



Schedule C

PRICING

I. INTRODUCTION.

This Schedule C and its Attachments set forth the prices and rates for the Services. In general, the pricing of the Services has been structured as follows:

The Development Project and the Operations Services components of each category of Services have separate prices and pricing structures, with the exception of the Processing Services. In the case of the Processing Services, no separate compensation shall be paid to ISSC for the Processing Facilities Set-up Development Project. ISSC's prices for providing the Processing Operations Services are intended to fully compensate ISSC for the Processing Facilities Set-up Development Project -- that is, setting up, configuring and making available the necessary processing facilities to provide the Processing Operations Services.

II. DEVELOPMENT PROJECTS.

A. A firm fixed price has been agreed upon for each of the Internetwork and MIDB Development Projects in accordance with their respective initial scopes reflected in Attachments D-1 and D-2 to Schedule D (which list the types and quantities of Hardware included), Attachments E-1 and E-2 to Schedule E (which list the types and quantities of Software included) and Attachments F-1 and F-2 to Schedule F (which show labor hours included, by skill level). Except where the Contract specifically provides otherwise, such fixed prices, which are set forth in Attachments C-1 and C-2, respectively, to this Schedule C are intended to be ISSC's sole and complete compensation for performing the Internetwork and MIDB Development Projects in accordance with their respective initial scopes, including, without limitation, all fees for professional services, profit, overhead expenses, out-



of-pocket expenses, charges for hardware, software and third party services and any other resources used in performing the scope of Services to which the fixed price applies, and all applicable taxes and other governmental fees and levies thereon.

- B. The fixed price for each of the Internetwork and MIDB Development Projects will be paid in milestone payment installments based on the delivery and acceptance of the Payment Deliverables listed in Attachments C-1 and C-2, respectively. A Payment Deliverable shall be considered to have been completed when the State has indicated its acceptance of all Service Deliverables covered by such Payment Deliverable. In the case of Payment Deliverables that include the installation of Hardware platforms and associated Operating Software, such Deliverables shall be accepted by the State only when all implemented Hardware and Software are fully operational and perform in accordance with their respective specifications and any applicable acceptance criteria without any material errors or interruptions for thirty (30) days of continuous operation. In the case of Payment Deliverables that include the installation of completed Work Product Application Software, such Deliverables shall be accepted by the State only when all such implemented Software is fully operational and performs in accordance with its specifications and any applicable acceptance criteria without any material errors or interruptions for sixty (60) days of continuous operation. The State shall pay ISSC for the number of copies of workstation Software included in each delivery at the time of delivery. No other progress payments will be made by the State.

As provided in Section 2.5 of the Contract, 20% of each milestone payment shall be withheld by the State in separate "Retainage Pools" for each of the Internetwork and MIDB Development Projects until the aggregate \$200,000 Retainage Amount specified in Section 2.5 of the Contract for each such Development Project has been withheld. The Retainage Pool for each of the Internetwork and MIDB Development Projects will be released and paid to ISSC by the State within 45 days after the State's final acceptance of the fully-



operational Internetwork or MIDB, as the case may be, provided all other Deliverables for such Development Project have been delivered to and accepted by the State.

- C. If it is determined that ISSC must alter the Hardware configuration reflected in Attachments D-1 and/or D-2 to Schedule D, the Software configuration reflected in Attachments E-1 and/or E-2 to Schedule E and/or the Professional Resources levels set forth in Attachments F-1 and/or F-2 to Schedule F because of material changes made by the State to any of the requirements or specifications of the Internetwork and/or MIDB Development Projects set forth in the Technology RFP, then the State shall:
1. in the case of Hardware eliminated or reduced in quantity, receive a reduction of the affected fixed price(s) at the applicable contract prices shown in Attachment D-1 and/or D-2 to Schedule D, as applicable;
 2. in the case of Hardware added, agree to an increase in the affected fixed price(s) at the applicable contract prices shown in Attachment D-1 and/or D-2 to Schedule D, as applicable, for Hardware of a type listed in such Attachments, and, in the case of Hardware of a type not listed in such Attachments:
 - (i) for Hardware for which ISSC is an authorized reseller, the lowest price at which ISSC sells such Hardware to any customer buying a similar quantity; or
 - (ii) for Hardware for which ISSC is not an authorized reseller, the lowest Direct Cost available to ISSC in its own right and not as an agent for another customer, plus a mark-up not to exceed seven percent (7%);
 3. in the case of Software eliminated or reduced in quantity, receive a reduction of the affected fixed price(s) at:



- (i) the applicable contract prices shown in Attachment E-1 and/or E-2 to Schedule E, as applicable, if the State orders the corresponding quantities specified in the Attachments; or
 - (ii) the applicable variable rates as otherwise provided under Schedule E;
4. in the case of Software added, agree to an increase in the affected fixed price(s) at:
- (i) the lowest of the applicable contract prices shown in Attachments E-1, E-2, E-3 or E-4 to Schedule E, as applicable, for Software of a type listed in such Attachments that is ordered by the State in the corresponding quantity specified in the Attachments; or
 - (ii) in the case of Software of a type not listed in such Attachments:
 - (a) for Software for which ISSC is an authorized reseller, the lowest price at which ISSC sells such Software to any customer buying a similar quantity; or
 - (b) for Software for which ISSC is not an authorized reseller, the lowest Direct Cost available to ISSC in its own right and not as an agent for another customer, plus a mark-up not to exceed seven percent (7%);
5. in the case of Professional Resources eliminated or reduced in quantity, receive a reduction of the affected fixed price(s) at the applicable contract hourly rates shown in Attachment F-1 and/or F-2 to Schedule F, as applicable, based on the number of labor hours eliminated, by skill level; and
6. in the case of Professional Resources added, agree to an increase in the affected fixed price(s) at the applicable fully-loaded Change Order Labor



Rates set forth in Attachment C-6 to Schedule C, based on the number of labor hours added, by skill level.

- D. In determining the volume discount level for which the State qualifies with respect to any of the Software listed in Attachments E-3 and/or E-4 to Schedule E, the total cumulative quantities of such Software ordered under the Contract shall be applied as provided under Schedule E.
- E. All such changes in the fixed prices shall be effectuated through the issuance of Change Authorization Orders reflecting the agreed-upon changes.

III. OPERATIONS SERVICES.

- A. In General. A schedule of firm fixed monthly base charges has been agreed upon and set forth in Attachments C-3 through C-5 for performance of each of the Operations Services at specified levels (the "Monthly Base Charges"). The Monthly Base Charges are intended to fully compensate ISSC for providing each Operations Service at the specified levels. Incremental unit rates are also specified and will be used to determine when Additional Resource Charges or Reduced Resource Credits are due for the provision of Operations Services above and below the specified levels.
- B. Definitions. Any terms used but not defined in this Schedule C shall have the meanings given to them in the Article 4 of the Contract. As used in this Schedule C, the following terms shall have the meanings given below:
 - 1. "Additional Resource Charge" or "ARC" means the charge payable by the State, in addition to the applicable Monthly Base Charge, for Processing Operations Services provided at levels at which utilization of any of the Key Resource Units exceeds the upper bound of the applicable Baseline Range.



2. "Application CPU Hours" means the cumulative number of hours of elapsed time the host (i.e., mainframe) CPU actually spends running State application-level work during the month (i.e., the actual application program processing time), as depicted in Table C-3.3 in Attachment C-3, and measured using the SMF or other mutually agreed-upon facility. "Application CPU Hours" shall exclude any uncaptured CPU time and any CPU hours attributable to system services or service provider usage, as depicted in Table C-3.3 in Attachment C-3.
3. "Application Gigabytes" means the MVS peak number of Gigabytes of DASD allocated by or for the State's application-level work during the month, as depicted in Table C-3.4 in Attachment C-3, and measured using the FDR/ADR or other mutually agreed-upon facility. "Application Gigabytes" shall exclude any Gigabytes of DASD attributable to system services or service provider usage, as depicted in Table C-3.4 in Attachment C-3.
4. "Baseline Ranges" means the ranges of utilization of the Key Resource Units that correspond to particular Monthly Base Charges, as set forth in Tables C-3.1 and C-3.2 in Attachment C-3.
5. "Change Order Labor Rates" means the fully-loaded hourly rates for Professional Resources used to price out the labor component of Change Authorization Orders. Change Order Labor Rates are set forth in Attachments C-4, C-5 and C-6.
6. "DASD Utilization" means a Key Resource Unit, the utilization of which will be measured in Application Gigabytes.
7. "Host CPU Utilization" means the Key Resource Unit, the utilization of which will be measured in Application CPU Hours.
8. "Hours Used" equals the number of Application CPU Hours actually used by the State during a month.



9. "Key Resource Unit" means the representative categories of resources used in the provision of the Processing Operations Services, the utilization of which will be tracked and used to determine when ARCs and RRCs are due, and the prices for which include all other resources used in providing the Processing Operations Services.
10. "Payment Deliverable" means, in the case of an Operations Service, a report, preceding or accompanying the monthly invoice for services rendered, in a form and at a level of detail approved by the State, documenting the levels (quantities) of Services provided, showing the calculations of the invoiced charges and comparing the performance of the Services against the applicable Performance Standards.
11. "Reduced Resource Credit" or "RRC" means a credit to be received by the State, in the form of a reduction in the otherwise applicable Monthly Base Charge, for Processing Operations Services provided at levels at which utilization of any of the Key Resource Units is lower than the lower bound of the applicable Baseline Range.
12. "Unit Decrease" means the dollar rate per unit, as set forth in Tables C-3.1 and C-3.2 in Attachment C-3, used to calculate the amount of an RRC due the State.
13. "Unit Increase" means the dollar rate per unit, as set forth in Tables C-3.1 and C-3.2 in Attachment C-3, used to calculate the amount of an ARC due ISSC.
14. "9021-340 Equivalent Application CPU Hours" means the number of Application CPU Hours on an IBM ES9000/9021-340 single image processor that is equivalent in processing output to the Hours Used for any given period, determined using a mutually agreed-upon published conversion formula.



C. Processing Operations Services.

1. Attachment C-3 to this Schedule C contains the detailed pricing information for the performance of the Processing Operations Services.
2. The initial term of the Processing Operations Services shall begin on the Commencement Date of the Processing Operations and shall expire on September 30, 1999, subject to cancellation by the State at September 30, 1997 with no penalty, upon 180 days' advance notice. Thereafter, the State may, at its sole option, extend the term of the Processing Operations Services for an additional four-year renewal term by notifying ISSC of its election to do so on or before April 1, 1999. If the State does so, the prices contained in Attachment C-3 shall also apply throughout the renewal term. The State shall not be liable for any termination charges if the State does not elect to exercise its renewal option under this paragraph.
3. Two Key Resource Units -- Host CPU Utilization (measured in Application CPU Hours) and DASD Utilization (measured in Application Gigabytes of DASD) -- will be used to determine the charges payable by the State for the Processing Operation Services. The measures of utilization of these Key Resource Units have been defined in such a way that the levels of utilization are within the control of the State's end users, not ISSC. No other measure of resource utilization will be considered in determining the charges payable by the State for the Processing Operations Services. ISSC's charges for all other resources used in the provision of the Processing Operations Services have been bundled into the Monthly Base Charges and the unit rates for Host CPU Utilization and DASD Utilization.
4. Table C-3.1 in Attachment C-3 lists 10 different Baseline Ranges for Host CPU Utilization, expressed in 9021-340-Equivalent Application CPU



Hours. Also listed in Table C-3.1 in Attachment C-3 are the Monthly Base Charge, the Unit Increase rate for Additional Resource Charges and the Unit Decrease rate for Reduced Resource Credits, by fiscal year, that correspond to each Baseline Range.

5. Table C-3.2 in Attachment C-3 lists 10 different Baseline Ranges for DASD Utilization, expressed in Application Gigabytes per month. Also listed in Table C-3.2 in Attachment C-3 are the Monthly Base Charge, the Unit Increase rate for Additional Resource Charges and the Unit Decrease rate for Reduced Resource Credits, by fiscal year, that correspond to each Baseline Range.
6. The State will select initial Baseline Ranges for CPU Utilization and DASD Utilization within 15 Business Days after the Effective Date of the Contract. Thereafter during the term of the Processing Operations Services, the State may elect to switch to any other Baseline Range for Host CPU Utilization and/or DASD Utilization upon at least 90 days' advance notice to ISSC. The CPU Baseline Range number selected by the State does not have to be the same as the DASD Baseline Range number. Subject to this 90-day notice requirement, there shall be no limit on the number of times the State may switch from one Baseline Range to another during the term of the Processing Operations Services. The Baseline Range selected by the State is used only to calculate the charges due ISSC; regardless of which Baseline Range the State selects, ISSC is responsible for providing whatever level (quantity) of Key Resource Units are actually used by the State.
7. For each month during the term of the Processing Operations Services, ISSC will track the Hours Used and the DASD Used and will compare them to the CPU Baseline Range and DASD Baseline Range then in effect as selected by the State. ISSC's charges for providing the Processing Operations



Services for the month shall consist of a Host CPU Utilization charge in an amount equal to:

- a. the Monthly Base Charge from Table C-3.1 in Attachment C-3 for the applicable fiscal year and the CPU Baseline Range then in effect, as specified by the State, if the Hours Used falls within the CPU Baseline Range (i.e., it is not higher than the upper bound or lower than the lower bound or the range); or
- b. if the Hours Used exceeds the upper bound of the CPU Baseline Range then in effect, the applicable Monthly Base Charge plus an ARC in an amount equal to the specified Unit Increase rate from Table C-3.1 multiplied by the difference between the Hours Used and the upper bound of the CPU Baseline Range; or
- c. if the Hours Used is less than the lower bound of the CPU Baseline Range, the applicable Monthly Base Charge minus an RRC in an amount equal to the specified Unit Decrease rate from Table C-3.1 multiplied by the difference between the lower bound of the CPU Baseline Range and the Hours Used;

plus a DASD Utilization charge in an amount equal to:

- d. the Monthly Base Charge from Table C-3.2 in Attachment C-3 for the applicable fiscal year and the DASD Baseline Range then in effect, as specified by the State, if the DASD Used falls within the DASD Baseline Range (i.e., it is not higher than the upper bound or lower than the lower bound or the range); or
- e. if the DASD Used exceeds the upper bound of the DASD Baseline Range then in effect, the applicable Monthly Base Charge plus an ARC in an amount equal to the specified Unit Increase rate from Table C-3.2 multiplied by



the difference between the DASD Used and the upper bound of the DASD Baseline Range; or

- f. if the DASD Used is less than the lower bound of the DASD Baseline Range, the applicable Monthly Base Charge minus an RRC in an amount equal to the specified Unit Decrease rate from Table C-3.2 multiplied by the difference between the lower bound of the DASD Baseline Range and the DASD Used;
8. As an example to illustrate the application of the foregoing, if the Hours Used for a month in fiscal year 1994 was 450, the DASD Used was 170, the CPU Baseline Range selected by the State was 360-440 and the DASD Baseline Range selected by the State was 180-220, then the charges payable for that month for the Processing Operations Services would be a Host CPU Utilization charge of \$358,670 (consisting of a Monthly Base Charge of \$353,550 plus an ARC of \$512 per hour multiplied by 10 hours) plus a DASD Utilization charge of \$240,300 (consisting of a Monthly Base Charge of \$242,810 minus an RRC of \$251 per Gigabyte multiplied by 10 Gigabytes).
 9. Additional Telecommunications Lines -- In the event (i) additional telecommunications capacity is required in order for ISSC to continue to meet the Performance Standards and (ii) the Processing Operations Services are being charged based on a CPU Baseline Range between CPU Baseline Ranges 5 through 10 inclusive, then for each month in which ISSC provides an additional dedicated T-1 telecommunications trunk line for the Processing Operations Services, ISSC shall be entitled to adjust the Monthly Base Charge payable by the State by an amount equal to the lower of (a) \$4,500 per month (which amount shall not be subject to CPI adjustment), or (b) ISSC's Direct Cost of providing the additional dedicated T-1 telecommunications trunk line (with no mark-up). The State shall not be obligated to pay any other additional amounts in respect of any further



additional telecommunications capacity which may be required during the Term in order for ISSC to perform the Services in accordance with the Performance Standards.

