The Work Request Template (see Exhibit B) will identify the statement of work, period of performance, deliverables, specific response information required, and any special terms and conditions. DIT will identify the category of service and Acquisition Services will send out the solicitation to all pre-qualified vendors in that specific category. These vendors will respond directly to Acquisition Services within the timeframe specified in the Work Request. DIT will evaluate the responses and determine the vendor that will provide the best overall value for their work request.

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by any bidder prior to signing of a Contract by all parties. The activities to be provided through **Pre-Qualified IT Services Contract Vendors** in the proposed Contract cover the period **September 1, 2003** through **September 1, 2005**. Acquisition Services, after consultation with DIT, may offer to extend the contracts for up to three (3) additional one-year periods or other portions thereof as is deemed in the best interest of DIT. Any extension will be subject to mutual agreement between Acquisition Services and the Contractor. The State fiscal year is October 1st through September 30th. The prospective Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations.



Acquisition Services, upon request of DIT, reserves the right, at its sole discretion, to expand the pre-qualified vendor pool in any or all categories of service if it is deemed to be in the best interest of the State. Acquisition Services and DIT intend to review and assess this need at least annually.

I-C ISSUING OFFICE

This Contract is issued by the State of Michigan, Department of Management and Budget (DMB), Acquisition Services, hereafter known as Acquisition Services, for the State of Michigan, **Department of Information Technology (DIT)**. Where actions are a combination of those of Acquisition Services and **DIT**, the authority will be known as the State.

Acquisition Services is the sole point of contact in the State with regard to all contractual matters relating to the services described herein. Acquisition Services is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Contract. Acquisition Services will remain the **SOLE POINT OF CONTACT** throughout the contractual process, until such time as the Director of acquisitions shall direct otherwise in writing. All communications concerning prices, specifications, terms and conditions must be addressed to:

Doug Collier, Buyer CPPB
 Strategic Purchasing
 DMB, Acquisition Services
 2nd Floor, Mason Building
 P.O. Box 30026
 Lansing, MI 48909
 E-mail: collierd1@michigan.gov

I-D CONTRACT ADMINISTRATOR

The person listed below will administer the Contract on a day-to-day basis during the term of the Contract. However, administration of this Contract implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such Contract. That authority is retained by Acquisition Services. The Contract Administrator for this project is:

Norm Buckwalter
 Department of Information Technology
 105 West Allegan
 Lansing, MI 48913
 E-mail: BuckwalterN@michigan.gov



I-E PURCHASE ORDERS

Orders for delivery of Services may be issued directly by the DIT through the issuance of a Purchase Order Form along with a Work Contract signed by DIT and Vendor referencing this Contract (Blanket Purchase Order) and the terms and conditions contained herein. Contractor shall reference the Purchase Order Number and BPO on all invoices for payment.

I-F COST LIABILITY

The State of Michigan assumes no responsibility or liability for costs incurred by the Contractor prior to the signing of the Contract. Total liability of the State is limited to the terms and conditions of the Contract.

I-G CONTRACTOR RESPONSIBILITIES

The Contractor will assume responsibility for all contractual activities offered in this proposal whether or not that Contractor performs them. Further, the State considers the Prime Contractor to be the sole point of contact with regard to contractual matters, including but not limited to payment of any and all costs resulting from the anticipated Contract. If any part of the work is to be subcontracted, the contractor must notify the state and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The State reserves the right to approve subcontractors for this project and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract.

I-H NEWS RELEASES

News releases pertaining to this Contract or the services, study, data, or project to which it relates will 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 program are to be released without prior approval of the State and then only to persons designated. See <http://www.michigan.gov/doingbusiness> for the policy on news releases.

I-I DISCLOSURE

All information in a bidder's proposal and this Contract is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, *et seq.*



I-J ACCOUNTING RECORDS

The Contractor is required to maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three (3) years from the expiration date and final payment on the Contract or extension thereof.

I-K INDEMNIFICATION

1. PATENT/COPYRIGHT INFRINGEMENT INDEMNITY

To the extent permitted by law, the Contractor shall 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 such 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 such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any existing 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 shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such 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 such 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.

The foregoing shall be the State's sole and exclusive remedy for any infringement covered under this provision. Contractor will not indemnify State, however, if the claim of infringement is caused by (1) State's misuse or modification of the Deliverable; (2) State's failure to use corrections or enhancements made available by Contractor;



(3) State's distribution, marketing or use of the Deliverables outside of it's organization for the benefit of third parties; or (4) information, direction, specification, or materials provided to Contractor by State or any third party except for third party subcontractors and vendors of Contractor.

2. OTHER INDEMNITIES

a. General Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability of any kind, 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 tortuous acts of the Contractor or any of its Subcontractors, or by anyone else for whose acts any of them may be liable provided that the Contractor is notified in writing within thirty (30) days from the time that the State has knowledge of such claims. The Contractor shall not be liable to the State for consequential damages arising out of claims brought by third parties except for claims for infringement of any United States patent, copyright, trademark or trade secret.

b. 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.

3. INDEMNIFICATION NOT LIMITED

In any and all claims against the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor any of its Subcontractors, the indemnification obligation under the Contract shall 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 sub clauses, 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 sub clauses.



4. CONTINUATION OF INDEMNIFICATION OBLIGATIONS

The Contractor's duty to indemnify 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 prior to expiration or cancellation.

5. INDEMNIFICATION PROCEDURES

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

- a. After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such 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 so notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall 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 prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.

- b. If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the Defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to



demonstrate to the reasonable satisfaction of the State 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 pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to 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.

- 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 shall have the right to defend the claim in such 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 shall promptly reimburse the State for all such reasonable costs and expenses.

I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS

The Contractor warrants that in performing the services called for by this Contract it will not violate any applicable law, rule, or regulation, any contracts with third parties, or any intellectual rights of any third party, including but not limited to, any existing United States patent, trademark, copyright, or trade secret.

I-M WARRANTIES AND REPRESENTATIONS

The Contract will contain customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;
3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;



6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor has not provided any gifts, payments or other inducements to any officer, employee or agent of the State;
9. The Contractor will maintain all equipment and software for which it has maintenance responsibilities in good operating condition and will undertake all repairs and preventive maintenance in accordance with applicable manufacturer's recommendations;
10. When developing any software the Contractor will use its best efforts to ensure that no viruses or similar items are coded or introduced into the systems used to provide the services;
11. The Contractor will not insert or activate any disabling code into the systems used to provide the services without the State's prior written approval;
12. A ninety (90) day warranty on all purchased and developed software, data conversion programs, and data and customization to the product performed by the contractor.
13. 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."
14. THE PRECEDING STATEMENTS ARE CONTRACTOR'S ONLY WARRANTIES CONCERNING THE SERVICES AND ANY WORK PRODUCT, AND IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, INFORMATIONAL CONTENT, SYSTEMS INTEGRATION, NON-INFRINGEMENT, INTERFERENCE WITH ENJOYMENT OR OTHERWISE.

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 (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.

In addition, Contractor will use up-to-date commercial virus detection software to detect the presence of and remove any viruses from any software prior to delivering it to the State.

I-N STAFFING OBLIGATIONS

The State reserves the right to approve the Contractor’s assignment of personnel to this project and to recommend reassignment of personnel deemed unsatisfactory by the State.

The Contractor shall not remove or reassign, without the State’s prior written approval, any of the personnel until such time as the personnel have completed all of their planned and assigned responsibilities in connection with performance of the Contractor’s obligations under this Contract. The Contractor agrees that the continuity of all personnel is critical and agrees to the continuity of all personnel. Removal of any personnel without the written consent of the State may be considered by the State to be a material breach of this Contract. The prohibition against removal or reassignment shall not apply where personnel must be replaced for reasons beyond the reasonable control of the Contractor including but not limited to illness, disability, resignation or termination of the personnel’s employment.

I-O WORK PRODUCT AND OWNERSHIP

Unless otherwise specifically designated in the Work Contract, Work Products shall be considered works made by the Contractor for hire by the State and shall belong exclusively to the State and its designees, unless specifically provided otherwise by mutual agreement of the Contractor and the State. Work Products do not include third party software. If by operation of law any of the Work Product, including all related intellectual property rights, is not owned in its entirety by the State automatically upon creation thereof, the Contractor agrees to assign, and hereby assigns to the State and its designees the ownership of such Work Product, including all related intellectual property rights. The Contractor agrees to provide, at no additional charge, any assistance and to execute any action reasonably required for the State to perfect its intellectual property rights with respect to the aforementioned Work Product.

Notwithstanding any provision of this Contract to the contrary, any preexisting work or materials including, but not limited to, any routines, libraries, tools, methodologies, processes or technologies (collectively, the “Development Tools”) created, adapted or used by the Contractor in its business generally, including any and all associated intellectual property rights, shall be and remain the sole



property of the Contractor, and the State shall have no interest in or claim to such preexisting work, materials or Development Tools, except as necessary to exercise its rights in the Work Product. Such rights belonging to the State shall include, but not be limited to, the right to use, execute, reproduce, display, perform and distribute copies of and prepare derivative works based upon the Work Product, and the right to authorize others to do any of the foregoing, irrespective of the existence therein of preexisting work, materials and Development Tools, except as specifically limited herein

The Contractor and its subcontractors shall be free to use and employ their general skills, knowledge and expertise, and to use, disclose, and employ any generalized ideas, concepts, knowledge, methods, techniques or skills gained or learned during the course of performing the services under this Contract, so long as the Contractor or its subcontractors acquire and apply such information without disclosure of any confidential or proprietary information of the State, and without any unauthorized use or disclosure of any Work Product resulting from this Contract.

I-P CONFIDENTIALITY OF DATA AND INFORMATION

All financial, statistical, personnel, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out the Work Contract, or which become available to the Contractor in carrying out the Work Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this section.

The Contractor shall not be required under the provisions of this section to keep confidential, (1) information generally available to the public, (2) information released by the State generally, or to the Contractor without restriction, (3) information independently developed or acquired by the Contractor or its personnel without reliance in any way on otherwise protected information of the State. Notwithstanding the foregoing restrictions, the Contractor and its personnel may use and disclose any information which it is otherwise required by law to disclose, but in each case only after the State has been so notified, and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.



To the extent permissible under the law, the State agrees to protect the confidentiality of the Confidential Information of Contractor in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind, but in no event shall either party exercise less than reasonable care in protecting such Confidential Information.