D. Internetwork Operations Services.

1. Attachment C-4 to this Schedule C contains the detailed pricing information for the performance of the Internetwork Operations Services.
2. The initial term of the Internetwork Operations shall begin on the Commencement Date of the Internetwork Operations Services and shall expire on September 30, 1995. For each month during the initial term of the Internetwork Operations Services, the State shall pay ISSC the Monthly Base Charge shown on Attachment C-4.
3. The State may, at its sole option, extend the term of the Internetwork Operations Services after the initial term for up to three additional renewal terms of two years each by notifying ISSC of its election to do so on or before April 1 of the year during which the then-current term is scheduled to expire. If the State does so, the Monthly Base Charges shown in Attachment C-4 for the renewal terms shall apply to the renewal term(s). These Monthly Base Charges do not include maintenance of the Internetwork Hardware and Software. For each fiscal year of any renewal term in which the State elects to have Internetwork Hardware and/or Software maintenance provided by (or through) ISSC, it shall so notify ISSC, in which event the monthly charges payable by the State shall also be adjusted to include the applicable monthly amount shown for Optional Hardware and Software Maintenance Fees. The State shall not be liable for any termination charges if the State does not elect to exercise any or all of its renewal options under this paragraph.
4. If the State directs ISSC to provide additional Internetwork Control Center staff resources,



whether during the initial term of the Internetwork Operations Services or during a renewal term, the State will pay ISSC for such additional resources at the applicable rates set forth in Attachment C-4. The rates titled "Optional Additional Internetwork Control Staff" will apply in the case of full-time staff added on a permanent or semi-permanent (three months or longer) basis. The rates titled "Change Order Labor Rates" will apply in the case of staff added on a less-than-full-time basis or for less than three months.

E. MIDB Operations Services.

1. Attachment C-5 to this Schedule C contains the detailed pricing information for the performance of the MIDB Operations Services.
2. The initial term of the MIDB Operations Services shall begin on the Commencement Date of the MIDB Operations Services and shall expire on September 30, 1995. For each month during the initial term of the MIDB Operations Services, the State shall pay ISSC the Monthly Base Charge shown on Attachment C-5.
3. The State may, at its sole option, extend the term of the MIDB Operations Services after the initial term for up to three additional renewal terms of two years each by notifying ISSC of its election to do so on or before April 1 of the year during which the then-current term is scheduled to expire. If the State does so, the prices shown in Attachment C-5 for the renewal terms shall apply to the renewal term(s). The State shall not be liable for any termination charges if the State does not elect to exercise any or all of its renewal options under this paragraph.
4. If the State directs ISSC to provide additional Help Desk Support staff resources, whether during the initial term of the MIDB Operations Services or during a renewal term, the State will pay ISSC



for such additional resources at the applicable rates set forth in Attachment C-5. The rates titled "Additional Help Desk Support to Help Desk Personnel" will apply in the case of full-time staff added on a permanent or semi-permanent (three months or longer) basis. The rates titled "Change Order Labor Rates" will apply in the case of staff added on a less-than-full-time basis or for less than three months.

IV. INCREASES IN PRICES AND RATES.

The prices and rates set forth in the Contract, including, without limitation, this Schedule C, are not subject to cost-of-living or other increases during the Term of the Contract (including renewal terms); provided, however, that the Change Order Labor Rates, the prices for "Optional Additional Internetwork Control Staff," and the prices for "Additional Help Desk Support to Help Desk Personnel" shall be subject to adjustment, effective each February 1 beginning in 1996, by an amount not to exceed the percentage increase during the prior calendar year in the CPI-W (U.S. City Average, All Items) as published by the Bureau of Labor Statistics of the U.S. Department of Labor.

V. ORDER OF PRECEDENCE.

The prices and rates set forth in the Contract are intended to reflect, and to supersede and replace, those set forth in ISSC's Best and Final Offer Revised Cost Proposal. Accordingly, in the event of any inconsistency or conflict between the ISSC Best and Final Offer Revised Cost Proposal and any other parts of the Contract, the other parts of the Contract shall govern. ISSC shall not be entitled to payment for any item or service referred to in ISSC's Final Proposal, including, without limitation, ISSC's Best and Final Offer Revised Cost Proposal, unless another part of the Contract specifically provides that ISSC is entitled to payment for such item or service.

VI. APPROVED CONTRACT FUNDING.

The Parties acknowledge that the Michigan Administrative Board has approved funding for the Contract over a ten (10)



year period in an amount not to exceed \$69 million. ISSC acknowledges that any payments under the Contract in excess of such amount will require additional funding approval(s) by the Michigan Administrative Board. Nothing in this Section VI shall be construed to mean that the Contract will not be terminable pursuant to Subsection 2.22(c) in the event that sufficient funds to cover the amounts payable by the State under the Contract are not appropriated or otherwise made available by law.

**Attachment C-1
Internetwork Development Project - Payment Deliverables and Milestone Payments**

Payment Deliverable Number	Description of Corresponding RFP Deliverables	RFP Deliverables Covered	Total Milestone Payment (1)
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Security and Disaster Recovery Phase

PDI-01	Security Feasibility and Design Report	I-28	\$1,806,692
	Security Administration Report	I-29	
	Security Platform Implementation Plan	I-37	
	Security Implementation Sign-Off	I-38	
	Disaster Recovery Plan and Procedures	I-30	

Internetwork Operations Phase

PDI-02	INMS Design Report	I-11	\$467,803
	INMS Implementation Plan	I-12	
	INMS Operation Procedures	I-13	
	INMS Installation Completion Sign-Off	I-14	
	Billing Design Report	I-31	
	Billing Operations Procedures	I-32	
	Problem Management Plan	I-33	
	Service Levels and Capacity Management	I-34	

Internetwork Backbone Phase

PDI-03	Internetwork Detailed Design Report	I-03	\$506,948
	Internetwork Implementation Plan	I-04	
	Internetwork Operations Procedures	I-05	
	Equipment Installation Sign-Off	I-06	

Dial-Up Phase

PDI-04	Dial-up Design Report	I-21	\$25,152
	Dial-up Implementation Plan	I-22	
	Dial-up Operations Procedures	I-23	
	Dial-up Installation Completion Sign-Off	I-24	

**Attachment C-1
Internetwork Development Project - Payment Deliverables and Milestone Payments**

Payment Deliverable Number	Description of Corresponding RFP Deliverables	RFP Deliverables Covered	Total Milestone Payment (1)
State Agency and MAIN Connect Phase			
PDI-05	MAIN Connection Sign-Off	I-07	
	PPRISM Connection Sign-Off	I-08	
	MIDB Connection Sign-Off	I-09	
	State Agency Pilot Sign-Off	I-10	
	State Agency Connections Report	I-25	
	State Agency Implementation Plan	I-26	
	State Agency Implementation Completion Sign-Off	I-27	
			\$192,352
E-Mail Phase (Optional)			
PDI-06	E-Mail Backbone Design Report	I-15	
	E-Mail Backbone Implementation Plan	I-16	
	E-Mail Operations Procedures	I-17	
	E-Mail Pilot	I-18	
	E-Mail Administration Training	I-19	
	E-Mail Installation Completion Sign-Off	I-20	
			\$615,299
Total Fixed Price			\$3,614,246

1. Subject to retainage in accordance with Section 2.5 of the Contract and Schedule C.

Note: Project management and status reports and other associated deliverables will be provided as set forth in Schedule K. The charges for project management activities have been allocated across the Payment Deliverables shown.

Attachment C-2

MIDB Development Project - Payment Deliverables

Payment Deliverable Number	Description of Corresponding RFP Deliverables	Total Milestone Payment¹
PDM-01	MIDB Server and Server Operating Licenses with Full Maintenance through Fiscal Year 1995, 30 Days of Continuous Operations	\$ 2,488,248
PDM-02	MIDB Survey, Requirements and Design	\$ 1,000,000
PDM-03	MIDB Pilot and Twenty Reports, 60 Days of Continuous Operation	\$ 1,000,000
PDM-04	Fully Operational MIDB, 60 Days of Continuous Operations with all Extract Programs and Fifty reports and screens	\$ 768,832
PDM-05	Operational Graphical User Interface	\$ 800,000
PDM-06	Pilot Executive Information System Implementation	\$ 650,000
PDM-07	Fully Operational Executive Information System	\$ 208,886
PDM-08 ²	Workstation Software with Full Maintenance through Fiscal Year 1995 (Based on State Authorized Quantities)	\$ 3,477,236
PDM-09	Fully Functional Integrated Library Facility (Optional purchase)	\$ 807,752
Total Fixed Price		\$11,200,954

1. Subject to retainage in accordance with Section 2.5 of the Contract and Schedule C.
2. Actual workstation software licenses and related maintenance services will be based on the quantities authorized by the State after completion of the applicable design and user surveys, among other things.

**Attachment C-3
Processing Operations Services Pricing**

TABLE C-3.1

CPU Baseline Level No.	Baseline Range (9021-340 CPU Hours)	FY 1994 (eff 1/1/94)	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	
1	90-110 Hours/Month	Base Charge:	\$235,190	\$109,160	\$104,670	\$100,080	\$101,160	\$101,720	\$102,800	\$104,390	\$106,500	\$111,180
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
2	180-220 Hours/Month	Base Charge:	\$270,570	\$134,260	\$125,410	\$117,480	\$117,520	\$115,070	\$114,120	\$114,170	\$115,220	\$118,760
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
3	270-330 Hours/Month	Base Charge:	\$296,290	\$155,500	\$143,380	\$132,590	\$131,220	\$127,020	\$123,770	\$122,870	\$122,920	\$123,430
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
4	360-440 Hours/Month	Base Charge:	\$353,550	\$192,720	\$176,060	\$161,280	\$159,350	\$151,990	\$146,600	\$144,170	\$143,240	\$143,280
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
5	450-550 Hours/Month	Base Charge:	\$378,420	\$213,360	\$193,110	\$176,560	\$172,810	\$163,850	\$156,780	\$153,030	\$151,180	\$150,280
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
6	540-660 Hours/Month	Base Charge:	\$414,490	\$239,020	\$215,300	\$195,700	\$191,060	\$179,410	\$171,040	\$165,940	\$163,180	\$160,420
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
7	630-770 Hours/Month	Base Charge:	\$450,890	\$265,120	\$237,440	\$215,240	\$209,720	\$195,860	\$185,240	\$178,800	\$175,140	\$171,010
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
8	720-880 Hours/Month	Base Charge:	\$486,660	\$290,670	\$259,520	\$234,270	\$227,880	\$211,830	\$199,450	\$191,680	\$187,590	\$182,570
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
9	810-990 Hours/Month	Base Charge:	\$523,090	\$316,650	\$281,590	\$253,770	\$246,040	\$227,810	\$214,150	\$205,050	\$199,620	\$193,270
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162
10	900-1100 Hours/Month	Base Charge:	\$558,280	\$342,110	\$303,620	\$273,220	\$264,180	\$243,780	\$228,380	\$217,970	\$212,110	\$204,890
		Unit Incr. (+):	\$512	\$487	\$461	\$439	\$415	\$392	\$374	\$355	\$338	\$323
		Unit Decr. (-):	\$256	\$244	\$231	\$219	\$207	\$196	\$187	\$178	\$169	\$162

Note: ALL above Base Charges are monthly and ALL Unit Incr. and Decr. Charges are hourly.