I-Q REMEDIES FOR BREACH OF CONFIDENTIALITY

The Contractor acknowledges that a breach of its confidentiality obligations, shall be considered a material breach of the Contract. Furthermore the Contractor acknowledges that in the event of such a breach the State shall be irreparably harmed. Accordingly, if a court should find that the Contractor has breached or attempted to breach any such obligations, the Contractor will not oppose the entry of an appropriate order restraining it from any further breaches or attempted or threatened breaches. This remedy shall be in addition to and not in limitation of any other remedy or damages provided by law.

I-R CONTRACTOR'S LIABILITY INSURANCE

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such 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 pursuant to this Contract. The Contractor also agrees to provide evidence that all applicable insurance policies contain a waiver of subrogation by the insurance company.

The Insurance shall be written for not less than any minimum coverage herein specified or required by law, whichever is greater. All deductible amounts for any of the required policies must be approved by the State.

The State reserves the right to reject insurance written by an insurer the State deems unacceptable.

BEFORE THE CONTRACT IS SIGNED BY BOTH PARTIES OR BEFORE THE PURCHASE ORDER IS ISSUED BY THE STATE, THE CONTRACTOR MUST FURNISH TO THE DIRECTOR OF ACQUISITION SERVICES, CERTIFICATE (S) OF INSURANCE VERIFYING INSURANCE COVERAGE. THE CERTIFICATE MUST BE ON THE STANDARD "ACCORD" FORM.



THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. All such Certificate(s) are to be prepared and submitted by the Insurance Provider and not by the Contractor.

All such Certificate(s) shall contain a provision indicating that coverage's afforded under the policies WILL NOT BE CANCELLED OR MATERIALLY CHANGED without THIRTY (30) days prior written notice having been given to the Director of Acquisition Services. Such NOTICE must include the CONTRACT NUMBER affected.

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

- ☑ 1. Commercial General Liability with the following minimum coverage's:
 \$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
 \$500,000 Fire Damage Limit (any one fire)

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

- ☑ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance 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 policy.
- ☑ 3. Worker's disability compensation, disability benefit or other similar employee benefit act with minimum statutory limits. NOTE: (1) If coverage is provided by a State fund or if Contractor has qualified as a self-insurer, separate certification must be furnished that coverage is in the state fund or that Contractor has approval to be a self-insurer; (2) Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable; and (3) Any policy of insurance must contain a provision or endorsement providing that the insurers' rights of subrogation are waived. This provision shall 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

I-S NOTICE AND RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature 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.

I-T CANCELLATION

The State may cancel this Contract or any Work Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.
 - a. In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.
 - b. In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.



- c. In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

- 2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall 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 Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

- 3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The 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 project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.

- 4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes;



or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.

5. Approvals Rescinded. In the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of services pursuant to Article 11, Section 5 of the Michigan Constitution of 1963, and Chapter 7 of the Civil Service Rules. Notwithstanding any other provision of this Contract to the contrary, the State Personnel Director is authorized to disapprove contractual disbursements for services if the Director determines that the Contract of the disbursements under the Contract violate Article 11, Section 5 of the Constitution or violate applicable Civil Service rules or regulations. Cancellation may be in whole or in part and may be immediate as of the date of the written notice to the Contractor or may be effective as of the date stated in such written notice.

I-U RIGHTS AND OBLIGATIONS UPON CANCELLATION

1. If the Contract is canceled by the State for any reason, the Contractor shall, (a) stop all work as specified in the notice of cancellation, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Work Product or other property derived or resulting from the Contract that may be in the Contractor's possession, (c) return all materials and property provided directly or indirectly to the Contractor by any entity, agent or employee of the State, (d) transfer title and deliver to the State, unless otherwise directed by the Contract Administrator or his or her designee, all Work Product resulting from the Contract, and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or cancellation settlement costs, to the maximum practical extent, including, but not limited to, canceling or limiting as otherwise applicable, those subcontracts, and outstanding orders for material and supplies resulting from the canceled Contract.

2. In the event the State cancels this Contract prior to its expiration for its own convenience, the State shall pay the Contractor for all charges due for services provided prior to the date of cancellation and if applicable as a separate item of payment pursuant to the Contract, for partially completed Work Product, on a percentage of completion basis. In the event of a cancellation for cause, or any other reason under the Contract, the State will pay, if applicable, as a separate item of payment pursuant to the Contract, for all partially completed Work Products, to the extent that the State requires the Contractor to submit to the State any such deliverables, and for all charges due under the Contract for any cancelled services provided by the Contractor prior to the cancellation date. All completed or partially completed Work Product prepared by the Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and the Contractor shall be



entitled to receive just and fair compensation for such Work Product. Regardless of the basis for the cancellation, the State shall not be obligated to pay, or otherwise compensate, the Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

3. If any such cancellation by the State is for cause, the State shall have the right to set-off against any amounts due the Contractor, the amount of any damages for which the Contractor is liable to the State under this Contract or pursuant to law and equity.
4. Upon a good faith cancellation, the State shall have the right to assume, at its option, any and all subcontracts and Contracts for services and materials provided under this Contract, and may further pursue completion of the Work Product under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

I-V EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); 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 such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such 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. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.
2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive 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 from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. 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 as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the 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.

I-W ASSIGNMENT

The Contractor shall not have the right to assign this Contract or to assign or delegate any of its duties or obligations under this Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the Director of Acquisition Services.

I-X DELEGATION

The Contractor shall not delegate any duties or obligations under this Contract to a subcontractor other than a subcontractor named in the bid unless the Director of Acquisition Services has given written consent to the delegation.

I-Y NON-DISCRIMINATION CLAUSE

In the performance of any Contract or purchase order resulting here from, the bidder agrees not to discriminate against any employee or applicant for employment, with respect to their 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, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The bidder further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting here from will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor.



This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2101, *et seq*, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq*, and any breach thereof may be regarded as a material breach of the Contract or purchase order.

I-Z WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT

In performing services for the State pursuant to this Contract, the Contractor shall comply with Department of Civil Service Rules 2-20 regarding Workplace Safety and 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service Regulations governing workplace safety and discriminatory harassment and any applicable state agency rules on these matters that the agency provides to the Contractor. Department of Civil Service Rules and Regulations can be found on the Department of Civil Service website at <http://www.michigan.gov/mdcs>.

I-AA MODIFICATION OF SERVICE

The Director of Acquisition Services reserves the right to modify services during the course of this Contract. Such modification may include adding or deleting tasks that these services shall encompass and/or any other modifications deemed necessary.

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Work Contract and the work to be performed by the Contractor under the Work Contract. The Contractor shall provide a change order process and all requisite forms. The State reserves the right to negotiate the process during contract negotiation. At a minimum, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the deliverables, timeframes, listing of personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

1. Within five (5) business days of receipt of a request by the State for any such change, or such other period of time as to which the parties may agree mutually in writing, the Contractor shall submit to the State a proposal describing any changes in products, services, timing of delivery, assignment of personnel, and the like, and any associated price adjustment. The price adjustment shall be based on a good faith determination and calculation by the Contractor of the additional cost to the Contractor in implementing the change request less any savings realized by the Contractor as a result of implementing the change request. The Contractor's proposal shall describe in reasonable detail the basis for the Contractor's proposed price adjustment, including the estimated number of hours by task by labor category required to implement the change request.



2. If the State accepts the Contractor's proposal, it will issue a change notice and the Contractor will implement the change request described therein. The Contractor will not implement any change request until a change notice has been issued validly. The Contractor shall not be entitled to any compensation for implementing any change request or change notice except as provided explicitly in an approved change notice.

3. If the State does not accept the Contractor's proposal, the State may:
 - a. Withdraw its change request; or
 - b. Modify its change request, in which case the procedures set forth above will apply to the modified change request.

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

If the State requests or directs the Contractor to perform any services or functions that are consistent with and similar to the services being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the scope of the Contractor's responsibilities and charges as set forth in the Contract, then prior to performing such services or function, the Contractor shall promptly notify the State in writing that it considers the services or function to be an "Additional Service" 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 such services or functions. If the Contractor does so notify the State, then such a service or function shall be governed by the change request procedure set forth in the preceding paragraph.

IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATIONS.



I-BB NOTICES

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such 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 (3rd) 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.

For the Contractor: **Denny Sikkila**
Keane, Inc.
3000 Town Center, Suite 1600
Southfield, MI 48075
Email: Denny_Sikkila@Keane.com

For the State:
Doug Collier, Buyer CPPB
DMB, Acquisition Services
P O Box 30026
Lansing, MI 48909
Email: collierd1@michigan.gov

Either party may change its address where notices are to be sent giving written notice in accordance with this section.

I-CC ENTIRE AGREEMENT

This Contract shall represent the entire agreement between the parties and supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to this subject.

I-DD NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

I-EE SEVERABILITY

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



I-FF 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 this Contract.

I-GG RELATIONSHIP OF THE PARTIES

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

I-HH UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, 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 pursuant to 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. Pursuant to section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

I-II SURVIVOR

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of this Contract for any reason.

I-JJ GOVERNING LAW

This Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.



I-KK YEAR 2000 SOFTWARE COMPLIANCE

The vendor warrants that all software for which the vendor 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 year 2000 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.

I-LL CONTRACT DISTRIBUTION

Acquisition Services shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Acquisition Services.

I-MM STATEWIDE CONTRACTS

If the contract is for the use of more than one agency and if the goods or services provided under the contract do not meet the form, function and utility required by an agency, that agency may, subject to state purchasing policies, procure the goods or services from another source.

I-NN STATE STANDARDS

1. **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 www.state.mi.us/cio/oits.



- 2. PM METHODOLOGY STANDARDS.** The State has adopted a standard, documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. This policy is referenced in the document titled “Project Management Methodology” – DMB Administrative Guide Procedure 1380.02 issued June 2000. Vendors may obtain a copy of this procedure by contacting the DIT, Research and Policy. The State of Michigan Project Management Methodology can be obtained from the DIT’s website at <http://www.michigan.gov/dit>.

The contractor shall use the State’s PMM to manage State of Michigan Information Technology (IT) based projects. The requesting agency will provide the applicable documentation and internal agency processes for the methodology. If the vendor requires training on the methodology, those costs shall be the responsibility of the vendor, unless otherwise stated.

- 3. ADHERANCE TO PORTAL TECHNOLOGY TOOLS.** For all projects involving e-Government, all bidders are expected to read, understand and support compliance with the provisions of Executive Order No. 2000-6 and Executive Directive 2001-1, issued by the State of Michigan, Office of the Governor.