**Attachment C-3
Processing Operations Services Pricing**

Table C-3.2

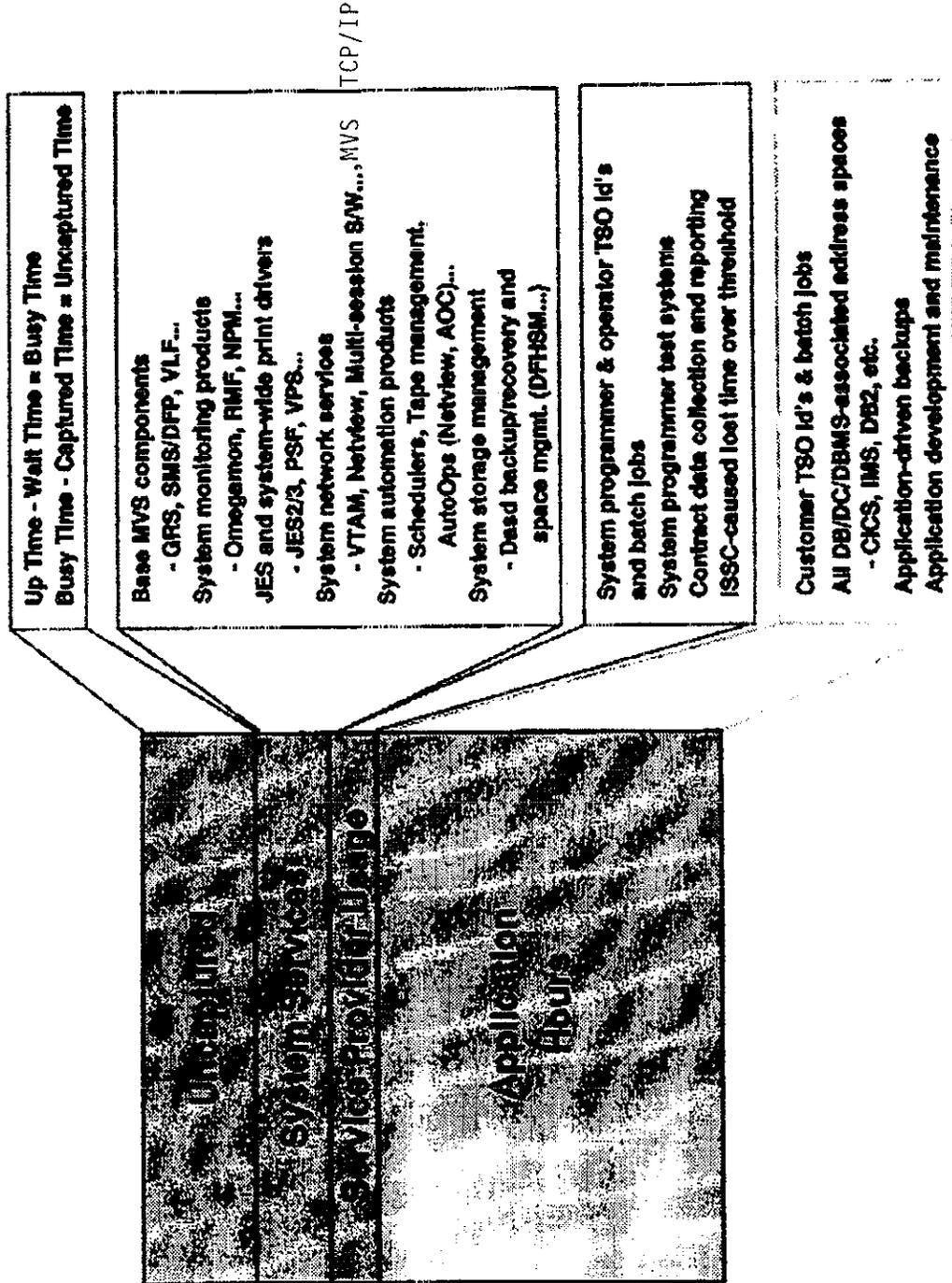
DASD Baseline Level No.	Baseline Range Gigabytes	FY 1994 (eff 1/1/94)	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	
1	45-55	Base Charge:	\$145,610	\$67,590	\$64,800	\$61,960	\$62,630	\$62,980	\$63,650	\$64,630	\$65,940	\$68,840
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
2	90-110	Base Charge:	\$181,350	\$89,900	\$84,060	\$78,740	\$78,770	\$77,130	\$76,490	\$76,520	\$77,220	\$79,600
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
3	135-165	Base Charge:	\$227,850	\$119,580	\$110,260	\$101,960	\$100,910	\$97,680	\$95,180	\$94,490	\$94,520	\$94,920
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
4	180-220	Base Charge:	\$242,810	\$132,360	\$120,910	\$110,770	\$109,440	\$104,380	\$100,680	\$99,200	\$98,370	\$98,410
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
5	225-275	Base Charge:	\$286,830	\$161,720	\$146,370	\$133,820	\$130,980	\$124,190	\$118,830	\$115,990	\$114,590	\$113,910
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
6	270-230	Base Charge:	\$324,100	\$186,890	\$168,340	\$153,020	\$149,390	\$140,290	\$133,740	\$129,750	\$127,590	\$125,440
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
7	315-385	Base Charge:	\$359,920	\$211,630	\$189,530	\$171,810	\$167,400	\$156,340	\$147,870	\$142,720	\$139,800	\$136,510
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
8	360-440	Base Charge:	\$395,260	\$236,080	\$210,780	\$190,270	\$185,080	\$172,040	\$161,990	\$155,680	\$152,350	\$148,280
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
9	405-495	Base Charge:	\$431,050	\$260,930	\$232,050	\$209,110	\$202,750	\$187,720	\$176,460	\$168,970	\$164,490	\$159,260
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162
10	450-550	Base Charge:	\$465,850	\$285,470	\$253,350	\$227,990	\$220,440	\$203,420	\$190,570	\$181,880	\$176,990	\$170,970
		Unit Incr. (+):	\$501	\$477	\$455	\$433	\$413	\$394	\$375	\$356	\$340	\$324
		Unit Decr. (-):	\$251	\$239	\$228	\$217	\$207	\$197	\$188	\$178	\$170	\$162

Note: ALL above Base Charges are monthly and ALL Unit Incr. and Decr. Charges are in Gigabytes.

Attachment C-3

MVS Application Hours - Low Level Definition -

Table C-3.3



TCP/IP

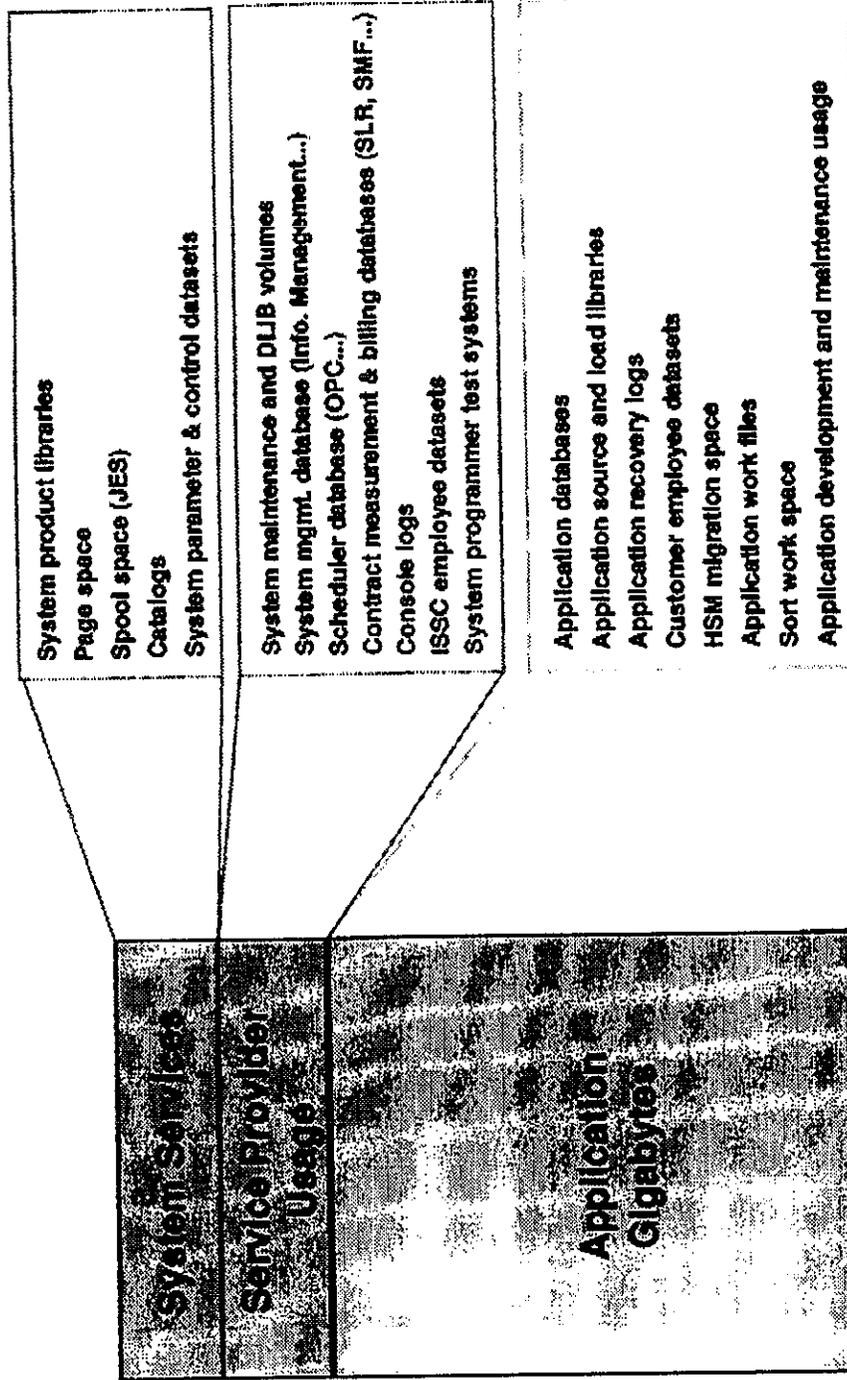
MVS-IP61

COOKSON

Attachment C-3

MVS Peak Allocated Application Gigabytes - Low Level Definition -

Table C-3.4



MYSD001

005X012



Attachment C-4

Internetwork Operations Services Pricing

This Attachment C-4 to Schedule C sets forth the detailed pricing information for ISSC's performance of the Internetwork Operations Services. For the purposes of this Attachment C-4, references to months shall be to calendar months unless otherwise specified.

- I. Monthly Base Charge for the Initial Term. For each month of the Internetwork Operations Services initial term specified below, the State agrees to pay to ISSC the Monthly Base Charge specified below for the Internetwork Operations Services performed by ISSC in such month. With respect to the State's first payment hereunder, the Monthly Base Charge will be prorated on a daily basis to reflect the balance of the month in which in the Commencement Date occurs.

Month	Monthly Base Charge
Commencement Date - Sep. '94	\$38,044
Oct. '94 - Sep. '95	\$37,940

- II. Monthly Base Charge for Renewal Terms. The State agrees to pay ISSC the Monthly Base Charge specified below for the Internetwork Operations Services performed by ISSC in each month in which the Internetwork Operations Services are elected to be renewed by the State under the Contract.



Month	Monthly Base Charge
<u>First Renewal Term:</u>	
Oct. '95 - Sep. '96	\$44,266
Oct. '96 - Sep. '97	45,625
<u>Second Renewal Term:</u>	
Oct. '97 - Sep. '98	\$47,061
Oct. '98 - Sep. '99	48,532
<u>Third Renewal Term:</u>	
Oct. '99 - Sep. '00	\$50,071
Oct. '00 - Sep. '01	51,605

III. Optional Internetwork Operations Services.

- A. Hardware and Software Maintenance Fees. If the State elects to have ISSC provide the optional Hardware or Software maintenance under the Contract for the Internetwork Operations Services during a fiscal year of any renewal terms under the Contract, the State shall make an annual election to do so and shall pay ISSC the additional monthly charges specified below for each month of each such fiscal year in which ISSC provides such optional Hardware or Software maintenance. The State will provide ISSC with notice, a reasonable time prior to the commencement of each fiscal year of any renewal terms, if the State elects to obtain such optional Hardware and/or Software maintenance during such fiscal year.

Month	Monthly Charge	
	Hardware	Software
Oct. '95 - Sep. '96	\$ 9,913	\$4,837
Oct. '96 - Sep. '97	10,260	4,998
Oct. '97 - Sep. '98	10,620	5,162
Oct. '98 - Sep. '99	10,991	5,357



Oct. '99 - Sep. '00	11,376	5,554
Oct. '00 - Sep. '01	11,774	5,723

B. Additional Internetwork Control Staff. If the State elects to have ISSC provide additional Internetwork Control Center staff resources on a full time basis under the Contract, the State shall pay ISSC (i) a one-time charge of \$11,400 the first time the State elects to have any such additional staff resources provided, and (ii) an additional monthly charge of \$19,300 per month for each such full-time employee provided by ISSC. ISSC agrees that the individuals provided to the State under this option will be of at least an administrator labor category.

IV. Change Order Labor Rates. Listed in Attachment C-6 are the hourly Change Order Labor Rates for additional staff provided by ISSC with respect to the Internetwork Services on a less-than-full-time basis.



Attachment C-5

MIDB Operations Services Pricing

This Attachment C-5 to Schedule C sets forth the detailed pricing information for ISSC's performance of the MIDB Operations Services. For the purposes of this Attachment C-5, references to months shall be to calendar months unless otherwise specified.

- I. Monthly Base Charge for the Initial Term. For each month of the MIDB Operations Services initial term specified below, the State shall pay ISSC the Monthly Base Charge specified below for the MIDB Operations Services performed by ISSC in each such month. With respect to the State's first payment hereunder, the Monthly Base Charge will be prorated on a daily basis to reflect the balance of the month in which in the Commencement Date occurs.

Month	Monthly Base Charge
Commencement Date - Sep. '94	\$71,289
Oct. '94 - Sep. '95	71,289

- II. Monthly Base Charge for Renewal Terms. The State agrees to pay ISSC the Monthly Base Charge specified below for the MIDB Operations Services performed by ISSC in each month in which the MIDB Operations Services are elected to be renewed by the State under the Contract.



Month	Monthly Base Charge
<u>First Renewal Term:</u>	
Oct. '95 - Sep. '96	\$29,539
Oct. '96 - Sep. '97	30,932
<u>Second Renewal Term:</u>	
Oct. '97 - Sep. '98	32,381
Oct. '98 - Sep. '99	33,888
<u>Third Renewal Term:</u>	
Oct. '99 - Sep. '00	35,455
Oct. '00 - Sep. '01	37,084

III. Optional MIDB Operations Services.

- A. Hardware and Software Maintenance Fees. If the State elects to have ISSC provide the optional Hardware or Software maintenance under the Contract for the MIDB Operations Services during a fiscal year of any renewal terms under the Contract, the State shall make an annual election to do so and shall pay ISSC the additional monthly charges specified below for each month of each such fiscal year in which ISSC provides such optional Hardware or Software maintenance. The State will provide ISSC with notice, a reasonable time prior to the commencement of each fiscal year of any renewal terms, if the State elects to obtain such optional Hardware and/or Software maintenance during such fiscal year.

Month	Monthly Charge	
	Hardware	Software
Oct. '95 - Sep. '96	\$1,529	\$73,563
Oct. '96 - Sep. '97	1,591	76,506
Oct. '97 - Sep. '98	1,654	79,566
Oct. '98 - Sep. '99	1,720	82,749



Oct. '99 - Sep. '00	1,789	86,059
Oct. '00 - Sep. '01	1,861	89,501

- B. Additional Help Desk Support Staff. Listed below are the monthly rates for additional help desk support staff resources in the event the State elects under the Contract to have ISSC provide any such additional resources. The rates are listed according to the specific MIDB Operations Services function supplemented by each respective individual. The State acknowledges that the rates specified below are based upon the State retaining each individual provided under this provision for three (3) month increments. ISSC agrees that each individual provided under this provision will be at least an administrator labor category.

Service Supplemented	Monthly Charge
MIDB	\$13,041
EIS	18,320
IATs	6,341

- IV. Change Order Labor Rates. Listed in Attachment C-6 are the hourly Change Order Labor Rates for additional staff provided by ISSC with respect to the MIDB Services on a less-than-full-time basis.



Attachment C-6

Change Order Labor Rates

Listed below are the fully-loaded hourly Change Order Labor Rates for additional staff provided by ISSC under Change Authorization Orders, other than for any particular work for which the Attachments to Schedule F contain specific rates. Section I contains a table specifying the Change Order Labor Rates applicable to work performed by ISSC and its Approved Subcontractors under Change Authorization Orders with respect to the Internetwork Services. Section II contains a table specifying the Change Order Labor Rates applicable to ISSC and its Approved Subcontractors with respect to work performed under Change Authorization Orders other than work relating to the MIDB Services or any other work under the Contract. ISSC acknowledges that the State shall have the right to obtain any additional services or materials from third parties regardless of whether such services or materials are then currently being offered by ISSC.