The State of Michigan, e-Michigan Office has adopted the following tools as its Portal Technology development efforts:

- * Vignette Content Management and personalization Tool
- * Inktomi Search Engine
- * Tivoli Directory Services (Presentation Layer)
- * WebSphere Application Server
- * WebSphere e-Pay Payment Processing Module

Vendors must use the Portal Technology Tools to implement web content management and deployment efforts for agencies. Tools used for web based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with the Department of Information technology.

Under special circumstances vendors that are compelled to use alternate tools must submit an exception request to the Department of Information Technology for evaluation and approval of each alternate tool prior to proposal evaluation by the State.

I-00 ELECTRONIC FUNDS TRANSFER

Electronic transfer of funds is available to State contractors. Vendors are encouraged to register with the State of Michigan Office of Financial Management so the State can make payments related to this Contract electronically (<http://www.cpexpress.state.mi.us/>).



I-PP TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to 180 days after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance. If the State cancels this Contract for cause, then the State will be entitled to off set the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said cancellation.

I-QQ STOP WORK

1. The State may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by this Contract or a Work Contract for a period of up to 90 days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of 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 shall either:
 - a. Cancel the stop work order; or
 - b. Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.

2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make 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 the Contractor's costs properly allocable to the performance of any part of this Contract; and
 - b. The Contractor asserts its right to an equitable adjustment within 30 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 proposal submitted at any time before final payment under this Contract.
3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.
 4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.
 5. An appropriate equitable adjustment may be made in any related contract of the Contractor that provides for adjustment and is affected by any stop work order under this section. The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this section.

I-RR PERFORMANCE AND RELIABILITY EVALUATION (PARE)

When the State requires that a performance and reliability evaluation (PARE) is to be performed, the standard of performance for the PARE will be closely monitored during the acceptance period.

In the event that the PARE is for components only, all references to systems (processors) should be changed to components.

The Performance and Reliability Evaluation will consist of two phases.

1. PHASE I

The first phase shall be comprised of a specification compliance review of the equipment listed on the ordering documents. Such equipment shall be checked for total compliance with all required specifications of the RFQ. In the event that the State determines that any component or feature of the delivered equipment or software does not comply with the mandatory specifications of the RFQ, the State shall so notify the Contractor, allowing 14 calendar days for rectification by the Contractor.



Should the Contractor be unable to rectify the deficiency, the State reserves the right to cancel the ordering document. Should the equipment and software pass the specification conformance review, the equipment shall enter Phase II of the PARE.

2. PHASE II

a. Determination of System Readiness

- 1) Prior to the PARE, a committee of three persons will be formed to evaluate the system's performance on a daily basis. The committee will consist of one Contractor representative and two State personnel.
- 2) The PARE will begin on the installation dates when the Contractor certifies that the equipment is ready for use by the State.

b. During the PARE:

All rerun times resulting from equipment failure and preventive maintenance shall be excluded from the performance hours.

- 1) All reconfiguration and reload time shall be excluded from the performance hours.
- 2) If files are destroyed as a result of a problem with Contractor equipment and must be rebuilt, the time required to rebuild the files will be considered "down-time" for the system.
- 3) If the Contractor requests access to failed equipment and the State refuses, then such maintenance will be deferred to a mutually agreeable time and the intervening time will not count against the PARE.
- 4) A functional benchmark demonstration will be run for the PARE Committee to confirm that the installed system is capable of performing the same functions that were demonstrated. This run must be completed to the satisfaction of the PARE Committee.

3. STANDARD OF PERFORMANCE

- a. The performance period (a period of thirty consecutive calendar days) shall commence on the installation date, at which time the operational control becomes the responsibility of the State. It is not required that one thirty day period expire in order for another performance period to begin.



- b. If each component operates at an average level of effectiveness of 95 percent or more for a period of 30 consecutive days from the commencement date of the performance period, it shall be deemed to have met the State's standard of performance period. The State shall notify the Contractor in writing of the successful completion of the performance period. The average effectiveness level is a percentage figure determined by dividing the total operational use time by the total operational use time plus associated down-time. In addition, the equipment shall operate in substantial conformance with the Contractor's published specifications applicable to such equipment on the date of this Contract. Equipment added by amendment to this contract shall operate in conformance with the Contractor's published specifications applicable to such equipment at the time of such amendment.
- c. During the successful performance period, all rerun time resulting from equipment failure and preventive maintenance time shall be excluded from the performance period hours. All reconfigurations and reload time shall be excluded from the performance hours. Equipment failure down-time shall be measured by those intervals during the performance period between the time that the Contractor is notified of equipment failure and the time that the equipment is returned to the State in operating condition.
- d. During the successful performance period, a minimum of 80 hours of operational use time on each component will be required as a basis for computation of the average effectiveness level. However, in computing the effectiveness level, the actual number of operational use hours shall be used when in excess of the minimum stated above.
- e. No more than one hour will accrue to the performance hours during any one-wall clock hour.
- f. Equipment shall not be accepted by the State and no charges will be paid by the State until the standard of performance is met.
- g. When a system involves on-line machines, which are remote to the basic installation, the required effectiveness level shall apply separately to each component in the system.
- h. Promptly upon successful completion of the performance period, the State shall notify the Contractor in writing of acceptance of the equipment and authorize the monthly payments to begin on the first day of the successful performance period.



- i. If successful completion of the performance period is not attained within 90 days of the installation date, the State shall have the option of terminating the Contract, or continuing the performance tests. The State's option to terminate the contract shall remain in effect until such time as a successful completion of the performance period is attained. The Contractor shall be liable for all outbound preparation and shipping costs for contracted items returned under this clause.

- j. The PARE will be complete when the equipment has met the required effectiveness level for the prescribed time period.

I-SS LIQUIDATED DAMAGES

The State and the Contractor hereby agree that liquidated damages may be negotiated in individual Work Contracts and as such both parties negotiate to the specific standards set forth in those Work Contracts. It is agreed between the Contractor and the State that the actual damages to the State as a result of Contractor's failure to provide promised services would be difficult or impossible to determine with accuracy. The State and the Contractor therefore agree that liquidated damages as set out in the Work Contract shall be a reasonable approximation of the damages that shall be suffered by the State as a result thereof. Accordingly, in the event of such damages, at the written direction of the State, the Contractor shall pay the State the indicated amount as liquidated damages, and not as a penalty. Amounts due the State as liquidated damages, if not paid by the Contractor within fifteen (15) days of notification of assessment, may be deducted by the State from any money payable to the Contractor pursuant to this Contract. The State will notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph and the Work Contract on or before the date the State deducts such sums from money payable to the Contractor. No delay by the State in assessing or collecting liquidated damages shall be construed as a waiver of such rights.

The Contractor shall not be liable for liquidated damages when, in the opinion of the State, incidents or delays result directly from causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God, fires, floods, epidemics, and labor unrest; but in every case the delays must be beyond the control and without the fault or negligence of the Contractor.

Liquidated damages will be assessed as follows: Damage amounts will be determined during Contract negotiations in the Second Tier.



I-TT PERFORMANCE

Performance by Pre-Qualified Vendors will be continually evaluated by the State. Performance will be a factor in the award of any Work Contract and continued poor performance will be grounds for not awarding a Work Contract. (Please refer to Exhibit D for examples of poor performance)

I-UU PROTESTS

In order to streamline the second tier contracting process, Contractors agree not to file any protests concerning the award of any Work Contract.

I-VV LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages, and either party's maximum aggregate liability shall be limited to \$2,000,000.00. Such limitation as to in direct or consequential damages, and as to a party's maximum liability shall not be applicable for claims arising out of gross negligence, willful misconduct, or the Contractor's indemnification responsibilities to the State as set forth in section I-J with respect to third party claims, actions and proceedings brought against the State.



SECTION II - REQUIREMENTS

II - A PURPOSE AND QUALIFICATIONS BY CATEGORY: TIER 1

PURPOSE

Acquisitions Services in partnership with the Department of Information Technology has established “Professional Services Ordering” Contracts with information technology providers to assist the State of Michigan in delivering business solutions and maximizing for the organization the value obtained from its information technology investment. As a result of this contract, the State will have access to a pool of pre-qualified providers available to provide high-quality information technology services. Seven (7) vendors have been competitively selected in the below mentioned category.

Business Requirements/Needs Assessment/Sys. Design/Quality Assurance

It is the intent of this process to reduce the redundancy and efforts expended by customers and the vendor community to secure contractors for services. This streamlining will serve the best interests of the State, reduce contracting costs, and simplify the process for customers to secure a contract for specific IT services.

As part of their response the pre-approved contractors have provided maximum rate structures and acceptance of the State’s terms and conditions. The first three (3) categories and Project Management and Quality Assurance in Category 5 of this program will be available to DIT for onetime purchases of up to \$1,000,000.00 with a project duration of 18 months or less. The Last Category (Project Development Services less Project Management and Quality Assurance) will be available to DIT for purchases that exceed \$250,000.00 or 12 months in duration. The entire program will not focus on those proposals that (a) exceed \$1,000,000.00 or 18 month contract duration (b) include services that support the processing infrastructure, data cabling, or any aspects of telecommunications (c) Involve the Pre-Qualified START (formerly RAPHITS) program for Developers, System Analysts, and Database Administrator services under \$250,000.00 or less than 12 months in project duration. Those work statements that are estimated to exceed \$1,000,000.00 or 18-month duration would be required to be bid out through the current formal RFP process.

When the State establishes a need for services per the requirements mentioned above, they may utilize the pre-qualified program by formalizing a work statement and having DIT solicit proposals from the pre-qualified pool of vendors.



All vendors would be evaluated on hours, personnel and experience in providing a particular project; with the pre-qualification process taking only two (2) weeks to complete. This process would allow State agencies the greatest flexibility while still providing a mechanism to control costs for the using agencies.

**II-B BUSINESS REQUIREMENTS/NEEDS ASSESSMENT/
SYSTEM DESIGN/QUALITY ASSURANCE**

Tasks and activities that are:

- Assist in the development of a work statement or full RFP.
- Assist in the selection process
- Provide quality assurance (Q/A) during the resulting project.

Vendors in the category will not be allowed to bid on both the 2nd tier work statements and on a full RFP, but will be expected to supply Q/A services. The purpose of the analysis is to determine the specific requirements, deliverables, products and the high level plan, including required deadline dates, needed to fill the business partner's requirements. Examples of the associated tasks/skills are:

Needs Assessment

- Identification of all business requirements
- Analytical skills
- Organizational skills
- Communication skills at the executive level
- Interviewing skills
- Depth of knowledge of current and emerging information technologies, including e-commerce, their strengths and weaknesses, and appropriate application to business needs

Requirements Analysis

- Structured techniques
- Professional discipline
- Use of analytical software tools
- Ability to reduce volumes of detail to concise and easy to read form

Feasibility Studies

- Analysis of new technology projects
- Comparison of conducting IT work in-house versus outsourcing
- Analysis of joint venture and partnership projects
- Project definition and planning methods
- System development project methods using the State's standard development methodology.

Cost Benefit Analysis



- Determining tangible and intangible costs and benefits
- Ability to apply DMB/DIT IT portfolio management standards
- Comparative analysis of in-house versus outsource costs
- Knowledge of present value analysis
- Understanding of the state budgets cycle and state accounting methods

Coordination of Stakeholders

- Organizational requirements
- Communication and facilitation
- Principles of information technology, business principles, and negotiation strategies
- Facilitation of stakeholders of e-commerce projects

Project Management and Reporting

- Preparation of project plans
- Monitor status and initiate corrective action when needed
- Perform status reporting, and plan amendments
- Define and track issues through resolution
- Skill in working with all levels of technical and management staff.
- Ability to get work done though others in a matrix organization
- Ability to deal successfully with large amounts of detailed data and information
- Be capable of giving attention to detail while still understanding and dealing with the global aspects of the project
- Objectively assess the appropriateness and accuracy of system plans
- Provide a concise assessment
- Make objective recommendations to the Project Manager, agency executives oversight agencies, and Vendors
- Establishing and maintaining a system of project records
- Gathering data needed to create project reports and documentation
- Use of various software tools to report project progress and document project results

Quality Assurance and Testing

- Provide quality assurance on a major project.
- Development and implementation of quality assurance measures for all aspects of project planning and execution.
- Development and execution of program and system test and acceptance processes.
- Assists project manager in monitoring business related activities
- Assists in resolution of key project issues
- Assists in monitoring and ensuring project scope is controlled
- Assists in identification of project risks, and risk mitigation strategies
- Assists in development of strategies for system development, verification, and implementation
- Ensures that application programs have been thoroughly tested



User Change Management

- Development and implementation of change management processes dealing with user needs and expectations
- Skill in working with all levels of management and line staff.
- Ability to get work done through others in a matrix organization
- Individuals must have skills and personal characteristics that enable them
- Be able to deal successfully with a large variety of management personnel and users
- Capability of giving attention to detail while still understanding and dealing with the global aspects of the project

ATTACHMENT A – Technical Proposal (Excerpts)



Vendor Information Form (III-B)

1. Vendor Identifying Information

VENDOR NAME AND ADDRESS

Name: Keane, Inc.
 Address: 3000 Town Center
 Suite 1600
 City, State, ZIP: Southfield, MI 48075
 Phone Number: (248) 356-2000

PRINCIPLE OFFICERS

Name: Brian Keane
 Title: President and CEO
 Address: 10 City Square
 City, State, ZIP: Boston, MA 02129
 Phone: (617)-517-1484

1.1.1.1.1.1 ORGANIZATION AND YEAR

Status: Incorporated
 Year: 1965

1.1.1.1.1.2 EMPLOYER IDENTIFICATION

Fed. I.D. 04-2437166
 State of Michigan
 Vendor ID Number: 2-04-2437166

1.1.1.1.1.3 Vendor Contact

Name: Denny Sikkila
 Address: 3000 Town Center, Suite 1600
 City, State, ZIP: Southfield, MI 48075
 Phone: (248) 356-2000 x216
 Fax: (248) 356-5988
 E-mail: Denny_Sikkila@Keane.com

2. Contract Performance

(c) No such terminations exist



3. Vendor Staff Geographic Service Areas

Place a check mark for each county in which vendor is available to provide services:	
Available for all counties in Michigan	<input checked="" type="checkbox"/>
Alcona	
Alger	
Allegan	
Alpena	
Antrim	
Arenac	
Baraga	
Barry	
Bay	
Benzie	
Berrien	
Branch	
Calhoun	
Cass	
Charlevoix	
Cheboygan	
Chippewa	
Clare	
Clinton	
Crawford	
Delta	
Dickinson	
Eaton	
Emmet	
Genesee	
Gladwin	
Gogebic	
Grand Traverse	
Gratiot	
Hillsdale	
Houghton	
Huron	
Ingham	
Ionia	
Iosco	
Iron	
Isabelle	
Jackson	



State of Michigan Proposal
Pre-Qualified IT Services – Business Requirements/QA



Kalamazoo	
Kalkaska	
Kent	
Keweenaw	
Lake	
Lapeer	
Leelanau	
Lanawee	
Livingston	
Luce	
Mackinac	
Macomb	
Manistee	
Marquette	
Mason	
Mecosta	
Menominee	
Midland	
Missaukee	
Monroe	
Montcalm	
Montmorency	
Muskegon	
Newaygo	
Oakland	
Oceana	
Ogemaw	
Ontonagon	
Osceola	
Oscoda	
Otsego	
Ottawa	
Presque Isle	
Roscommon	
Saginaw	
Sanilac	
St. Clair	
St. Joseph	
Schoolcraft	
Shiawassee	
Tuscola	
Van Buren	
Washtenaw	



Keane Guide To Project Management

The Keane Guide to Project Management (KGPM) defines the Project Management process in Keane's terms. That is, it describes how to set up, implement, and control a project according to our Project Control and Reporting Process (PCRP) standard. It describes what the required processes are and how they apply to one of the stages of the project.

Keane will work with the State to agree upon the project management processes that will be utilized for each project leveraging both the State's and Keane's project management methodologies.

The agreed upon project management processes will be designed to assure that the following activities are occurring with the highest degree of accuracy:

- Task and deliverable planning
- Resource planning
- Effort management
- Change control
- Deliverable acceptance
- Issue resolution
- Quality assurance
- Status monitoring
- Status reporting (to the State, Branch management, and Quality Assurance organization)
- Budget management
- Client satisfaction assessment and management
- Risk management

Project Tracking and Progress Reporting

Effective project planning, scheduling and control are usually accomplished most effectively through the use of automated tools. Keane Project Managers are familiar with the most commonly used PC-based project planning tools used today, including Niku's Project Workbench and Microsoft's Project. They create project plans based upon the agreed upon deliverables, tasks, estimates and schedule described in the project definition document.

As the project progresses, the project will be tracked and the status reported to the State and Keane Branch Management. This is accomplished via status reports and review meetings. The goal of these reports and meetings is to help evaluate the "health and progress" of the project against the agreed upon project definition document.

Key Activities of Project Tracking and Progress Reporting include:

- Review Weekly Workplans and Workloads
- Maintain and Analyze the Project Plan
- Manage Staffing Plan and Rotations
- Prepare Weekly Status Report
- Conduct Weekly Client Status Review
- Maintain the Project Notebook



Issue Management

Issue management is an important part of our project management approach. An issue is defined as any item adversely affecting execution of the project plan. Effective issue management can help teams focus attention appropriately, particularly in an environment of multiple priorities. The keys to effective issue resolution are early identification, communication and management. When issues remain open for long periods of time, they can cause additional problems to arise. Issues may be indications of a risk and, therefore, may trigger the change management process.

Each week Keane team members will report any issues that threaten the successful completion of any deliverable as part of their status reporting. The Project Manager will compile these issues in a central repository. This repository will include information about the actual/potential impact, date identified, target closure, actual closure, and person assigned the responsibility to resolve the issue. Issues will be discussed regularly at weekly status meetings.

Key activities of Issue Management include:

- Establish Issues Log
- Identify and Log Issues
- Track Issues to Resolution

It is Keane's intent to handle issues in a structured and timely manner. Issues will be documented and tracked on the weekly project status report. Issues that are not resolved in a reasonable amount of time (as indicated by the resolution target date) will be escalated to senior management. Prior to beginning escalation procedures, Keane Branch Management staff will be appraised of the situation and consulted for the appropriate course of action.

Change Management

Almost all projects contain elements of change. It is important that changes to a project are properly managed through a formal agreed upon change procedure because time and resource constraints can affect the project scope or schedule. The purpose of the change process is not to inhibit or prevent change but rather to facilitate change in an orderly fashion. Potential changes could result from:

- Deliverables not defined as in scope for the project
- Additional activities or steps not defined in the project definition for a planned deliverable
- A change in the scope of a deliverable defined in the project definition requirements
- Changes to an accepted deliverable
- Realization of a risk (negative)
- Time spent investigating, estimating, and planning a change request
- Resources not fulfilling their responsibilities
- Missing deadlines for review of deliverable acceptances or change requests
- Missing deadlines for resolution of issues
- Time lost due to unavailability of:
 - Business and technical resources
 - Hardware or software delays



Expected response to questions or information needed
Decisions required before proceeding

Any project team member can request a change. The Project Manager is then responsible for conducting an impact analysis and submitting the Change Request to the client for review and approval. Approval of the change formally adjusts the project scope, cost, deliverables, and/or schedule. The approval authority for Change Requests is identified in the project definition document.

Key activities of Change Management include:

- Identify and Define Change
- Conduct Impact Analysis
- Obtain Approval for Change
- Reflect the Impact of Approved Change

Acceptance Management

Deliverables for the project are outlined in the project definition document. The project plan then outlines the schedule in which the deliverables will be completed and presented to the client. In addition to the formal deliverables listed in the project definition document, Keane may develop interim deliverables throughout the term of the project. This will allow both the client and Keane to review draft deliverables and work in progress for gradual acceptance of final deliverables.

Acceptance criteria will be identified for all project deliverables in the project definition document. This is done so that everyone will understand what is expected for the work to be accepted upon completion. An Acceptance Procedure is also defined in the project definition document. The Acceptance Procedure:

- Defines the process to present the deliverable – typically a walkthrough
- Identifies the Client individual(s) with the authority and ability to accept each deliverable
- Establishes the timeframe for acceptance of each deliverable
- Determines the escalation process should the timeframe pass without disposition

Key activities of Acceptance Management include:

- Define/Refine Acceptance Criteria
- Internally Review Deliverables against Acceptance Criteria
- Facilitate Client Acceptance of Deliverables

Risk Management

The Keane Project Manager is responsible for monitoring the external environment and influences that affect the project. The Keane Project Manager along with the project team will identify risks and develop mitigation plans for each. Any risk that should be reviewed by the management team will be documented in the weekly project status report.