I. Internetwork Services.

Individual and/or Position	Contract Hourly Rate
Consultant (Network)	\$235
Manager	150
Network Analyst	114
Programmer	98
Network Operations Specialist	85
Network Installation Specialist	81
Network Technician	60



Administrative Assistant	35
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II. MIDB Services and all Other Services.

Individual and/or Position	Contract Hourly Rate
Consultant	\$235
Project Manager	150
Analyst	96
Database Analyst/ Programmer/ Administrator	85
Programmer	75
Junior Programmer	60
Administrative Assistant	35



Schedule D

HARDWARE

I. INTRODUCTION

Attachments D-1 and D-2 to this Schedule D list generally the Hardware that is to be provided to the State by ISSC as part of the initial scope of the Internetwork and MIDB Development Projects, respectively, generally by product, quantity and contract total price to the State. The Hardware are included in ISSC's fixed price for the Internetwork and MIDB Development Projects, as set forth in Attachments C-1 and C-2, respectively, to Schedule C. Such fixed prices apply to ISSC's proposed designs for the Internetwork and the MIDB based on the State's specifications set forth in the Technology RFP. These fixed prices will be subject to change only to the extent that the State requests or approves changes to the designs of the Internetwork and/or MIDB Development Projects or adds additional requirements for such Development Projects; e.g., the State elects to require more than one Internetwork connection per State agency. Prior to ordering or providing to the State any of the Hardware shown in Attachments D-1 and D-2, ISSC will confirm the specific Hardware types and quantities desired by the State.

II. CHANGES TO INITIAL HARDWARE CONFIGURATION

- A. If it is determined that the Hardware configuration proposed for the Internetwork and/or MIDB Development Project as reflected in Attachment D-1 and/or D-2, as applicable, is insufficient to meet the requirements of the Contract, then ISSC shall be responsible for providing whatever additional or different Hardware is necessary to meet the requirements of the Contract, at no additional charge to the State.
- B. If the State requests or approve a change in the configuration of the Hardware reflected in Attachment



D-1 and/or D-2 (other than a change required under the previous paragraph), then the State shall:

- (i) in the case of any Hardware deleted from this Schedule D, receive a credit against the fixed price for the affected Development Project for the deleted Hardware in an amount equal to the contract unit price of the deleted Hardware shown on Attachment D-1 and/or D-2; or
- (ii) in the case of any additional Hardware, agree to an increase in the fixed fee for the affected Development Project as provided below:
 - (a) for any additional Hardware of the same type as that listed on Attachment D-1 or D-2, the increase shall be in an amount equal to the contract unit price shown on Attachment D-1 or D-2 times the quantity of such Hardware added, or
 - (b) for any additional Hardware of a type not listed on Attachment D-1 or D-2, the increase shall be determined in accordance with Section II.C of Schedule C.

III. UPDATED VERSIONS OF ATTACHMENTS D-1 AND D-2

Upon the parties agreeing to any change in the Hardware configuration reflected in Attachment D-1 and/or D-2, such change shall be documented by the State's issuance of a signed Change Authorization Order, to which an amended and updated version of the affected Attachment(s) shall be attached reflecting such configuration change.

**Attachment D-1
INTERNETWORK HARDWARE**

BACKBONE PHASE

Manufacturer/ Vendor	Product	Model	Qty	List Price	Contract Unit Price	Contract Total Price	WTY	Annual Maint.
Cisco	Router	7,000	2	105,400	93,600	187,200	1 YR	39,698
Cisco	Router	4,000	1	20,030	18,044	18,044	1 YR	3,823
Cisco	Bridge	4,000	1	21,000	18,755	18,755	1 YR	3,974
DSI Carlisle	Unigate	UGT/XL	1	63,500	84,665	84,665	1 YR	N/A
SynOptics	Fi/Con	2914-04	2	17,600	16,427	32,854	1 YR	5,715
Best	UPS	DFKVA-BG	2	17,302	17,302	34,604	1 YR	3,619
Paradyne	Modem Bank	3,811	1	43,392	48,852	48,852	1 YR	5,949
Telebit	NetBlzr	NB40	1	6,097	8,130	8,130	1 YR	705
Telebit	Modem	T3000	2	1,973	2,630	5,260	1 YR	N/A
Xyplex	Server	MX1600-003	2	3,368	3,368	6,736	1 YR	832

Phase Sub-total \$445,100

OPERATIONS PHASE

Manufacturer/ Vendor	Product	Model	Qty	List Price	Contract Unit Price	Contract Total Price	WTY	Annual Maint.
Compaq	486PC	486/66	1	7,700	10,241	10,241	1 YR	1,109
IBM	RS6000	7013-570	1	64,545	55,940	55,940	1 YR	4,682
IBM	Disk Dr	7204-010	2	5,700	4,940	9,880	1 YR	N/A
IBM	Display	6019-191	1	3,950	3,423	3,423	1 YR	397
IBM	Valuept	6384-M30	4	2,950	1,950	7,800	1 YR	856
Network General	Sniffer	FDDIanaly zer	1	21,500	28,595	28,595	1 YR	3,834
Synoptics	Wiring Hub	10 base T	1	1,395	1,303	1,303	1 YR	N/A

Phase Sub-total \$117,182

SECURITY PHASE

Manufacturer/ Vendor	Product	Model	Qty	List Price	Contract Unit Price	Contract Total Price	WTY	Annual Maint.
IBM	RS6000	7013-570	1	64,545	55,940	55,940	1 YR	4,682
IBM	Disk Dr	7204-010	2	5,700	4,940	9,880	1 YR	N/A
IBM	Display	6019-191	1	3,950	3,423	3,423	1 YR	397

Phase Sub-total \$69,243

**Attachment D-2
MIDB HARDWARE**

Product	Qty	List Price	Extended List Price	Contract Total Price
HP9000-890	1	\$230,000	\$230,000	\$200,100
Add 256 MB	1	\$60,160	\$60,160	\$52,339
Add 512 MB	1	\$99,840	\$99,840	\$86,861
Fiber Interface	1	\$5,970	\$5,970	\$5,194
SCSI/Centronics Host Adapter	1	\$1,095	\$1,095	\$953
FDDE Adapter	2	\$3,500	\$7,000	\$6,090
1/2" Tape Drive	1	\$21,000	\$21,000	\$18,270
SCSI Connect	2	\$88	\$176	\$153
Rack	1	\$2,200	\$2,200	\$1,914
Disk Array	6	\$40,981	\$245,886	\$215,220
SCSI Connect	3	\$40	\$120	\$104
Rack	1	\$2,200	\$2,200	\$1,914
Filler Panels	4	\$75	\$300	\$261
SCSI II	1	\$8,975	\$8,975	\$7,808
Expansion Kit	1	\$1,250	\$1,250	\$1,088
Printer	1	\$8,717	\$8,717	\$7,584
I/O Card	1	\$336	\$336	\$292
Cable	1	\$44	\$44	\$38
Optical Disk Library	1	\$10,095	\$10,095	\$8,783
Optical Cartridges	1	\$2,320	\$2,320	\$2,018
Cable	1	\$20	\$20	\$17
X-Station	2	\$4,995	\$9,990	\$8,691
Software Tape	1	\$695	\$695	\$605
STK 4280 A01 Tape Drive	1	\$25,500	\$25,500	\$22,300

MIDB Development Project Hardware Total

\$648,597



Schedule E

SOFTWARE

I. INTRODUCTION

Attachments E-1 and E-2 to this Schedule E list generally the Software that is to be provided to the State by ISSC as part of the initial scope of the Internetwork and MIDB Development Projects, respectively, by product, quantity, contract unit price for each type of Software (a "Contract Unit Price"), and contract total price to the State. The contract total prices to the State shown for the listed Software are included in ISSC's fixed price for the Internetwork and MIDB Development Projects, as set forth in Attachments C-1 and C-2, respectively, to Schedule C. Such fixed prices are not subject to any mark-up but are based on the indicated quantities (with respect to any particular Software, a "Base Quantity") and apply to ISSC's proposed designs for the Internetwork and the MIDB based on the State's specifications set forth in the Technology RFP. These fixed prices will be subject to change only to the extent that the State requests or approves changes to the designs of the Internetwork and/or MIDB Development Projects or adds additional requirements for such Development Projects. Prior to ordering or providing to the State any of the Software shown in Attachments E-1 and E-2, ISSC will confirm the specific types and quantities of Software desired by the State.

Attachments E-3 and E-4 to this Schedule E list optional Internetwork Software offered by ISSC and the prices payable by the State if it elects to obtain such Software through ISSC.

II. CHANGES TO INITIAL SOFTWARE CONFIGURATION

- A. If it is determined that the Software configuration proposed by it for the Internetwork and/or MIDB Development Project as reflected in Attachment E-1 and/or E-2, as applicable, is insufficient to meet the requirements of the Contract, then ISSC shall be



responsible for providing whatever additional or different Software is necessary to meet the requirements of the Contract, at no additional charge to the State.

- B. In the event the State notifies ISSC, within thirty (30) days of the State's acceptance of the MIDB design Deliverable, of a Base Quantity and delivery schedule for the MIDB workstation Software that is different from that specified on Attachment E-2 and the price specified on Attachment E-2 is not available for such Base Quantity, ISSC commits to use commercially reasonable efforts to negotiate the best possible Contract Unit Price with the vendor of such Software in light of the revised Base Quantity and delivery schedule. To the extent, in such a case, that ISSC is able to negotiate cumulative pricing concessions from the third party vendors of such Software, ISSC agrees to pass such savings on to the State.
- C. If, subsequent to the State confirming or altering the Base Quantity for a particular type of Software listed in the Attachment E-1 or E-2, the State requests or approves a change in the configuration of the Internetwork or MIDB Development Project (other than a change required under paragraph II.A, above), then the State shall:
- (i) in the case of any Software deleted from this Schedule E, receive a credit against the fixed price for the affected Development Project for the deleted Software in an amount equal to the Contract Unit Price of the deleted Software (as specified shown on Attachment E-1 or E-2 or as negotiated by ISSC under the previous paragraph) times the quantity of such Software deleted; or
 - (ii) in the case of any additional Software, agree to an increase in the fixed fee for the affected Development Project as provided below:
 - (a) for Software of a type listed on Attachment E-1 or E-2, the increase shall be in an amount equal to the Contract Unit Price for



such Software (as specified on Attachment E-1 or E-2 or as negotiated by ISSC under the previous paragraph) times the quantity of such Software added, or

(b) for any additional Software of a type not listed on Attachment E-1 or E-2, the increase shall be determined in accordance with Section II.C of Schedule C.

D. ISSC agrees to use commercially reasonable efforts to endeavor to seek solutions and pricing structures for the provision of such Software to reduce the cost to the State of obtaining such Software, including exploring the availability of enterprise licenses with electronic downloading of such Software to State end users.

III. UPDATED VERSIONS OF ATTACHMENTS E-1 AND E-2

Upon the parties agreeing to any change in the Software configuration reflected in Attachment E-1 and/or E-2, such change shall be documented by the State's issuance of a signed Change Authorization Order, to which an amended and updated version of the affected Attachment(s) shall be attached reflecting such configuration change.

Attachment E-1
INTERNETWORK SOFTWARE

OPERATIONS PHASE

Manufacturer/ Vendor	Product	Qty	List Price	Contract Unit Price	Contract Total Price	WTY	Annual Maint.
ASK Group	Ingres	1	8,000	10,667	10,667		2,560
Diederich & Assocs	NetScript/ 6000	1	25,000	33,350	33,350		2,000
Hummingbird	HCL- Exceed/W	4	545	545	2,180	1 YR	N/A
IBM	AIX HACMP/ 6000	1	6,720	6,703	6,703	1 YR	N/A
IBM	AIX windows /6000	1	675	585	585	1 YR	N/A
IBM	NetView /6000	1	15,650	13,564	13,564	1 YR	N/A
IBM	Trouble Ticket/6000	1	12,500	10,833	10,833	1 YR	N/A
IBM	AIX	1	5,004	4,238	4,238	1 YR	N/A
SynOptics	Optivity	1	6,000	5,600	5,600	-	1,680

Phase Sub-total \$87,720

SECURITY PHASE

Manufacturer/ Vendor	Product	Qty	List Price	Contract Unit Price	Contract Total Price	WTY	Annual Maint.
IBM	AIX HACMP/600 0	1	6,720	6,703	6,703	1 YR	N/A
IBM	AIX	1	5,004	4,238	4,238	1 YR	N/A
Sybase	Sybase SQL Server	1	109,129	109,129	109,129	-	8,100
Sybase	Open Client	1	9,860	9,860	9,860	-	1,024

Phase Sub-total \$129,930

**Attachment E-2
MIDB SOFTWARE**

MIDB Server Software

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
HP	HP-UX 9.0	\$ 19,525	\$ 16,079	1	\$ 16,079	1 YR	N/A
HP	HP-UX 9.0 Pp. Sys for Series 800	\$ 420	\$ 346	1	\$ 346	1 YR	N/A
HP	HP-UX 9.0 Server Operating System	\$ 105	\$ 86	1	\$ 86	1 YR	N/A
HP	HP C/ANSI C/HP-UX Compiler	\$11,025	\$ 9,079	1	\$ 9,079	1 YR	N/A
HP	HP C/ANSI C SW on DAT Media	\$ 290	\$ 239	1	\$ 239	1 YR	N/A
HP	HP GlancePlus-UX	\$ 4,500	\$ 3,706	1	\$ 3,706	1 YR	N/A
HP	HP Media for GlancePlus-UX	\$ 195	\$ 161	1	\$ 161	1 YR	N/A
HP	HP OmniBack/Turbo Network Back-up	\$ 5,000	\$ 4,118	1	\$ 4,118	1 YR	N/A
HP	HP OmniBack/Turbo Media	\$ 250	\$ 206	1	\$ 206	1 YR	N/A
HP	HP Cobol-UX Micro Focus Development	\$ 275	\$ 226	1	\$ 226	1 YR	N/A
HP	HP Cobol-UX Micro Focus Development LTU	\$ 1,250	\$ 1,029	1	\$ 1,029	1 YR	N/A
Information Resources Inc.	Cosort	\$ 13,900	\$ 12,265	1	\$ 12,265	1 YR	\$ 2,059
Pilot SW	Command Ctr Plus Developer Software	¹	\$ 7,941	6	\$ 47,647	N/A	\$ 8,000
Pilot SW	Command Center Plus Server	¹	\$ 1,229	150	\$ 184,368	N/A	\$ 30,944
Oracle	Oracle Relational DB Management Sys.	\$ 358,000	\$ 231,647	Max	\$ 231,647	N/A	\$ 66,296
Oracle	Oracle Server with procedural option	\$ 71,680	\$ 46,381	Max	\$ 46,381	N/A	\$ 13,274
Oracle	Oracle SQL*Net with TCP/IP	\$ 125,440	\$ 81,154	1	\$ 81,154	N/A	\$ 23,226
Oracle	Oracle Case*Tools Bundle ²	\$ 18,000	\$ 11,647	20	\$ 232,941	N/A	\$ 66,667
Oracle	Oracle PRO*C (Development Users)	\$ 53,760	\$ 34,786	1	\$ 34,786	N/A	\$ 9,956
Oracle	Oracle SQL*Plus (Development Users)	\$ 89,600	\$ 57,976	1	\$ 57,976	N/A	\$ 16,593

¹ Pilot Software does not provide published prices Pricing for Pilot Software is based on the quantity and mix of their products.