The tool utilized for identifying and rating project risks is the Project Risk Assessment Method (PRAM). The process for the PRAM is to assemble members of the project team to discuss the risks to the project. Progress towards resolution is reviewed on a monthly basis. The steps involved with PRAM are:

- Identify the risk.

- Define priority based upon probability of the risk occurring and the impact if/when it occurs

- Define mitigation strategies/actions to reduce the risk, including assigning responsibility for enactment of the mitigation action

- Monitoring the progress of the mitigation strategies

- Utilize a defined escalation procedure, as appropriate

The Keane Project Manager will maintain the risk management profile. This document will be updated with the current disposition of identified risks and their mitigation statuses on a monthly basis or as events occur.

Key Activities of Risk Management include:

- Identify Risks

- Assess Risks

- Plan Risk Mitigation Actions

- Update the Risk Management Profile

Quality Management

Quality assurance is Keane's way of confirming, "We do what we say we will do." In order to make sure this happens, Keane management requires weekly reporting and monthly reviews of project status through both narrative and key metric numbers. Additionally, regular project audits and peer level reviews of project status are held both on a formal schedule and on an ad hoc basis.

In addition to formal management review and monitoring, Keane utilizes a Total Quality Management (TQM) process that includes a set of guidelines and requirements needed by a continuously improving organization. The key requirements for TQM are satisfying the customer, company-wide involvement, process-focused improvement, actions that are based on facts, respect for people, and learning from others. To ensure Keane's standards remain effective benchmarks for quality, Keane integrates industry-based standards, such as ISO 9002 and the Software Engineering Institute's Capability Maturity Model (CMM), into its quality assurance processes. Examples of CMM quality processes include: Requirements Management, Software Quality Assurance, Software Configuration Management and Peer Reviews.

Key Activities of Quality Management include:

- Establish Quality Environment

- Perform Peer Reviews

- Conduct Project Audits and Reviews

- Update Quality Environment with Audit Recommendations

- Monthly Project Reviews



Keane Technology Frameworks

A software development life cycle (SDLC) divides the multitude of implementation and operations tasks into discrete phases, activities and tasks so that project managers, team members, and the State are able to manage the development of applications with predictability and reliability. Keane's SDLC, called "Frameworks for Software Development," identifies specific deliverables for each phase which are used for Client acceptance of work completed to date and for planning the activities of the next phase. The Six Principles of Productivity Management are integrated into each phase of Frameworks to ensure consistent application of Keane's project management philosophy and process throughout system development.

Keane's Frameworks are considered to be guides, rather than a rigid mandate, for the steps of software development, since individual creativity, as well as the business and technical experience of the team, are also relied upon in the successful completion of any project. Each Framework provides methods, quality techniques, suggested tasks/deliverables, and required skills to assure the delivery of quality software solutions. However, Keane will work with the State to leverage internal State methodologies or standards as required.

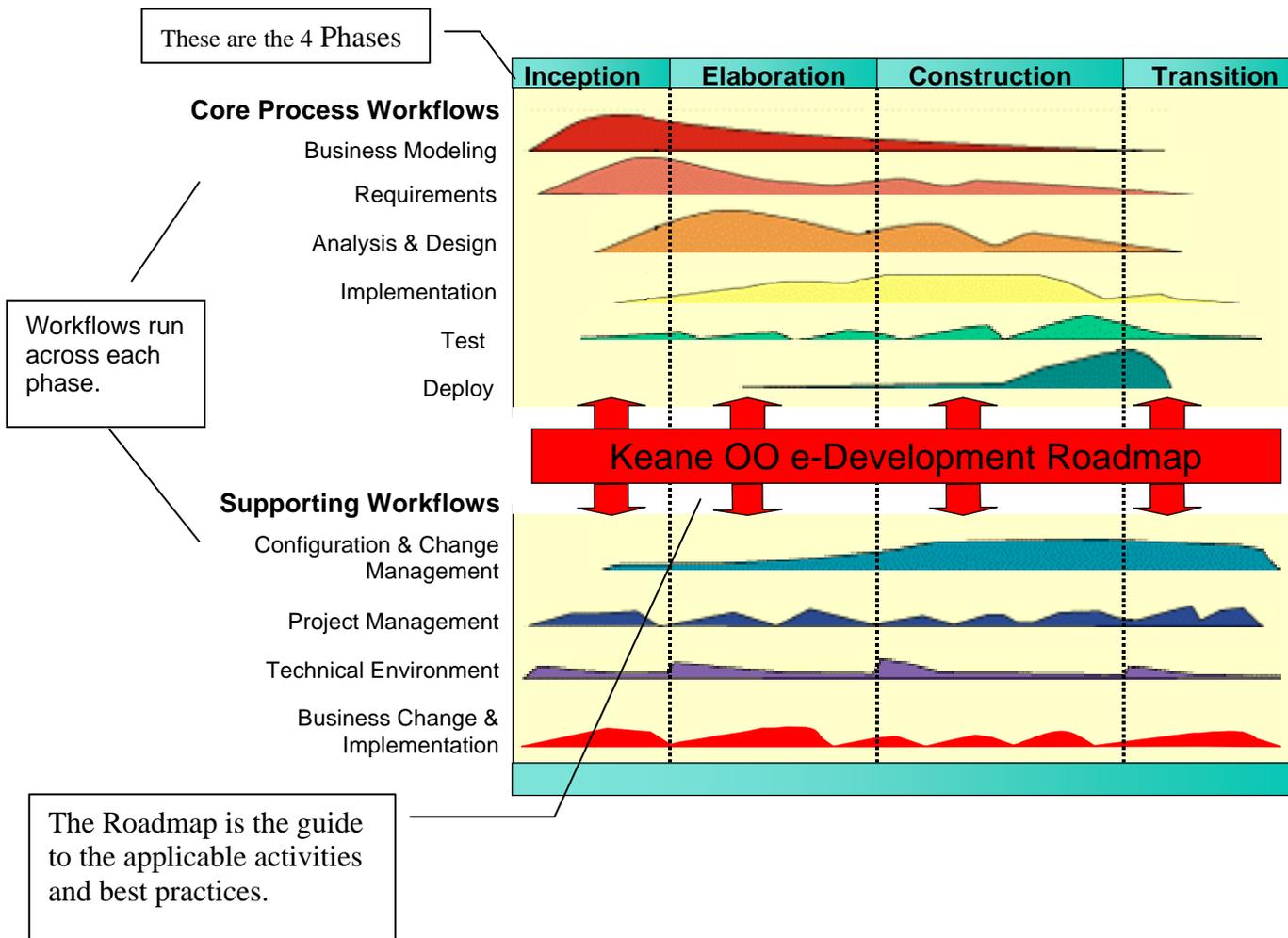


Keane’s Technology Frameworks include:

Application Management Methodology (AMM)	Traditional Waterfall Development	Multi-Tiered Client Sever (MTCS)
Rapid Application Development (RAD)	Packaged Software Selection and Implementation (PSS&I)	Decision Support Systems/Data Warehousing (DSS/DW)
Customer Relationship Management (CRM)	Internet/Web Technology (eDevelopment)	Program Management Office (PMO)

The following diagram depicts Keane’s eDevelopment Framework for illustrative purposes:

As shown in the graphic below, there are four phases of the Framework: Inception, Elaboration, Construction, and Transition. The workflows, which run across each of the phases, are divided into 2 groups: Core Process Workflows and Supporting Workflows. The roadmap guides the user to the activities and best practices customized for Keane's approach to OO development.





1.1.1.1.1.2 Inception phase

The overriding goal of the inception phase is to achieve concurrence among all stakeholders on the lifecycle objectives for the project. The inception phase is of significance primarily for new development efforts, in which there are significant business and requirements risks that must be addressed before the project can proceed. For projects focused on enhancements to an existing system, the inception phase is more brief, but is still focused on ensuring that the project is both worth doing and possible to do.

The primary objectives of the inception phase include:

- Establishing the project's software scope and boundary conditions, including an operational vision, acceptance criteria and what is intended to be in the product and what is not
- Discriminating the critical use cases of the system, the primary scenarios of operation that will drive the major design trade-offs
- Exhibiting, and maybe demonstrating, at least one candidate architecture against some of the primary scenarios
- Estimating the overall cost and schedule for the entire project (and more detailed estimates for the elaboration phase that will immediately follow)
- Estimating potential risks (the sources of unpredictability)
- Preparing the supporting environment for the project

1.1.1.1.1.3 Elaboration phase

The goal of the elaboration phase is to baseline the architecture of the system to provide a stable basis for the bulk of the design and implementation effort in the construction phase. The architecture evolves out of a consideration of the most significant requirements (those that have a great impact on the architecture of the system) and an assessment of risk. The stability of the architecture is evaluated through one or more architectural prototypes.

The primary objectives of the elaboration phase include:

- To ensure that the architecture, requirements and plans are stable enough, and the risks sufficiently mitigated to be able to predictably determine the cost and schedule for the completion of the development. For most projects, passing this milestone also corresponds to the transition from a light-and-fast, low-risk operation to a high-cost, high-risk operation with substantial organizational inertia.
- To address all architecturally significant risks of the project
- To establish a baseline architecture derived from addressing the architecturally significant scenarios, which typically expose the top technical risks of the project.
- To produce an evolutionary prototype of production-quality components, as well as possibly one or more exploratory, throw-away prototypes to mitigate specific risks such as:



Design/requirements trade-offs
Component reuse
Product feasibility or demonstrations to investors, customers, and end-users.

To demonstrate that the baseline architecture will support the requirements of the system at a reasonable cost and in a reasonable time.

To establish the supporting environment.

In order to achieve these primary objectives, it is equally important to set up the supporting environment for the project. This includes creating a development case, create templates, guidelines, and setting up tools.

1.1.1.1.1.4 Construction phase

The goal of the construction phase is on clarifying the remaining requirements and completing the development of the system based upon the baseline architecture. The construction phase is in some sense a manufacturing process, where emphasis is placed on managing resources and controlling operations to optimize costs, schedules, and quality. In this sense, the management mindset undergoes a transition from the development of intellectual property during inception and elaboration, to the development of deployable products during construction and transition.

The primary objectives of the construction phase include:

Minimizing development costs by optimizing resources and avoiding unnecessary scrap and rework.

Achieving adequate quality as rapidly as practical

Achieving useful versions (alpha, beta, and other test releases) as rapidly as practical

Completing the analysis, design, development and testing of all required functionality.

To iteratively and incrementally develop a complete product that is ready to transition to its user community. This implies describing the remaining use cases and other requirements, fleshing out the design, completing the implementation, and testing the software.

To decide if the software, the sites, and the users are all ready for the application to be deployed.

To achieve some degree of parallelism in the work of development teams. Even on smaller projects, typically there are components that can be developed independently, allowing for natural parallelism between teams (resources permitting). This parallelism can accelerate the development activities significantly; but it also increases the complexity of resource management and workflow synchronization. A robust architecture is essential if any significant parallelism is to be achieved.

1.1.1.1.1.5 Transition phase



The focus of the Transition Phase is to ensure that software is available for its end users. The Transition Phase can span several iterations, and includes testing the product in preparation for release, and making minor adjustments based on user feedback. At this point in the lifecycle, user feedback should focus mainly on fine tuning the product, configuring, installing and usability issues, all the major structural issues should have been worked out much earlier in the project lifecycle.

By the end of the Transition Phase lifecycle, objectives should have been met and the project should be in a position to be closed out. In some cases, the end of the current life cycle may coincide with the start of another lifecycle on the same product, leading to the next generation or version of the product. For other projects, the end of Transition may coincide with a complete delivery of the artifacts to a third party who may be responsible for operations, maintenance and enhancements of the delivered system.

This Transition Phase ranges from being very straightforward to extremely complex, depending on the kind of product. A new release of an existing desktop product may be very simple, whereas the replacement of a nation's air-traffic control system may be exceedingly complex.

Activities performed during an iteration in the Transition Phase depend on the goal. For example, when fixing bugs, implementation and test are usually enough. If, however, new features have to be added, the iteration is similar to one in the construction phase requiring analysis & design, etc.

The Transition Phase is entered when a baseline is mature enough to be deployed in the end-user domain. This typically requires that some usable subset of the system has been completed with acceptable quality level and user documentation so that transitioning to the user provides positive results for all parties.

The primary objectives of the Transition Phase are:

- Beta testing to validate the new system against user expectations
- Beta testing and parallel operation relative to a legacy system that it's replacing
- Converting operational databases
- Training of users and maintainers
- Deployment-specific engineering such as cut-over, commercial packaging and production, sales roll-out, field personnel training
- Tuning activities such as bug fixing, enhancement for performance and usability
- Assessment of the deployment baselines against the complete vision and the acceptance criteria for the product
- Achieving user self-supportability
- Achieving stakeholder concurrence that deployment baselines are complete
- Achieving stakeholder concurrence that deployment baselines are consistent with the evaluation criteria of the vision



4. Project Team Structure, Internal Controls and Communications

Project Team Structure:

Keane Relationship Executive

The Keane Managing Director (MD), will assume overall long-term executive sponsorship for Keane's relationship with the State for IT Services. The MD will act as the single point of line management authority for making strategic decisions regarding the Keane/State relationship. Other responsibilities include:

- Maintaining Keane's corporate focus on how to serve the State as a long-term account.
- Coordinating the effort to bring Keane's enterprise capabilities to the State.
- Maintain a regular and ongoing relationship with the State to assure Keane is bringing the appropriate relationship skills, sales culture, delivery capability, and cost structure to meet State's current and future requirements.

Director of Service Delivery

The Director of Service Delivery (DSD), has total responsibility and authority for the delivery of services to State. The DSD will oversee all services delivered as part of the IT Services program for DIT and will bring a business focus to the relationship between the State and Keane by assuring that Keane is providing the best total value to the State in the people, processes, and technology that are being delivered by Keane. The primary responsibilities of the DSD are:

- Provide leadership and direction for the Keane team
- Manage the client relationship
- Obtain and manage program resources
- Set and enforce standards for quality
- Manage the program to budget and plan
- Ensure assessment and management of risks

Service Delivery Manager

The Service Delivery Manager (SDM) will report directly to the DSD. The SDM must make certain that the projects complete on time, within budget, and according to plan. To do this the operations of all of the IT Services projects that compose the program fall within the scope of the SDM. Even though each individual project manager is responsible for achieving the objectives of his or her project, the SDM is responsible for ensuring that project performance fits within the overall DIT objectives.

SDM responsibilities include:

- The SDM monitors project progress closely to identify and address individual project slippage before it has a chance to impact other DIT projects.



When problems arise, the SDM resolves them through the Issues, Risks and Change Management processes.

The SDM oversees the implementation of contingency and triage plans to mitigate the impact to all DIT projects.

Project Manager

The role of Project Manager is a critical role to successfully deliver State's DIT projects. This person must bring a blend of business acumen and technical expertise. They are skilled at helping the client build realistic project plans to map the project's vision to the required technical solution to turn the vision into reality. The Project Manager plays a crucial role in managing the daily tasks of the plan and to communicate the status to the State and Keane. Some of the Project Manager's key responsibilities include:

- Creating the statement of work with clearly defined deliverables
- Developing the acceptance criteria for each deliverable
- Controlling the scope of work by enforcing the proper level of change management and control
- Updating project plans with actuals and Estimates to Complete
- Analyze variances and take corrective action
- Creating weekly status reports for the State and Keane
- Conducting a weekly status review on the project with the client sponsor
- Provide information to the Project Officer for quarterly audits on the project
- Provide project status information for a Monthly Branch Review on the project
- Provide project vision and direction to the Keane team
- Manage and track project issues to completion
- Create a risk assessment for the project and proactively manage the risks on a monthly basis

Project Officer

The Project Officer (PO) is a branch position whose purpose is to maintain a project management center of excellence within each Keane branch. The Project Officer's primary objective is to mentor and train Project Managers in Keane standards and best practices. The PO's second objective is to enforce Keane standards and best practices through independent project assessments also known as PCRPs audits. The third objective is to maintain a central repository of project management knowledge and lessons learned that can be applied to other projects both within the branch and throughout the Keane organization.

To further expand on these responsibilities:

The Project Officer trains and mentors people in leadership roles (Project Manager, Team Lead, Technical Lead, SDM, etc.) in Keane PCRPs standards and best practices.



Keane's Project Control and Reporting Process (PCRP)

Keane's project management approach is overseen and measured by the Project Control and Reporting Process (PCRP) standard. This standard institutes quality focal points before, during, and after the project. The quality processes allow us to implement quality assurance activities at critical junctures in the project life cycle and keep the project team in touch with Keane and State management every step of the way. The PCRP standard builds upon the deliverables orientation that is a key differentiator to Keane's methodology. Our methods assure that all planning is done with the end products in mind. Those end products then drive the definition of activities, the schedule, and the resource tasking. End product focus also assures that we are defining acceptance criteria effectively so that the completed deliverables will be accepted.

The PCRP process defines the following project control and reporting activities that must be accomplished:

Establish the Project Management Environment during Project Initiation by, for example, establishing a Statement of Work, establishing a Project Plan, and performing Risk Assessment and Mitigation.

Monitor and Control the Project during Project Execution through, for example, Weekly Status Reporting, Weekly Client Status Meetings, Project Plan updates, continuing Risk Management and regularly scheduled audits.

Close out a Project during Post Project Summation by, for example, finalizing and archiving the Project Notebook, and other key assets used to manage the project and performing a Post project audit.

A key component of the PCRP standard is PCRP Audits that are designed to identify communication and project management techniques that contribute to the success of a project. PCRP Audits are conducted for all Keane Directed Projects (whether product-based or service-based). The objective of PCRP Audits is to assess project information before, during or at the close of a project to determine what will make or has made the project successful and to bring to light any areas that could be improved to make future efforts more successful. PCRP Audits focus on the processes and guidelines being used to manage projects. The goal is to identify areas in the management process that work well in our environment and areas where adjustments to the process can be recommended. When done at the beginning or during the life of the project, corrective actions to enhance performance in the future of the project under audit will be determined.

By formalizing the tracking and reporting that the Project Manager does during the project, the PCRP standard allows for early detection and correction of problems. It assures that the State is informed of progress and is actively involved in keeping the project on track. Additionally, the Project Manager is supported by the branch management team to help ensure that the project is successful.



Communications:

Communications management establishes reports and dialogues, which ensure constant flow of key project information among the team, with the customer stakeholders, and with Keane's branch project oversight mechanisms. These mechanisms ensure that everyone is informed of project status, and that arising issues can be handled promptly.

As the project progresses, the project must be tracked and the status reported to the State and Keane Branch Management. This is accomplished via status reports and review meetings. The goal of these reports and meetings is to help evaluate the "health and progress" of the project against the agreed upon project definition document. **Keane will work with the State to develop a tailored, agreed upon communications process for each project, but the typical components of communication are listed below.**

Weekly Team Status Reporting

The Keane Team members prepare individual weekly status reports, for the Keane Project Manager. The individual and team status reports are summarized and form a portion of the basis for the Weekly Client Status Report. The individual team members' weekly status report contains the following information:

- Current Week Accomplishments
- Next Week Accomplishments
- Lost Time
- Issues and Possible Resolutions

Weekly Team Status Meeting

The project team meets weekly to review each team member's progress toward the successful completion of assigned tasks and the overall project status versus the project plan. Emphasis is also placed on the addressing project risks, issues, and changes that may impact the project completion.

Weekly Client Status Reporting

The Weekly Status Report is the vehicle for communicating project accomplishments and status to the State. The Keane Project Manager creates the weekly Client Status Report, and the State Program/Project Manager and Keane management are the regular recipients of this report. The Weekly Client Status report contains the following information:

- Deliverable Schedule/Budget Status
- Current Week's Accomplishments
- Next Week's Accomplishments
- Acceptance Review
- Change Review
- Risk Review
- Issues Review
- Lost Time Review
- Staffing Comments



Weekly Client Team Status Meeting

Weekly project status meetings are held with the State and Keane. Project status meetings are held to communicate how the project is progressing and to elevate any issues or risks that require the immediate action. The agenda for this meeting follows the Weekly Client Status Report topics outlined above.

The participants in this meeting include:

- State Program/Project Manager
- Project Sponsor (optional)
- Keane Project Manager
- Other Keane management (optional)



Qualified Personnel (III-E)

Number of Consultants in the Business Requirements/Needs Assessment/System Design/Quality Assurance Category by Skill Level

Category	Skill Level					
	Junior	Journey	Senior	Expert	Project Manager	Total
Data Warehouse						
Security						
Business Requirements / Needs Assessment	22	113	307	248	302	993
Strategic / Architectural						
Project Development Services						



Jonathan B. – Business Requirements / Needs Assessment Project Manager

SUMMARY

Jonathan has more than 21 years of Information Technology experience. His expertise lies in business analysis, business process reengineering, facilitation, project management, program management, requirements definition, system design, database design, systems development and database administration. Jonathan is one of Keane's Early Life Cycle subject matter experts and conducts training for consultants in the fundamentals of Keane's methodologies. He has extensive experience in State Government and in the public sector managing up to 22 concurrent projects on multiple client accounts, with staff upwards to 105 consultants.