² Footnote in document but no footnote text.

**Attachment E-2
MIDB SOFTWARE**

MIDB Server Software Continued

Oracle	Oracle SQL*Report Writer (Development Users)	\$ 107,520	\$ 69,572	1	\$ 69,572	N/A	\$ 19,911
Comp Assoc.	CA Unicenter for HP-UX (5 runtime users)	\$ 99,750	\$ 111,485	1	\$ 111,485	N/A	\$ 14,778
SAS	SAS for HP-UX						
	- Base SAS	\$ 5,615	\$ 4,690	1	\$ 4,690	1 YR	\$ 3,284
	- SAS/STAT	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/FSP	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/Graph	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/OR	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/ETS	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/CALC	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
	- SAS/ACCESS	\$ 5,405	\$ 4,515	1	\$ 4,515	1 YR	\$ 3,284
OEC	OEC's Toolkit for HP-UX	\$ 2,000	\$ 2,235	1	\$ 2,235	N/A	\$ 494
OEC	OEC's ODE tools Oracle DB Adapter	\$ 4,000	\$ 4,471	1	\$ 4,471	N/A	\$ 988
OEC	OEC's ODE for HP-UX (1 developer)	\$ 15,000	\$ 16,765	1	\$ 16,765	N/A	\$ 3,704

MIDB Server Sub-Total

\$ 1,205,263

\$ 303,135

EIS Workstation Software (Windows)

Vendor	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Mannt. Cost
FTP SW	PC/TCP	\$ 270	\$ 57	350	\$ 20,012	N/A	\$ 3,954
Oracle	SQL*Net for FTP's TCP/IP for Windows	\$ 199	\$ 129	350	\$ 45,068	N/A	\$ 12,899
Pilot SW	LightShip/Lens	³	\$ 309	350	\$ 108,088	N/A	\$ 24,198
CTC	CTC Bridge Unisys Emul. & TCP/IP	\$ 125	\$ 140	350	\$ 48,897	N/A	\$ 8,642

Windows EIS Workstation Sub-total

\$ 222,065

\$ 49,693

³ Pilot Software does not provide published prices. Pricing for Pilot Software is based on the quantity and mix of their products

Attachment E-2
MIDB SOFTWARE

EIS Workstation Software (MAC)

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
InterCon	TCP/ConnectII TN3270	\$ 149	\$ 167	150	\$ 24,979	N/A	\$ 4,140
Oracle	SQL*Net with TCP/IP for Macintosh	\$ 199	\$ 129	150	\$ 19,315	N/A	\$ 9,214
CTC	CTC Bridge Unisys Emul. & TCP/IP	\$ 125	\$ 140	150	\$ 20,956	N/A	\$ 3,704

Macintosh EIS Workstation Sub-Total \$ 65,250 \$ 17,085

AD/HOC/DSS Workstation Software (Windows)

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
FTP	FTP Software's PC/TCP Product	\$270	\$ 57	1,250	\$ 71,471	N/A	\$ 14,121
Oracle	SQL*Net for FTP's TCP/IP	\$ 199	\$ 129	1,250	\$ 160,956	N/A	\$ 46,065
Clear Access	Clear Access	\$ 460	\$ 60	1,250	\$ 74,412	N/A	\$ 22,840
Pilot SW	LightShip Modeler (FCS)	⁴	\$ 498	1,250	\$ 622,059	N/A	\$ 139,198
Pilot SW	LightShip/ TimeServer	⁶	\$ 498	1,250	\$ 622,059	N/A	\$ 139,198
CTC	CTC Bridge Unisys Emul. & TCP/IP	\$ 125	\$ 140	1,250	\$ 174,632	N/A	\$ 30,864

Ad/Hoc/DSS Workstation Software (Windows) \$ 1,725,589 \$ 392,286
Sub-Total

⁴ Pilot Software does not provide published prices. Pricing for Pilot Software is based on the quantity and mix of their products.

Attachment E-2
MIDB SOFTWARE

AD/HOC/DSS Workstation Software (MAC)

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
InterCon	TCP/ConnectII TN3270	\$ 149	\$ 167	250	\$ 41,632	N/A	\$ 9,198
Oracle	SQL*Net with TCP/IP	\$ 199	\$ 129	250	\$ 32,191	N/A	\$ 9,214
Brio Tech.	Data Prism	\$ 399	\$ 300	250	\$ 75,106	N/A	\$ 27,778
Brio Tech.	Data Pivot	\$ 299	\$ 229	250	\$ 57,162	N/A	\$ 14,815
Brio Tech.	Data Edit	\$ 799	\$ 771	250	\$ 192,700	N/A	\$ 53,704
CTC	CTC Bridge Unisys Emul. & TCP/IP	\$ 125	\$ 140	250	\$ 34,926	N/A	\$ 6,173

Ad/Hoc/DSS Workstation Software (MAC) Sub-Total \$ 433,717 \$ 120,882

Attachment E-2
MIDB SOFTWARE

Development Software Windows

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
FTP	PC/TCP	\$ 270	\$ 57	15	\$ 858	N/A	\$ 169
OEC	OEC Developmental Tools	On Server	On Server	15	On Server	N/A	0
OEC	OEC C++ Presentation Adapter	On Server	On Server	15	On Server	N/A	0
Microsoft	Visual C++	\$ 269	\$ 301	15	\$ 4,510	N/A	0
Pilot SW	LightShip and LightShip Lens	⁵	\$ 251	15	\$ 3,759	N/A	\$ 841
Pilot SW	LightShip TimeServer	⁶	\$ 498	15	\$ 7,465	N/A	\$ 1,670
Pilot SW	LightShip FCS	⁷	\$ 498	15	\$ 7,465	N/A	\$ 1,670
Clear Access	Clear Access	\$ 460	\$ 60	15	\$ 900	N/A	\$ 274
Oracle	SQL*Net for TCP/IP	\$ 199	\$ 129	15	\$ 1,931	N/A	\$ 553
CTC	CTC Bridge Unisys Emul. & TCP/IP	\$ 125	\$ 140	15	\$ 2,096	N/A	\$ 370

Windows Development Workstation Sub-total \$ 28,984 \$ 5,547

⁵ Pilot Software does not provide published prices Pricing for Pilot Software is based on the quantity and mix of their products

⁶ Pilot Software does not provide published prices Pricing for Pilot Software is based on the quantity and mix of their products

⁷ Pilot Software does not provide published prices Pricing for Pilot Software is based on the quantity and mix of their products

**Attachment E-2
MIDB SOFTWARE**

Development Software (MAC)

Vender	Product	List Price	Contract Unit Price	Qty	Contract Total Price	Warrenty Period	Maint. Cost
InterCon	TCP/ConnectII TN3270	\$ 149	\$ 167	5	\$ 833	N/A	\$ 133
Oracle	SQL*Net with TCP/IP	\$ 199	\$ 129	5	\$ 644	N/A	\$ 147
OEC	ODE Development Tools	On Server	On Server	5	On Server	N/A	0
Apple	MacAPP Developer's Kit	\$ 1,297	\$ 1,447	5	\$ 7,237	N/A	0
Brio Tech.	Data Prism	\$ 399	\$ 446	5	\$ 2,230	N/A	\$ 493
Brio Tech.	Data Pivot	\$ 299	\$ 246	5	\$ 1,231	N/A	\$ 277
Brio Tech.	Data Edit	\$ 799	\$ 837	5	\$ 4,138	N/A	\$ 925
CTC	CTC Bridge	\$ 125	\$ 140	5	\$ 700	N/A	\$ 123

Macintosh Development Workstation Sub-total \$ 17,013 \$ 2,103

TOTAL SOFTWARE FOR MIDB SERVER **\$ 3,697,881** **\$ 890,726**

**Attachment E-3
OPTIONAL INTERNETWORK SOFTWARE**

Vendor	Quantity	Price Each	Site License Price
Walldata Rumba 3270	1-9	495	
	10-99	355	
	100-999	280	
	1000-2500	250	
	2500-5000	225	

Vendor	Quantity	Price Each	Site License Price
PC/TCP	1	270	
	2-50	119	
	51-99	101	
	100-499	88	
	500-999	74	
	1000-2499	60	
	2500-4999	55	

Vendor	Quantity	Price Each	Site License Price
Central Pt Anti-Virus for Windows	50-99	32	
	100-199	23	
	200-499	21	
	500-1999	17	
	2000-3500	13	
	3500+	11	

Vendor	Quantity	Price Each	Site License Price
Central Pt. - MACTools	50-99	24	
	100-199	22	
	200-499	19	
	500-1999	17	
	2000+	13	

Vendor	Quantity	Price Each	Site License Price
Central Pt. - Netware	10-24	408	
	25-49	384	
	50-99	324	
	100-249	288	
	250-499	244	
	500-749	224	
	750+	207	

Attachment E-3
OPTIONAL INTERNETWORK SOFTWARE

Vendor	Quantity	Price Each	Site License Price
NetPro PC Scanmaster	51-100		3,927
	101-200		6,237
	201-300		8,277
	301-400		9,967
	401-500		11,615
	501-600		12,960
	601-700		13,959
	701-800		14,868
	801-900		15,755
	901-1000		16,382
	1001-2000		22,937
	2001-3000		26,445
		3000+	5

Vendor	Quantity	Price Each	Site License Price
TCP/Connect II	1	149	
CTC Bridge	1	125	
OEC Runtime	1	Priced on HP Server	
Walldata Tools for Windows	1	199	
Softswitch LAN Gateway Access	1st	5,000	
	2nd	4,000	
	3rd+	3,000	
Softswitch Client Director	1st	5,000	
	2nd	4,000	
	3rd+	3,000	

Attachment E-4
OPTIONAL MIDB SOFTWARE

WINDOWS WORKSTATIONS

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
1	Pilot Software	LightShip/Lens ¹ (user licenses)	1-500	\$ 350
			501-700	\$ 275
			701+	\$ 250
		LightShip/Lens Developers licenses	any qty	\$ 2,000

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
2	Pilot Software	LightShip Modeler1	1-250	\$ 600
			251-750	\$ 570
			750-1500	\$ 540
			1500+	\$ 510
		LightShip Modeler Developers licenses	any qty	\$ 4,000

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
3	Pilot Software	LightShip TimeServer1	1-250	\$ 600
			251-750	\$ 570
			750-1500	\$ 540
		LightShip TimeServer Developers licenses	any qty	\$ 4,000

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
4	Clear Access	Clear Access for Windows	1	\$ 460
			2-25	\$ 391
			26-100	\$ 276
			101-500	\$ 230
			501-1500	\$ 129
		1501-5000	\$ 74	

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
5	FTP Software	PCTCP	1	\$ 270
			2-50	\$ 119
			51-99	\$ 101
			100-499	\$ 88
			500-999	\$ 74
			1000-2499	\$ 60
			2500-4999	\$ 55

Attachment E-4
OPTIONAL MIBB SOFTWARE

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
6	Oracle	SQL*Net for FTP's TCP/IP or LWP for WIN	any qty	\$129
7	CORE Technology	CTC Bridge		
		- T27 Telnet Client and TCP/IP or LWP Interface	any qty	\$ 125
8	Open EnvironmentCorp	OEC Developmental Tools	Priced on HP Server	
9	Open Environment Corp.	OEC Runtime for Windows	Priced on HP Server	
10	Microsoft	Visual C++	any qty	\$ 99

MACINTOSH WORKSTATIONS

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
11	Pilot Software	Command Center for Macintosh ⁸	1-150	\$ 1,393
			151-300	\$ 960
			300+	\$ 787
		Command Center Developers License	any qty	\$ 6,000

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
12	Brio Technology	Data Prism	1-49	\$ 399
			50-99	\$ 319
			100-249	\$ 299
			250-499	\$ 279
			500+	\$ 259

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
13	Brio Technology	Data Pivot	1-49	\$ 299
			50-99	\$ 239
			100-249	\$ 224
			250-499	\$ 209
			500+	\$ 194

⁸ Pilot software tiered pricing is based on a progressive scale (ie. \$350 for first 500 copies, \$275 for next 200 copies etc)

Attachment E-4
OPTIONAL MIBB SOFTWARE

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
14	Brio Technology	Data Edit	1-49	\$ 999
			50-99	\$ 799
			100-249	\$ 749
			250-499	\$ 699
			500+	\$ 649

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
15	InterCon	TCP Connect II TN3270	any qty	\$ 149
16	Oracle	SQL*Net with TCP/IP or LWP for Macintosh	any qty	\$ 597
17	Core Techonolgy	CTC Bridge Unisys Telenet Client and TCP/IP or LWP High Speed Interface	any qty	\$ 125
18	Open Environmant Corp.	OEC Development tools	Priced on HP Server	
19	Open Environment Corp.	OEC Runtime	Priced on HP Server	
20	Apple Computers	MacApp Development tools	any qty	\$ 1,297

MIBB ALTERNATIVE SOFTWARE PRODUCTS

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
21	Microsoft	MS-DOS 6.0 Upgrade	any qty	\$ 49
22	IBM	IBM DOS 6.1 Upgrade	any qty	\$ 65
23	Wall Data	Rumba Tools For Windows	1	\$ 199
24	Hummingbird	HCL-eXceed	any qty	\$ 545
25	Apple	MAC-X	any qty	\$ 295
26	Microsoft	Visual Basic Professional	any qty	\$ 239

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
27	Wall Data	Rumba for Windows	1-9	\$ 495
			10-99	\$ 355
			100-999	\$ 280
			1000-2500	\$ 250
			2500-5000	\$ 225

**Attachment E-4
OPTIONAL MIDB SOFTWARE**

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
28	Clear Access	Clear Manager for Macintosh or Windows ⁹	1-25	\$ 550
			26-50	\$ 280
			51-100	\$ 190
			101-499	\$ 135
			500-1500	\$ 74
			1500+	\$ 27

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
29	Clear Access	Clear Access for Macintosh	1	\$ 460
			2-25	\$ 391
			26-100	\$ 276
			101-500	\$ 230
			501-1500	\$ 129
			1501-5000	\$ 74

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
30	Mitem	Mitem View Developers Module	1-4	\$ 9,900
			5-9	\$ 8,300
			10-24	\$ 7,700

PROD.NO.	VENDOR	PRODUCT	TIERS	PRICE
31	Mitem	Mitem View Runtime	1-49	\$ 300
			50-99	\$ 255
			100-249	\$ 225
			250-499	\$ 195
			500-999	\$ 165
			1000-2499	\$ 135
			2500-4999	\$ 125

FOOTNOTE: Pilot Software provides up to 5 copies of their developer's technical documentation free for each developer's license. After the fifth license, additional documentation is \$125.00 per copy. End user documentation for Pilot Software is created during the development of the EIS and DSS, and is provided to the end user once the systems are complete. This documentation includes navigational information on how to work your way through the EIS and DSS

⁹ Clear Access products are based on total quantity of Windows and Macintosh machines combined.



Schedule F

DEVELOPMENT PROJECT PROFESSIONAL SERVICES

I. INTRODUCTION

Attachments F-1 and F-2 to this Schedule F list the professional service staff resources (the "Professional Resources") that ISSC believes will be necessary and that ISSC will provide to the State in order to fulfill the requirements of the current scope of the Internetwork and the MIDB Development Projects, respectively. Attachment F-3 lists the professional service staff resources that ISSC will provide with respect to the specified optional Services in the event the State exercises its option under the Contract to implement any such optional Service (in which case the professional staff resources listed for such optional Service will also be deemed to be "Professional Resources"). The Professional Resources to be provided are listed by component and phase for each such Development Project and are quantified by labor category (position/title), quantity of estimated work hours per category, fully loaded hourly contract rate per labor category, and contract total price to the State. The contract total prices to the State shown for the enumerated Professional Resources are included in ISSC's fixed prices for the Internetwork and the MIDB Development Projects (set forth in Attachments C-1 and C-2, respectively, to Schedule C).

II. CHANGES TO INITIAL PROFESSIONAL STAFFING REQUIREMENTS

If it is determined that the allocation of Professional Resources proposed by ISSC in each Attachment to this Schedule F are insufficient to meet the requirements under the Contract of performing the Services contemplated by each such Attachment, then ISSC shall be responsible for providing any additional Professional Resources which are required (of whatever labor category and individual amounts of time), at no additional charge to the State, in order to meet the requirements of the Contract (including providing the Deliverables according to the schedules therefor).



If it is determined that ISSC must alter the Professional Resources staffing set forth in an Attachment because of material changes made by the State to any of the requirements and/or specifications of the respective Services as reflected in the Technology RFP, then the fixed prices for the respective Services will be adjusted as provided in Schedule C.



Schedule F-1

Internetwork Development Project Professional Resources

Phase	Position	Planned Hours of Service	Fully Loaded Hourly Rate	Total Contract Price
Security and Disaster Recovery Phase	Development Team Leader	2,650	\$182	\$482,300
	Analyst	80	103	8,240
	MIL-Analyst	3,868	32	123,776
	MIL-Programmer	10,189	83	845,687
	MIL-Writer	1,462	57	83,334
	ISSC Programmer	3,578	88	314,864
	Analyst	2,248	103	231,544
Internetwork Operations Phase	Network Operator	60	74	4,440
	Programmer	44	88	3,872
	Installer	120	74	8,880



Project Management and Planning	Project Manager	2,476	121	299,596
	Staff Support	1,558	25	38,950
Internetwork Backbone and State Agency Connections	Analyst	440	103	45,320
	Installer	144	74	10,656
Dial-up	Analyst	280	103	28,840
	Analyst	1,624	103	167,272
State Agency Connections	Installer	240	74	17,760
	Designer	480	74	35,520
E-Mail	Analyst	960	103	98,880
	Programmer	720	88	63,360
	Installer	200	74	14,800
	Trainer	120	74	8,880



Schedule F-2
MIDB Development Project Professional Resources

Phase	Position	Planned Hours of Service	Fully Loaded Hourly Rate	Total Contract Price
Requirements	ICG Consultant	728	\$219	\$159,432
	PIL Consultant	424	176	74,624
MIDB Server	ISSC Analyst	2,408	88	211,904
	CBSI Programmer	5,146	60	308,760
	ISSC Database Modeler	2,064	100	206,400
	ISSC Programmer	1,796	88	158,048
Operations	ISSC Analyst	1,720	88	151,360
	CBSI Programmer	688	60	41,280
	CW Analyst	3,464	58	200,912
	PIL Consultant	696	176	122,496
	ICG Consultant	256	219	56,064
IATS	GC Operations	8,904	32	284,928
	ISSC Database Modeler	376	100	37,600



	ICG Consultant	1,968	219	430,992
	PIL Consultant	1,720	176	302,720
	CW Analyst	1,304	58	75,632
ILF	MIL Programmer	1,232	83	102,256
	MIL Analyst	1,106	32	35,392
	MIL Writer	416	57	23,712
	OSC Analyst	304	148	44,992
	ISSC Programmer	80	88	7,040
Client & Server Configurations	ISSC Programmer	1,480	88	130,240
	MIL Programmer	1,664	83	138,112
GUI Front End	MIL Programmer	10,189	83	845,687
	MIL Analyst	3,868	32	123,776
	MIL Writer	1,462	57	83,334
Project Management	ISSC Project Manager	3,728	217	808,976
	OSC Consultant	300	148	44,400
	ISSC Analyst	80	88	7,040
	ISSC Programmer	120	88	10,560
	ISSC Staff Support	2,240	25	56,000



Schedule F-3

Optional Service Offerings Professional Resources

Optional Phase	Position	Planned Hours of Service	Fully Loaded Hourly Rate	Total Contract Price
Full Function GUI	MIL Programmer	717	83	59,511
	MIL Analyst	355	32	11,360
	MIL Writer	109	57	6,213
Full Function ILF	MIL Programmer	1,298	83	107,734
	MIL Analyst	386	32	12,352
	MIL Writer	178	57	10,146
	OSC Analyst	784	148	116,032
	OSC Programmer	2,352	148	348,096



Schedule G

TERMINATION ASSISTANCE

1. Introduction. It is the intention of the Parties that, upon the expiration or termination for any reason of the Contract, in whole or in part, ISSC will cooperate with the State and provide the State with the termination assistance described in Subsection 22.2(f) of the Contract, including but not limited to the termination assistance described in this Schedule G (the "Termination Assistance"), in order to enable the State to obtain from another vendor, or provide for itself, services to substitute for or replace the expired or terminated Services previously provided by ISSC. The purpose of such Termination Assistance, and ISSC's goal in providing it, is to minimize the disruption to the State of transferring the expired or terminated Services provided by ISSC.

2. Termination Assistance. The Termination Assistance to be provided by ISSC to the State or the State's designees (if and to the extent any third parties are designated by the State to assume providing any of the expired or terminated Services) will include, without limitation, the following:

- (a) developing, with the assistance of the State, a plan for the transition of the expired or terminated Services from ISSC to the State, which plan will include, to the extent requested by the State and not inconsistent with the provisions of the Contract, performance of the specific services listed in Attachment G-1;
- (b) providing to applicable personnel of the State training in the performance of the Services then being performed by ISSC which are to be transferred to the State; and
- (c) making available to the State, pursuant to mutually agreeable terms and conditions, any third party services obtained by ISSC or its Approved Subcontractors that are then dedicated to the performance of Services under the Contract. The State may assume ISSC's rights and obligations with respect to any such third party



services, including, but not limited to, third-party Hardware and/or Software maintenance agreements.

3. Access to Systems. In providing the Termination Assistance, ISSC will provide the State and its designee, agents, contractors and consultants with reasonable access to and use of all systems then being used to provide the Services to the State.

4. Process.

a. ISSC will identify all potential risk factors relating to the transition being planned, and will design plans and contingencies to mitigate them. ISSC will establish the relationship between ISSC and the State or the State's designee during the first week of the transition period and direct all activities to create a seamless turnover on the specified termination or expiration date.

b. ISSC will assemble a transition management team at least eight (8) months prior to the expiration or termination of the term of the affected Service. ISSC transition management team will provide to the State a detailed methodology to ensure the complete review, certification and acceptance of ISSC's Services and documentation. ISSC transition management team will perform a comprehensive assessment of ISSC's Services documentation. This assessment, and any resulting updated documentation, will be delivered to the State no later than three (3) months prior to the expiration or termination of the Contract and will include:

- A list of reports and their descriptions;
- A list of all licensed Software;
- Computer operations procedures;
- Data descriptions;
- ISSC-developed user documentation; and
- Hardware and Software configurations.



c. The State will assign a transition manager and an associated operations organization to work in concert with ISSC transition management team.



ATTACHMENT G-1

SPECIFIC TERMINATION ASSISTANCE SERVICES

The specific Termination Assistance services to be provided by ISSC under Schedule G to the Contract will include, without limitation, the following:

a. Pre-Migration Services

- (1) Freeze all noncritical Software changes.
- (2) Notify all outside vendors of procedures to be followed during the turnover phase.
- (3) Review all Software libraries (test and production) with new operations staff.
- (4) Assist in establishing naming conventions for the new production site.
- (5) Analyze space required for the databases and the Software libraries.
- (6) Generate and deliver a tape and computer listing (in a form reasonably requested by the State and/or its designee) of the source code for the Software to be provided to the State under Section 2.22(g)(3) to the extent that ISSC has the source code for such Software in its possession and is entitled to provide such source code to the State. (The State agrees to execute confidentiality agreements with the vendors of Third Party Software in order to facilitate the provision of source code under the previous sentence.)
- (7) Deliver to the State and/or its designee all source codes, technical specifications, materials and user documentation for the Software to be provided to the State under Section 2.22(g)(3) of the Contract.
- (8) Explain the Control Plans and other management documents used by ISSC to the new operations staff.



(9) Provide training to new operations staff.

b. Migration Services

- (1) Unload the production databases.
- (2) Deliver tapes of production databases (with content listings) to new operations staff.
- (3) Assist with the loading of the databases.
- (4) Assist with the telecommunications turnover.
- (5) Assist in the execution of a parallel operation.
- (6) Check the effectiveness of the Hardware, Software and Internetwork configuration to meet the Performance Standards.
- (7) Correct any identified errors and provide plans and contingencies during the transition process.
- (8) Provide the State with any other necessary files, documentation, Software or services necessary to complete a smooth and orderly transition.

c. Post-Migration Services

- (1) Provide consulting support on "as needed" basis.
- (2) Turnover of any remaining reports and documentation still in ISSC's or its subcontractors' possession or control.

IBM / State of Michigan
IBM Corporation Guaranty of ISSC Services



Schedule H

This is an IRREVOCABLE GUARANTY ("Guaranty") of the obligations of ISSC, as defined in and pursuant to the Contract for Technology Services for the Michigan Administrative Information Network, Contract Number 0144, by and between Integrated Systems Solutions Corporation, ("ISSC"), a wholly-owned subsidiary of International Business Machines Corporation ("IBM"), and the State of Michigan ("the State"), dated December 1, 1993 (the "Contract").

In order to induce the State to enter into the Contract with ISSC, IBM hereby unconditionally and irrevocably promises and agrees as follows:

1. IBM hereby absolutely and unconditionally guarantees the full, timely and faithful performance of all obligations of ISSC under the Contract, including, without limitation, any ISSC obligation to indemnify the State or others.
 - a. The insolvency or bankruptcy of the State shall not, in and of itself, by operation of law, release IBM from its obligations under this Guaranty; provided, however, that this Guaranty shall likewise not prevent IBM from exercising any of its rights as a guarantor under applicable bankruptcy law.
 - b. The insolvency or bankruptcy of ISSC shall not, in and of itself, release IBM from its obligations under this Guaranty.
 - c. Impossibility of performance by ISSC under the Contract in and of itself shall not release IBM from its obligations under this Guaranty, except to the extent such impossibility of performance also renders IBM's performance impossible.
 - d. The assertion by the State of any right or remedy it may have under this Guaranty, or any waiver, or failure to exercise, or forbearance in exercising any such right or remedy shall not release IBM from its obligations under this Guaranty.
2. IBM's obligations under this Guaranty shall extend to future amendments of, and shall survive any expiration or termination of, the Contract until such time as all of ISSC's obligations have been fulfilled.
3. This Guaranty shall be binding on IBM and its successors, and shall inure to the benefit of the State and its departments, agencies and instrumentalities.



4. This Guaranty may not be assigned by IBM, and any purported assignment shall be null and void.
5. This Guaranty shall be governed, construed and interpreted in accordance with the laws of the State of Michigan, as such laws are applied to contracts between Michigan residents that are entered into and to be performed entirely within the State of Michigan.
6. This Guaranty may not be revoked by IBM and may be changed only by written amendment signed by IBM and agreed to in writing by a duly authorized officer of the State.
7. To the extent it may do so, IBM hereby waives the benefit of any and all exemptions to which IBM may be entitled, and further waives any and all notices and demands that may be permitted or required by any statute, regulations or rule of law, and further waives any suretyship defense or other defenses of a similar nature. Notwithstanding the foregoing, IBM shall be entitled to all available defenses of ISSC under the Contract.
8. In the event this Guaranty is placed in the hands of an attorney for enforcement, the prevailing party shall reimburse the other party for all costs and expenses incurred in connection with such enforcement action, including all reasonable legal fees and expenses; provided, however, that the costs reimbursable under this paragraph shall be limited to those attributable to actions pertaining to the attempted enforcement of this Guaranty and shall not include any amounts in respect of the underlying Contract claims.
9. Any and all amounts payable under this Guaranty shall be due and payable upon demand by the State.
10. This Guaranty shall not be construed to impose upon IBM any obligations greater than, in addition to, or other than obligations expressly assumed by ISSC under the Contract and the cumulative liability of IBM and ISSC shall not exceed the total liability of ISSC under the Contract.

IBM / State of Michigan
IBM Corporation Guaranty of ISSC Services



INTERNATIONAL BUSINESS MACHINES CORPORATION

By: X *Jesse J. Greene, Jr.*

Printed Name: Jesse J. Greene, Jr.

Title: Assistant Treasurer

Date: November 24, 1993



Schedule I

APPROVED SUBCONTRACTORS AND RESPONSIBILITIES

The State has approved the following Approved Subcontractors for use by ISSC in performing the Services. The Approved Subcontractors and a synopsis of their approved areas of responsibilities are as follows:

Advantis: Advantis will be responsible for completing the Internetwork Deliverables for the MAIN Project. Advantis will complete the Internetwork detailed design report, implement the Internetwork and complete the State departments connection requirements. Advantis will design the E-mail backbone, provide the TCP/IP addressing requirements, and implement the Internetwork security system. Advantis will provide the network management for the Internetwork and ongoing operational requirements, including personnel required to maintain the Internetwork and respond to Internetwork problems.