PROFESSIONAL EXPERIENCE

Senior Business Analyst - State Government, Manufacturing and Insurance

98 – Present

For a variety of clients, architected and executed Joint Application Design/Development and Process Improvement/Innovation efforts. Developed approach, prepared materials, conducted facilitated sessions, and guided development of functional requirement documents for system design/development projects. Conceived, organized and executed process improvement plans and activities. Developed and taught Requirements Definition and JAD Facilitation classes.

Led facilitated sessions across multiple State Government agencies to collect best practices for the development of the State's Project Management Guidebook released by the Office for Technology (OFT). Was instrumental as a contributing author to the Guidebook and identifying its processes and tasks. Conducted and facilitated review sessions with the Agency Guidebook Review Committee to gain feedback and improve content. Performed gap analysis to the Project Management Institute's PMBOK to ensure the State PM Guidebook was consistent to industry standards. Major contributor to companion publication – the Management Guide to Project Success –released in July 2002. Also contributed to the Line of Business chapter, released in October 2002, which describes a consistent System Development Life Cycle for the State. Finally, provided input and quality assurance to the training associated with the Guidebook as offered by OFT.

Led JAD sessions at the Office for Mental Health to define the Aid to Localities and Fiscal Services project in the Finance Division. Led JAD sessions at an Insurance organization to define and re-engineer processes enabling customers to access claim information via the web. Led JAD sessions to improve the production process at Applied Robotics. Also assisted them in defining their five-year strategic plan for the organization.

Engagement Manager/Project Manager – State Government

96 - 98

Acted as Project Manager for an Information Systems Planning effort for a State Government's Division of the Budget (DOB). Functioned as Engagement Manager for over 20 short-term application development and technical assistance projects at the same client site in a client server environment (Oracle/PowerBuilder). Served as Help Desk manager of an outsourced help desk. Provided coordination of efforts on all tasks, serving as a central point of contact with the client personnel, status reporting, quality assurance, rate negotiations, personnel management, and client presentations.

Engagement Manager/Project Manager – Manufacturing

06/94 – 03/96

Project Manager for an inventory control system developed using a PowerBuilder application development environment with the Microsoft SQL server DBMS running on Windows NT servers. The system utilized 3-tier client/server architecture and was designed for deployment on over 200 sites.

Project Manager for multiple projects developing Manufacturing and Finance systems utilizing CASE tools (KW ADW and TI IEF). Performed customer focused process improvement, including requirements definition, process mapping, customer needs assessment, and best practices efforts in facilitated sessions. Account Manager for major accounts with responsibility for status reporting, quality assurance, rate negotiations, personnel management, and sales involvement.



State of Michigan Proposal
Pre-Qualified IT Services – Business Requirements/QA



Account Manager – State Government and Manufacturing,

10/88 – 06/94

Account Manager for two accounts with total annual revenue of \$3.5 million. Responsible for requests for proposals, recruiting and marketing activities, salary and training budgets, contract negotiation, and sub-contracting for services and facilities. The staff was comprised of an administrator, 8 site leaders, and between 40 to 105 consultants and sub-contractors working on up to 22 projects in a variety of roles. Managed a wide range of service offerings including programming, analysis, project management, database administration, technical writing, methods and procedures analysis, organizational analysis, network installation and support, end- users application training, software training, and data entry operations.

Technical Manager – Manufacturing

05/87 – 10/88

Managed 4-6 project teams designing and developing multiple systems for a major manufacturing company. Provided primary interface with client. Conducted marketing and recruiting activities. The project teams consisted of a project leader, 2-3 programmer/analysts and a user support specialist. Conducted technical presentations to client and company personnel. Assisted consultants on other accounts in technical matters.

Project Manager – Manufacturing

10/85 – 05/87

Managed a team of 4-5 programmers developing a comprehensive Sales and Cost Tracking System for a major manufacturing company. Developed functional requirements and system design, including database design. Coordinated coding, testing, implementation, user training and interface. The project was developed according to the Customer Applications Software Engineering Techniques ensuring tight project control, ample specifications and complete documentation.

Database Administrator – Service

03/85 – 10/85

Expanded and redesigned an IDMS database with 50 record types and 90 set relationships. Defined and loaded test and production dictionaries and databases. Provided specifications for ADS/O dialog and application modifications.

Programmer/Analyst – Insurance

09/81 – 03/85

Participated in the design, coding and implementation of a variety of mainframe systems using IDMS, CICS and COBOL.

1.1.1.1.1.6 EDUCATION

Computer Programming and System Design, New York University



Lori S. – Business Requirements / Needs Assessment Project Manager

SUMMARY

Lori has more than 18 years of IT and IT Management experience. She possesses an extensive background in business analysis, project management and mentoring, strategic planning, project office, quality assurance, all aspects of SDLC, and technical writing. She has several years of experience working with State Government, Financial Services, and Manufacturing organizations to examine existing processes, identify opportunities for improvement, research best practices, analyze feasibility of implementation, and incorporate value-added steps into the processes.

PROFESSIONAL EXPERIENCE

Project Manager – State Government

09/01 - Present

Mentor new Project Managers in day-to-day project management tasks, following the methodology outlined in the State's Project Management Guidebook. Aid in the development of training materials to be used to implement the Guidebook throughout various State agencies. Examine and document existing methods and processes relative to software development best practices. Determine feasibility of implementing these best practices and develop a statewide SDLC methodology. Develop methods and procedures for inclusion in the Guidebook. Identify, prioritize, develop, and incorporate additional requested changes and new sections to the Guidebook, including a section on statewide project Performance Measurements. Manage and monitor the activities of 4 consultants, as well as financials, risks, issues, and project status/communications.

Project Manager – State Government

02/01 – 09/01

1.1.1.1.7 Identified and documented existing methods and processes of the Project Management flow within a State Government. Assessed and documented existing processes, identified unnecessary steps, identified best practices, and developed new methods and procedures to incorporate into the structure of a statewide project management methodology. Acted as a primary developer of the methodology.. Worked with the client to strategize how to implement the methodology within the various State agencies.

Sr. Business Analyst – Insurance

11/00 – 02/01

Led business requirements definition for a data warehouse for an insurance company. Mediated various Joint Application Design (JAD) sessions. Assessed and documented existing processes and data structures. Performed data mapping and data modeling. Wrote and executed system integration test plans. Attended and participated in monthly branch Project Office reviews and activities.

Project Manager – Manufacturing

09/00 – 11/00

Project Manager for over 12 FTEs for web initiatives at major Forbes 100 manufacturing company. Developed work breakdown structures, assigned work, managed group of professionals and consultants. Managed financials, risks, issues, and project status/communications. Utilized project management tools.

Sr. Business Analyst – Construction

08/99 – 09/00

Performed business requirements definition for a multi-tiered COM+ web based construction management system. Participated in all aspects of the SDLC. Identified all business rules, designed web pages and reports. Conducted and participated in data mapping and data modeling. Wrote and executed system integration test plans. Trained users on the new system and assisted with user acceptance testing. Attended and participated in monthly branch Project Office reviews and activities.

Sr. Business Analyst – Finance

06/99 – 08/99

Performed requirements definition for an extensive financial management system at a corporate credit union. This initiative was to develop a Strategic Information Plan. Duties included facilitating Joint Application Development (JAD) sessions, gathering and documenting business and functional requirements, business process modeling, and entity relationship modeling. Generated final deliverable to client outlining two different proposed solutions for a full life cycle development effort.



State of Michigan Proposal
Pre-Qualified IT Services – Business Requirements/QA



Project Manager – Finance

01/99 – 06/99

Managed a team of consultants in the requirements definition, design, prototyping, and construction phases of an Internet based payment system for a corporate credit union. Responsibilities included the day-to-day management of a team of 8 consisting of 5 consultants and 3 client staff. Also responsible for estimating, forecasting, tracking, and reporting via project management tools. Managed all financial aspects of engagement. Identified, managed and mitigated risks and reported status via weekly status reports to client management and branch management teams. Utilized Multi-Tier Client / Server Methodology. Participated in project audits and monthly project reviews.

Project Manager – Finance

03/98 – 12/98

Led team of consultants in performing a Year 2000 Assessment, Strategy Development and Planning, Compliance Testing, Vendor Compliance Tracking and Schematics for a major financial institution. Provided project planning, tracking, and forecasting, project financial tracking, status reporting, and risk management. Set up and executed a centralized organization (Program Management Office) to manage the entire Year 2000 effort and sub-projects. Assisted in the day-to-day management of 5 consultants, as well as coordinating overall Year 2000 initiatives and client staff through the PMO structure. Participated in project audits and monthly project reviews. Analyzed and assessed client's IT inventory design and maintained central MS Access database repository containing all IT inventory and outside vendor information. Authored deliverable documents at end of project phases. Developed data flow diagram schematics of client architecture using Visio tool.

Project Manager and Business Unit Manager – IT

11/95 – 04/97

Responsible for the successful design, development, and implementation of an IT company's largest custom software development project. Duties included staffing the project team, managing personnel and systems resources, and insuring delivery of the product on time and within budget. As Unit Manager, provided practical and technical guidance to the individual contributors of the unit. Responsible for the planning and execution of the unit's budget. Developed and refined business and project practices that provided a framework for conducting the unit's business. Developed and maintained metrics to measure the performance of the unit. Marketed and sold projects and services as appropriate, assuming control of pricing, proposing and negotiating terms and conditions. Fostered teamwork between all units and organizations.

MIS Manager – Manufacturing

05/92 – 11/95

Managed entire divisional computer system operation. Responsible for operation of IBM RISC System/6000 network running AIX with TCP/IP, PROGRESS and MFG/PRO applications for manufacturing, sales order entry and financial reporting. Functions included operating system troubleshooting, upgrading and tuning, customized application and database design, and programming and on-going user training and support.

Account Systems Engineer – Marketing

10/89 – 05/92

Provided specialized IBM RISC System/6000 and AIX marketing skills to aid the sale of workstations and computer servers to new IBM customers. Provided on-going marketing and technical support, expertise and training to these customers and all area IBM AIX Business Partner firms, ensuring high quality customer satisfaction.