International Business Machine Corporation ("IBM"): IBM will provide client/server expertise for designing and implementing the MIDB and EIS. Two organizations within IBM will be responsible for this process -- the IBM Open Systems Center and IBM Consulting Group. IBM will also provide planning and designing assistance for integrating the MIDB requirements with the Internetwork.

Pilot Software, Incorporated ("Pilot"): Pilot products will be installed on workstations (PCs and Macintoshes) accessing the MIDB. Pilot will provide technical support in implementing these products. Pilot will focus on the development and implementation of the workstation information access tools (IATs), provide EIS development and consulting, and provide user training.

Millennium Computer Corporation ("Millennium"): Millennium will provide specialized personal computer skills to implement the cross-platform Software on the workstations accessing the MIDB. Millennium will be responsible for designing and implementing the integrated library facility and the MAIN access control panel.



GC Services Limited Partnership ("GC Services"): GC Services will be responsible for provisioning and operating the Remote Tape and Print Facility. GC Services will provide the computer operators to staff the facilities.

Compuware Corporation ("Compuware"): Compuware will be responsible for planning the training and education for MAIN end users. Compuware will work with the State in planning course curriculum and training users on the MIDB applications. Compuware will also be responsible for MAIN Application Software documentation requirements.

Complete Business Solutions, Incorporated ("CBSI"): CBSI will assist in the development of the MIDB and will be responsible for the design and development of the data extract facility, data extract programs, and programming services for the MIDB. CBSI will also provide state government expertise to the ISSC team and assistance in understanding the functions of the different State data processing systems.



Schedule J

KEY PERSONNEL

The following ISSC and Approved Subcontractor personnel are designated as Key Personnel:

Anthony Grimaldi	Project Executive, ISSC
William Ruddock	Outsourcing Contractor Representative, ISSC
Larry Longseth	Processing Services Manager, ISSC
Vicki Eisele	MIDB Services Manager, ISSC
Linda Isreal	Network Contractor Representative, Project Manager, Advantis
Michael Maley	Pilot Software
Joel Reiser	Millennium
T. Subramanian	CBSI
Rick Kingsley	Network Architecture Advisor, IBM Open Systems Center
Wu-Fee Cheng	INMS Technical Lead, Advantis
Mike Stapanowicz	E-Mail Technical Lead, Advantis
Frank Poloski	Security/Disaster Recovery Technical Lead, ISSC
Steve Hultquist	Security/Disaster Recovery Architecture Advisor, ISSC
Mahlon Coplan	Client Server Architecture Advisor, IBM Open Systems Center



Schedule K

PROJECT MANAGEMENT, RELATED SERVICES AND REPORTING

ISSC's performance of the Services will be managed in accordance with the terms of this Schedule K (which are in addition to any other relevant provisions of the Contract).

- I. **Development Project Work Plans.** The work plans for each of the Development Projects as well as the Integrated Technology Work Plan (collectively, the "Work Plans") as of the Effective Date are attached as Attachments to this Schedule K. Each Work Plan specifies the planned start, completion and resource levels for each task it covers. The Integrated Technology Work Plan combines the individual Work Plans for each Development Project, eliminating redundant tasks and resource hours.
 - A. **Iterations of Work Plans.** ISSC will develop and maintain each Work Plan in a format and level of detail satisfactory to the State on a periodic basis as required under the circumstances or as otherwise agreed with the State. It is expected that each Work Plan will undergo at least one iteration after the design is complete and may be revised periodically throughout the course of the Term to accommodate changes in circumstances, and to specify the delivery dates for Major Deliverables and Minor Deliverables to be delivered during the balance of the applicable Development Project. The lowest levels of each Work Plan shall present all Deliverables and the assignment of the ISSC resources necessary to perform the tasks and activities required to complete each such Deliverable. The parties agree that each Work Plan is a Major Deliverable. The State reserves the right to approve or reject changes to any iteration of a Work Plan submitted by ISSC, including proposed changes to the delivery schedule for any Deliverables.
 - B. **Management of Development Projects in Accordance with Work Plans.** ISSC shall manage its performance of tasks



and delivery of Deliverables for each Development Project in accordance with the applicable Work Plan. Progress against each Work Plan will be monitored on a bi-weekly basis and reported in a bi-weekly status report provided by ISSC. The ISSC Project Executive, the applicable Service Manager and any other ISSC manager whose area of Services responsibility is to be discussed will attend Development Project status meetings at the State's request. For any task or Deliverable which is behind schedule in its performance or development, ISSC shall take whatever actions are reasonably necessary to ensure that tasks are performed and Deliverables are provided to the State in accordance with the dates specified in the applicable Work Plan. Actions taken may include, but are not limited to, redirection of resources, addition of resources, escalation of the problem within ISSC, escalation of the problem within the State, or consultations with internal or external experts.

C. **Implementation Plan.** As part of each Work Plan, ISSC shall develop an Implementation Plan for the applicable Development Project specifying the steps to be taken to commence the applicable Operations Services in a smooth manner without disruption to the State's systems and networks.

II. **Control Plans.** ISSC shall develop a control plan for each of the Operations Services according to the applicable requirements and Deliverables schedules set forth with respect to each Service in the Technology RFP (a "Control Plan"). In addition to the foregoing, the Control Plans will also contain the information described in this Section II. ISSC will perform each of the Operations Services in accordance with the applicable Control Plan, except that in the event of any conflict between an applicable Control Plan and the Contract, the terms of the Contract will take precedence.

A. **Required Contents.** Each Control Plan will describe the activities ISSC will undertake, and the procedures and methods ISSC will follow, in performing the respective Operations Services. ISSC will be responsible for formulating the structure of the Control Plans, which



shall share a common structure and contain at least the following major sections:

- Mission Statement -- An overview of the Operations Services to be provided by ISSC in respect of each Service, including scheduled times of availability for systems and reports.
- Scope -- Defines the boundaries of the Operations Services to be provided by ISSC in respect of each Service.
- Environment/Assumptions -- An overview of the Hardware and Software environment that will be used to provide the Operations Services covered by the Work Plan and any assumptions upon which the plan is based.
- Hardware/Software to be provided by ISSC to the State in respect of each Service.
- Deliverables, if any, to be provided by ISSC in respect of the applicable Operations Services.
- Communication Vehicles -- list and description of agreed-to reports to be provided by ISSC in respect of the Operations Services covered by the Work Plan.
- Recovery Management Procedures -- as described below.

B. **Change Control Procedures.** As part of ISSC's Systems Management Controls described in Section III below, ISSC shall perform each Service in accordance with a Change Management discipline and process documented in Change Control Procedures to be included in the Control Plan for each respective Service. The objective of ISSC's Change Management, and reflected in the Change Control Procedures, will be to ensure that standardized methods and procedures are used to minimize the negative impact of changes made by ISSC to the Hardware, Software or Services by controlling the implementation of such changes in an orderly, planned



manner. The responsibilities of ISSC with respect to the Change Control Procedures will include recording, communicating, coordinating, and monitoring changes affecting Service levels. ISSC will provide strong planning and control capabilities to minimize the impact of changes on the Services. The Change Control Procedures will be administered by ISSC, utilizing input from the State (e.g., application changes, user requirements, public sector requirements) and formal change management processes consistent with State and ISSC requirements. Each Change Control Procedure shall, at a minimum, provide that:

1. ISSC shall execute all Operating Software operating at the MAIN Data Center at supported levels and will install all maintenance releases of such supported levels no later than six (6) months following the general release of each such maintenance release by the respective vendor of such Software. ISSC shall incorporate all upgrades and new releases of Application Software for which ISSC has maintenance responsibility under this Contract within six (6) months following general release by the vendor of such Application Software; provided however that, with respect to Application Software for which ISSC has maintenance responsibility but not installation responsibility, ISSC's obligations under this paragraph shall be satisfied by the delivery of upgrades and new releases to the appropriate State agency coordinators within six (6) months of general release. ISSC will notify the State in advance of all installations or deliveries of such upgrades or new releases. With respect to Software for which ISSC is obligated to install upgrades or new releases under this paragraph, ISSC shall perform such installations as planned and required by this paragraph unless the State directs ISSC to defer such an installation. All other changes to the Software impacting the performance of the Software shall be made only with the prior written approval of the State.



- 2.. ISSC will assure that all Software used in providing the Services is moved from the application development and test environments to the production environment only after State sign-off and in a controlled and documented manner.
- 3.. ISSC will schedule all Hardware and Software projects so as not to unreasonably impede the State's business operations.
- 4.. In conjunction with the capacity management planning process described below, ISSC will prepare and provide to the State one (1) month and six (6) month "look ahead" schedules for ongoing and planned ISSC Hardware and Software activities which will impact the State's business operations, in addition to schedules for ISSC projects affecting the Operations Services, covering the time period from their commencement to completion. These schedules will be updated at least every quarter and will be discussed with State representatives as appropriate at the bi-weekly status meetings. ISSC will monitor the status of such work and track such work against the applicable schedules.
- 5.. ISSC will document and provide promptly to the State a notification of all emergency unplanned work performed affecting any Hardware or Software..
- 6.. ISSC will provide the State with a monthly changes report setting forth a record of ISSC's work on Hardware and Software performed during the previous month.. In addition, ISSC will provide the State with a report documenting all changes made by ISSC to Hardware or Software which impact the resource utilization of the Hardware and/or Software or alters the way in which State users interact with the Hardware and/or Software within five (5) Business Days after such a change is made.
- 7.. ISSC shall promptly update all written plans and procedures (including those described in this



Schedule K and those specified in each Work Plan) to reflect changes to the MAIN Data Center, the Internetwork or the MIDB, as appropriate.

- C. Software Maintenance. ISSC shall provide maintenance for all Work Product Software such that the Work Product Software continues to perform in all material respects in accordance with those specifications for such Work Product Software as mutually agreed upon by the Parties. ISSC's obligations under this Section II.C shall extend during the initial term of the Operations Service of which the Work Product Software is a part and any renewal periods thereof in which the State elects to purchase Software maintenance for the applicable Operations Service. As part of the Work Plans, the Parties will mutually agree upon the details of the other Software maintenance Services to be provided by ISSC as part of each respective Operations Service.

III. ISSC Management Services. ISSC's performance of the Services will be managed and operated in strict compliance with the proven automated processes, disciplines and methodologies of Systems Management Controls ("SMC"). The SMC will be considered part of the Services to be provided by ISSC and include:

- Service Level Management
- Problem Management
- Change Management
- Performance Management
- Capacity Management
- Recovery Management
- Online Management
- Batch Management



ISSC, in consultation with the State, will use the SMC automated tools to identify, track and resolve problems. ISSC will train the State's staff on the SMC tools and processes. Change Management is discussed in Section II.B above. The following are brief descriptions of certain SMC management disciplines to be employed by ISSC in performing the Services. The descriptions of particular SMCs included in this Schedule K are to further describe ISSC's responsibilities with respect to performing such SMCs and are not in any way to be construed as limiting ISSC's obligations in respect of such SMCs.

A. **Problem Management**. ISSC will employ the problem management tools, procedures and management disciplines as described below and, with respect to the Internetwork, in the following section of this Schedule K. The Parties acknowledge and agree that the State shall be responsible for providing and operating a help desk function to receive problem reports and questions and provide the first-level handling of such reports and questions, except that, with respect to the Internetwork Services, ISSC will manage, and ISSC and the State will jointly staff, the Internetwork Control Center and shall share responsibility for such first-level functions as described in Section IV below. Accordingly, as used in this subsection III.A, the term "Problem" shall mean (i) any problem report or question received by the Internetwork Control Center, and/or (ii) problem reports or questions referred to ISSC by the State's first-level help desk function for the Processing and MIDB Services, as appropriate in the context in which it appears.

1. **Objectives**. ISSC's primary objectives in performing Problem Management Services are to:
 - Ensure that all Problems are reported and recorded promptly and correctly;
 - Ensure that all Problems are assigned an appropriate severity level based on State impact;



- Ensure all outstanding Problems are managed to resolution with pre-established resolution criteria;
 - Identify and escalate to ISSC and/or State management, as appropriate, Problems that are not resolved within criteria;
 - Recognize duplicate Problems and escalate recurring Problems;
 - Review and validate closed Problems; and
 - Provide State management an overview of the Problems adversely affecting the delivery of the Services.
2. Process. ISSC's Problem Management Services will be designed to reduce the number and impact of Problems negatively affecting the Services and, in particular, the State's end-user community. The Problem Management Services will be administered by ISSC to identify, record, track, correct, and measure Problems and their impact to delivery of the Services. Every Problem relating to the Operations Services will be recorded and tracked in a database that provides technicians with real-time information on the status of all Problems affecting the Hardware, Software or Services. ISSC's Problem Management Services will utilize a proactive approach, making use of problem trending analysis techniques to help prevent Problems from occurring. ISSC will establish formal, ISSC-based, problem management processes consistent with State and ISSC requirements. The Problem Management Services will encompass any Problem that affects State end users, including Hardware and Software Problems, incomplete or unavailable functions or applications, operational Problems, and process Problems.
- B. Recovery Management. In light of (i) the requirement of the Technology RFP that ISSC be able to restore full processing of the Services within no more than forty-



eight (48) hours of a disaster, and (ii) ISSC's representations to the State that ISSC has the capacity, capability and availability within the ISSC's organization to restore full processing of the Services within such time, ISSC acknowledges and agrees that the State has elected not to purchase a 'hot-site' disaster recovery option entailing a stand-by facility capable of supporting full processing capabilities. Accordingly, ISSC's Recovery Management Services shall include backup site capacity, availability and planning meeting the requirements of the Technology RFP.

1. Recovery Procedures. ISSC's established formal, documented Recovery Management procedures for the operations staff which will be included in the Control Plans. Included in this management control discipline will be Component Failure Impact Analysis ("CFIA"), which will cover all components of the delivery of the Services, an analysis of the impact of their failures, and recovery procedures. The Recovery Management procedures developed by ISSC will be based on the State's data recovery requirements, Performance Standards, and operational requirements.
 2. Documentation. ISSC will provide the State with two (2) sets of all necessary documentation outlining the appropriate Problem determination and disaster recovery procedures to be taken in the event of an incident. The documentation will contain the names and phone numbers of support teams, a detailed escalation plan including escalation procedures, and day-to-day procedures relating to hardware and software components. Documentation will be revised as appropriate to keep them current, but no less frequently than annually. Each document will contain an index of latest revisions dates.
- C. Capacity Management. ISSC will establish a formal Capacity Management process designed to work in concert with the State's quarterly capacity planning process and meeting referred to in the Technology RFP and designed to ensure that the Performance Standards are



met and that installed system capacity is optimized to meet the State's requirements. ISSC will participate in the State's quarterly capacity planning process and meeting(s), and will provide all reports and recommendations needed or anticipated to ensure a very effective and productive planning and review session.

IV. **Management of Internetwork Operations Services.** The Internetwork Control Center will initially operate from 6:00 a.m. to 6:30 p.m., local Lansing time, on all Business Days and Saturdays (except for any Saturdays which are recognized by the State as holidays). The State may alter the hours of operation or the staffing of the Internetwork Control Center and, if it does so, ISSC's charges for the Internetwork Operations Services will be adjusted in accordance with the provisions of Schedule C. The Internetwork will be available for use by the State 24 hours per day, 7 days per week. ISSC's Internetwork Control Center staff's responsibilities will include help desk support, problem determination and resolution and master console maintenance. ISSC will provide the Internetwork management and operational Services necessary to meet the applicable Performance Standards.

A. **Staffing.** Upon the Internetwork Commencement Date, ISSC will provide at least four (4) individuals who will be dedicated to working in the Internetwork Control Center. The staffing will consist of one (1) analyst, two (2) networking operations specialists, and one (1) network operations manager. The State will provide three (3) individuals to jointly staff the Internetwork Control Center. Together, the ISSC and State staff will achieve the staffing coverage for the Internetwork Control Center specified above. ISSC agrees that it will be responsible for the supervision and overall operations of the Internetwork Control Center. The Internetwork Control Center staff will be responsible for the actual operations of computing systems, networks, help desks and technical support relating to the Internetwork.

1. **Manager.** The ISSC Internetwork Operations Manager will be responsible for the overall Internetwork Control Center operations, including reviewing



staff performance and serving as the vendor interface and the focal point for escalations.

2. Specialists. The specialists will be responsible for managing the physical/logical components, problem and change management, serving as the focal point for customer calls, proactive problem determination, and inventory management.

B. Problem Management. In addition to the Problem Management Services described in this Schedule K or in the Contract, ISSC will provide the following Problem Management Services with respect to the Internetwork Operations Services. ISSC will provide network management tools (including, but not limited to, an Integrated Network Management System) which will proactively identify actual and potential problems. All problems will be documented in a bi-weekly incident report provided to the State. The problem management process will be comprised of the following elements:

- Problems are recorded in the Trouble Ticket/6000 System by the State help desk or by Internetwork operations personnel.
- Problems are assigned to the organization or individual responsible for resolution.
- The problem is tracked to resolution.
- The problem record is updated with resolution information.
- The problem originator concurs with the resolution and the problem record is cleared.

C. Training. ISSC will provide extensive training to the State staff on the various networking components and tools employed with respect to the Internetwork to ensure that the State's technical staff have a sound understanding of the Internetwork. Training will be conducted on-site in Lansing. Sessions will be conducted in a classroom environment with hands-on training. It is anticipated that two (2) days will be



required for the basic overview modules (AIX/6000 Overview), and up to five (5) classroom days for the more intermediate and advanced courses. Hands-on training will be provided on a daily basis and formal classroom training will continue through the Term of the Contract. ISSC commits to transferring to State personnel all necessary skills for operating the Internetwork. The training will be designed to accommodate a technical audience, and materials presented will cover a wide range of networking topics, including the following areas:

1. Network Design and Management.
 - AIX/6000 Overview
 - TCP/IP Architecture
 - TCP/IP Networking Workshop
 - Introduction to Integrated Networking
 - Network Management Using AIX NetView/6000
 - Managing Technical Network Operations
2. Security Administration. The State security administration class will be designed to suit the needs of the administrators on the usage and maintenance of the Internetwork security system.
3. E-Mail Administrator Course. The E-mail administrator course will be created to cover information needed by the State's E-mail administrators when dealing with the E-mail backbone.

V. Reporting and Meetings.

- A. Reporting. In addition to the reports specified below, within thirty (30) days after the Effective Date and each Commencement Date, as applicable, the Parties will mutually determine an appropriate set of periodic



reports for the Development Project or Operations Services of each Service, respectively, to be provided by ISSC to the State, in addition to those specified in each Service's Work Plan or Control Plan.

1. Status Reports. With respect to the Development Projects, ISSC agrees to track and report the level of ISSC's efforts in comparison to the Work Plans using Microsoft Project as an automated project tracking system, and to make such system and all data collected by ISSC using such system available to the State upon request from the State. Such reports shall be prepared at least monthly in a form and level of detail acceptable to the State. ISSC agrees to deliver to the State bi-weekly written status reports, both on the dates and in the form designated by the State.
 - a. Problem Reports. Each status report shall contain a report on whether or not all tasks for which ISSC is responsible are proceeding as planned and shall be completed by the dates delineated in the Work Plan, and a report on whether or not any delays are expected in ISSC's full and complete performance of each task. The purpose of these reports is to avoid last minute changes in schedules and to provide early notification that circumstances or other matters not under ISSC's control may or will cause delays in ISSC's performance.
 - b. Time Records. At the request of the State, ISSC shall provide to the State, weekly or bi-weekly, time records indicating on a daily basis the effort expended and work performed by each of its staff and the Approved Subcontractors' staff performing the obligations of ISSC hereunder in accordance with this Contract.
2. Known Failures to Perform. With respect to the Development Projects and the Operations Services, ISSC agrees to immediately bring all failures of



which it is aware by the State or by subcontractors performing ISSC's obligations hereunder or of other Project MAIN contractors to perform their assigned or agreed responsibilities which impact the ability of ISSC to perform its responsibilities under this Contract to the attention of the State Contract Administrator or his designee. If the failure is not remedied in three (3) Business Days or such other period as is granted by the State, ISSC agrees to describe the failure and its potential impact on the full and complete performance of ISSC's obligations hereunder in its next issued status report. ISSC's responsibilities to perform under this Contract are in no way relieved by such reports.

3. Missed Performance Standards. With respect to the Operations Services, in the event that a Performance Standard is missed, ISSC will conduct a Business Impact Analysis ("BIA"). The BIA is a formal process to assist management in directing the necessary resources to fix the problems that caused missed Performance Standard. The process will begin with a technical review of each problem to determine the root cause of the failure. The responsible management will be identified and action plans will be developed, reviewed and approved to fix the problem and eliminate recurrences. Root causes may be in software, hardware, Internetwork or process failures.

- B. Meetings. Within thirty (30) days after the Effective Date and within thirty (30) days after each Commencement Date, the parties will mutually determine an appropriate set of periodic meetings to be held between representatives of the Parties regarding each Development Project or Operations Services, respectively. At a minimum and unless the Parties otherwise agree, the following meetings will be held between appropriate representatives of ISSC and the State, at times and places established by the State.

- Problem Management Meeting — Reviews any problems that have occurred during the previous 24 hours



and reviews the schedule for the next 24 hours. This meeting will be attended by both the State and ISSC management and staff, and will be conducted as needed;

- Project Status Meeting — Reviews the projects within the scope of each Service. The meeting will be attended by both the State and the ISSC Project Executive, and will be held bi-weekly;
- Quarterly Executive Development Project Review — The ISSC Project Executive will participate in a joint meeting of the State and ISSC executives to review the prior quarter's service and the status of the Development Projects to be scheduled quarterly;
- User Communication Meetings — Each provides a forum for user communications. These meetings will be set up by the State quarterly;
- Service Level Attainment Review — A monthly meeting with the State Project Director and Technical Manager to review Service Level Reports from the prior month;
- Bi-Weekly Status or "Course Correction" Meetings -- with respect to the Operations Services, a weekly meeting to report new problems and track resolution of outstanding problems;
- Quarterly Capacity Planning Meeting;
- At least once each year during the Term of this Contract, senior representatives of ISSC shall meet with the State Contract Administrator and separately with other representatives of the State to review changes implemented during the previous year and discuss possible changes to be implemented during the coming year. At such meetings, ISSC should present recommendations to the State on Hardware and Software improvements and changes that ISSC believes would significantly



reduce costs, improve service or enhance the operability or reliability of Project MAIN; and

- Other senior management meetings requested by either party.

Meetings will have a published agenda, issued by the Party requesting the meeting or as mutually agreed, distributed sufficiently in advance of the meeting to allow meeting participants a reasonable opportunity to prepare for the meeting. Meeting minutes will be issued by ISSC within five (5) Business Days after the meeting. Following review by the State, ISSC will incorporate into the final meeting minutes the State's comments and revisions.

VI. Security. ISSC shall be responsible for the planning and installation of all security systems and procedures relating to the Services, and for the security of all physical and information assets hereunder. ISSC's physical and information asset security practices during the Term will meet or exceed the State's requirements.

A. Security Design Report. ISSC will develop, in conjunction with the State and the Software Contractor, a Security Design Report to be submitted for the State's approval within sixty (60) days following the State's approval of the Internetwork Design Report Deliverable. The Security Design Report will identify the State's security requirements for all aspects of the Services, setting forth the steps to be taken to meet the State's requirements and a plan for their implementation. The Security Design Report's scope will include, but not be limited to, implementation of each feature required by the RFP, the hardware and software requirements to implement the plan, any modifications required to the MAIN Software or any of the facilities used to provide the Services (including E-mail and dial-up capabilities), and the approach to dealing with viruses.

B. Security Administration Report. ISSC will develop a Security Administration Report to be submitted for the



State's approval within sixty (60) days of the State's approval of the Internetwork Design Report Deliverable. The Security Administration Report will address all administrative aspects of security for the MAIN Application Software and PPRISM (including the MAIN Data Center), including but not limited to password management, security alerts and reporting, and configuration and growth. ISSC will design and implement the Services, including all hardware platforms, to provide each individual end-user using an intelligent work station with a single sign-on password that permits access to solely those systems available through the Internetwork to which such end user is authorized to have access.

- C. Security Audits. ISSC will conduct regular audits of the Project MAIN security processes in accordance with mutually agreed-upon guidelines. In addition to ISSC's responsibilities under the previous paragraph, the ISSC Project Executive will assist the State in implementing a sound Project MAIN security program. ISSC will also assist the State in testing the State's files and programs with respect to security concerns. Such assistance will include installing and running audit software.
- D. State Security Policies. The security policies for all the State sites will be determined and documented by the State. ISSC will administer those policies and report system-detected violations to the State for action. ISSC will assist the State in enhancing State policies relating to data and physical security.

VII. Efficient Resource Use, Benchmarking and Technological Advancements.

- A. During the Term, ISSC shall make efficient use of the resources that will be separately chargeable to the State under this Contract, including but not limited to:



1. making schedule adjustments (consistent with the State's priorities and schedules for the Services to be provided under this Contract),
 2. scheduling the performance of noncritical functions so that established limits are not exceeded whenever possible, and
 3. tuning or optimizing the systems used to perform the Services.
- B. During the term of the Processing Operations Services, each time that ISSC elects to make a material change in the Hardware or Operating Software environment that impacts the CPU-hour utilization of the State (a "System Change"), ISSC will determine, at a mutually agreed level of detail, the amount of application CPU-hours required to process a representative sample of the State's work immediately prior to the System Change and immediately after the System Change. If the application CPU-hours usage after the System Change is greater than the application CPU-hours usage prior to the System Change, then the State shall not be required to pay for any increased application CPU-hours usage due to the System Change, until the time, if any, when ISSC is able to operate the Hardware and Software such that the application CPU-hours usage after the System Change is less than or equal to the application CPU-hours usage before the System Change, based upon the same representative sample of data.
- C. ISSC agrees to use commercially reasonable efforts, without an increase in charges to the State, to maintain a level of technology, including investing in and utilizing applicable advances in hardware, software and other technology, that ISSC reasonably and in good faith determines is appropriate for the performance of the Services in an efficient and cost-effective manner. In maintaining this level of technology, ISSC will duly consider advances in technology that would be advantageous to the State for supporting Project MAIN and will use commercially reasonable efforts to accommodate those advances in technology.



VIII. Communications and Responses.

- A. Communications. The ISSC project management team will manage all interaction and communications with the State with regard to management of the personnel of ISSC and any Approved Subcontractors.
- B. Responses Required. ISSC agrees to promptly respond, either orally or in writing as designated by the State, to any questions and concerns directed to ISSC by the State.

IX. Designated ISSC Representatives. Schedule J lists the individuals who are assigned as of the Effective Date to fill the Key Personnel positions specified on Schedule J. The State agrees to the assignment of the individuals listed on Schedule J to their assigned positions. The following is a brief description of responsibilities of the positions listed on Schedule J:

- A. ISSC Contract Administrator: the ISSC officer who is assigned overall responsibility for managing the relationship with the State contemplated by the Contract, including ultimate responsibility for all aspects of the Services.
- B. ISSC Project Executive: the ISSC manager who will have direct day-to-day responsibility for all aspects of the Services. The ISSC Project Executive shall be assigned full time to perform his or her responsibilities in managing the delivery of the Services and shall be located on-site in Lansing.
- C. Processing Manager: the ISSC manager most closely responsible for all aspects of the delivery of the Processing Services, including managing the Processing Development Project and the implementation of the Processing Operations Services.
- D. Internetwork Manager: the ISSC manager most closely responsible for all aspects of the delivery of the Internetwork Services, including the development of the Internetwork during the Internetwork Development



Project and the implementation of the Internetwork Operations Services.

- E. **MIDB Manager**: the ISSC manager most closely responsible for all aspects of the delivery of the MIDB Services, including the development of the MIDB during the MIDB Development Project and the implementation of the MIDB Operations Services.



Schedule L

CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the
Contract for Technology Services
Contract Number 0144
Change Authorization Order Number _____

I. Effect on Contract.

This Change Authorization Order (the "Order") is subject to all terms and conditions of the Contract for Technology Services (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated December 1, 1993, and is issued in accordance with Section 2.1 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2.1 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

II. Description of Change.

[This section should specify whether the change is a modification to or deletion of an existing Payment Deliverable, or a new Payment Deliverable. Additionally, this section should describe, among other things, the effect of this Order on amounts payable under the Contract, the Deliverables to be produced and the schedule for delivery.]

III. State Authorization.

Check one:

___ This Order shall be performed for the benefit of [AGENCY NAME] (the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this Order shall be paid solely from funds available to the Authorizing Agency.



ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This Order is not valid until signed by an authorized representative of the Authorizing Agency and by the Purchasing Director.

— This Order shall be performed for the benefit of the DMB and is not valid until signed by the Purchasing Director.

IV. Attachments.

[Attached to this Order should be detailed schedules documenting the nature of the changes, including, as appropriate, updated versions of any of the Attachments to any of the Schedules to the Contract that are affected by the changes contemplated by this Order.]

Integrated Systems Solutions Corporation

By: _____
 Title: _____
 Date: _____

Authorizing Agency

By: _____
 Title: _____
 Date: _____

Department of Management and Budget

By: _____
 Title: _____
 Date: _____

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