EDUCATION AND TRAINING

BA – Mathematics, Skidmore College
Pursuing certification with PMI



Jeryl S. – Business Requirements / Needs Assessment Expert

SUMMARY

Jeryl has 18 years of experience in Information Technology. She provides expertise in business analysis, process engineering and information system design. She has extensive functional expertise in financial and accounting systems and industry experience in State Government, Financial Services, and Healthcare.

PROFESSIONAL EXPERIENCE

Business Analyst – Healthcare

01/02 – present

Performed business analysis for a Web-based development project to reengineer existing hospital medical records. Monitored and reviewed software from a FoxPro environment. Gathered requirements through client interviews and used Microsoft Visio 2000 to develop detailed use case description documents to define business processes and application functionality.

1.1.1.1.1.8

Technical/Business Analyst – State Government

09/01– 12/01

Led online technical design, construction, unit and system testing development effort for implementation of an Unemployment Insurance Penalty, Failure to File application. Interfaced with client and technical developers. Interpreted and documented business and technical needs. Prepared deliverables and reported status.

Business Analyst – State Government

07/01 – 09/01

Performed requirements definition for existing PowerBuilder subcontract system used to track and manage grant monies and contracts for health department programs. Gathered requirements through stakeholder interviews. Developed Requirements Management Plan, Vision document and Use cases to describe business processes using Rational RequisitePro.

Business Analyst – State Government

08/99 – 07/01

Performed business analysis for a Web application development project to develop and implement a design and construction project tracking system, currently on a PRIME platform. Served as liaison to the business/client organization to identify and document required functionality. Developed web page and report designs (GUI) based on requirements definition. Documented business rules. Worked with database group to define physical/logical database model. Prepared test plans to verify implementation of system design. Assisted technical writers in development Training and User Guides. Conducted User Training with relevant business units. Resolved User Acceptance test issues.

Business Analyst – Banking

06/99 – 07/99

Performed analysis on Keane managed project to complete requirements definition phase to replace banking client's core operations mainframe system. Conducted interviews and participated in JAD sessions to gather requirements. Compiled session notes to business and functional requirement templates. Developed high level process and entity relationship models using BPwin and Erwin modeling tools.
Environment: JAD, Erwin, Bpwin.

Project Manager – State Government

05/99

Managed a significant effort to develop and submit a proposal for completing and installing a Visual FoxPro application for a compliant tracking system. Led three people in the information gathering, analysis and production effort. Developed high level estimate and project plan using ABT Workbench software.

Team Lead/Business Analyst – Benefits Delivery

12/99 – 05/99

For a Fortune 500 company, directed four people as the team lead for a Benefit Systems project that migrated the batch side of an existing pension payroll system from a Hewlett Packard 9000 COBOL environment to IBM COBOL/DB2 environment and ensured the system Year 2000 compliant. Managed the team, gathered business requirements, developed functional specifications, and provided design documentation.



Trainer – Information Technology

97 – 99

Instructed two-day classes in project management methodology and Productivity Management.

1.1.1.1.1.9

Business Analyst – Finance

03/97 – 12/97

Performed analysis for Keane Year 2000 engagement for a Fortune 500 financial company. Remediated IBM/DB2 batch/CICS online financial applications to be Year 2000 compliant. Provided team technical support, performed analysis, code conversion and unit testing. Provided Quality Assurance and system testing of applications, and interfaced with the client.

Business Analyst/Developer – Banking

10/95 – 03/97

Designed, coded and tested IBM COBOL/DB2 modules to populate a corporate data warehouse providing customer relationship information to call center personnel and decision support clients. Developed a marketing contact portion of the warehouse as the team lead. Managed and coordinated project plan activities for a sub-team. Designed, coded and tested programs to populate and maintain contact history data. Interfaced with various marketing systems users.

Technical Analyst/Developer –Benefits Delivery

06/95 – 10/95

Participated in the last phase of a Keane managed project to convert an employee benefit query system from CICS online screen and COBOL batch programs to client/server PowerBuilder (online) and COBOL/DB2 batch (remote stored procedures). Designed, coded and tested Powerbuilder 4.0 front-end GUI interface using PowerTool 4.0 frameworks. Coded and tested IBM COBOL/DB2 remote stored procedures to access data on the mainframe to populate the Powerbuilder front-end.

Technical Analyst/Developer – Banking

94 - 95

Converted revolving credit system to internally customized software package. Performed analysis, coding and testing of COBOL batch and COBOL/CICS on-line modules on IBM/MVS platform. Redesigning revolving credit statement. Installed system to production environment.

Business Analyst/Developer – Benefits Delivery

89 - 93

Led effort to provide annual benefits statements to over 200,000 employees. Received management awards in 1990 and 1991 for outstanding contribution and effort. Supported and managed (COBOL batch) Insurance, Payroll tax, Unclaimed funds and (CICS on-line batch) Corporate bank account systems. Supervised contract programmers and employees.

EDUCATION AND TRAINING

BS – Business Administration/Computer Information Systems, 1984, Arizona State University

BS – Animal Science, 1980, Cornell University

ATTACHMENT B
EXAMPLES OF POOR PERFORMANCE



EXAMPLES OF POOR PERFORMANCE

The examples given apply to contract awarded on a time and materials or fixed price basis unless otherwise indicated. Poor Performance includes but is not limited to the following examples. Poor Performance may raise to the level of a material breach that may result in cancellation of the Primary Contract and/or any Work Contract.

1. Failure to meet a due date and/or an acceptable deliverable:
 - a. Missed due date but deliverable satisfactory when delivered;
 - b. Made the due date but the deliverable was unacceptable; or
 - c. Both missed due date and deliverable when submitted was unacceptable.
2. Failure to provide staff qualified to perform the work.
3. Failure to be responsive to Second Tier RFPs:
 - a. Cumulative failure to submit responsive proposals.
 - b. Cumulative failure to be awarded contracts.
4. Failure by firm's management to be responsive to identified performance issues. (As identified by a Letter to Cure)
5. Failure to perform as specified by contractual terms agreed to by signing original contract, e.g. breach of confidentiality of data.
6. Failure to promptly correct (as detailed in a letter to Cure) deficiencies identified by the State in a deliverable or in the performance of a task.



ATTACHMENT C
PRICING



Category 3: Business Requirements/Needs Assessment
Section III -F – Cost Proposal

The State of Michigan Department of Information Technology will receive immediate access to competitive pricing on the Information Technology services as requested in the RFP. The following not-to-exceed rates are proposed to the State of Michigan Department of Information Technology in support of its effort to prequalify vendors to provide high quality information technology services. In preparing our response and pricing, Deloitte Consulting carefully considered the breadth of the skills requested in each of the categories, and offers not-to-exceed rates that encompass the large spectrum of skills requested per category. Deloitte Consulting looks forward to offering the State of Michigan market competitive pricing for specific skill sets as defined during the Tier II Work Statement Process.

Service Categories	Junior	Journey	Senior	Expert	Project Manager
Business Requirements	\$48.00/hr	\$65.00/hr	\$80.00/hr	\$100.00/hr	\$110.00/hr



EXHIBIT A

**TIER 2 WORK REQUEST PROCESS
(Sample Format Attached)**

EXHIBIT "A" - SECOND TIER WORK REQUEST PROCESS

Once the IT Services Contract Program Primary Contract Vendor List (PAVL) has been established, DIT will use the PAVL to administer the second phase of the process, referred to as the Second Tier **Work Request** Process, on behalf of DIT. DIT Personnel in need of IT Services will have access to information on qualified vendors, by category, via Primary Contracts. DIT will identify their requirements using the WORK REQUEST TEMPLATE found in this Exhibit for one of the five service categories.

All vendors (within the appropriate service category) will be notified of the WORK REQUEST. The WORK REQUEST will contain a Statement of Work, proposed method of compensation (fixed price or time and materials), the period of performance and any special terms to the work contract. The vendors' responses to the WORK REQUEST will be evaluated based upon a set of criteria pre-established by the user agency specifications.

Second Tier Work Request Process

1. DIT receives Second Tier Work Request Process procedural training.
2. DIT accesses Acquisition Services Second Tier information, including category information, information on qualified vendors and the contracting process.
3. DIT ensures that WORK REQUEST contains measurable minimum qualifications based deliverables.
4. DIT performs Portfolio Risk/Severity assessment to determine appropriate approval levels
5. DIT emails WORK REQUEST to all vendors.
6. Vendors submit WORK REQUEST responses (response to statement of work, resume(s) and proposal) to DIT within specified time.
7. DIT conducts evaluation/checks references/interviews, negotiates and executes IT Work Contract with Contractor.
8. Vendor bills DIT for services that have been provided according to terms of Primary Contract and Work Contract.
9. DIT tracks Work Contract purchases against each Primary Contract and provides (quarterly) usage report to Acquisition Services.
10. DIT completes vendor performance "report card" and forwards copy to Acquisition Services.
11. Acquisition Services records and tracks vendor performance.

Method of Compensation

In each WORK REQUEST, DIT will select or propose a method of compensation that it believes to be in the agency's best interests and /or most reasonable and feasible based on the circumstances under which the services are to be provided. Generally, contracts/work contracts, time and material factors such as the nature of the tasks to be performed, the duration of the project, the expected work products/deliverables, etc., will be taken into consideration in proposing and determining the appropriate method of compensation. In addition, in certain cases, use of performance measures and/or incentives to improve work performance and ensure timely completion of projects may be included.

Information Technology Services Work Request

This Work Request is issued under your Contract with the Department of Management & Budget, Acquisition Services (DMB), as established as a result of Request For Proposals # 0711200xxxx.

Project Name:

Date Issued:

Respond By:

Category of Service Requested

- Data Warehouse**
- Security**
- Business requirements/needs assessment/system design/quality assurance**
- Strategic and Architectural Technology advice**
- Project Development Services**

Required Skill Category Requested

- Junior** – a minimum of one (1) year of recent experience and demonstrated knowledge, skills and abilities
- Journey** – a minimum of three (3) years of recent experience and demonstrated journey level knowledge skills, and abilities
- Senior** – a minimum of five (5) years of recent experience, and demonstrated superior knowledge, skills, and abilities
- Expert** – a minimum of ten (10) years of increasing levels of responsibilities, and supervisory or management responsibility
- Project Manager** – Expect skills plus a minimum of three (3) years of recent experience in managing projects

Expected Work Period

(start date) through (end date)

Project Background/History

Project Scope of Work

--

Project Deliverables

--

Other Factors for this Work Request
--

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AGENCY Project Manager Information

AGENCY Project Manager:					
Title:					
Phone:		Email:		Fax:	

SAMPLE FORMAT

