

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

August 6, 2010

CHANGE NOTICE NO. 4
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com	TELEPHONE Curtis J. Gano (616) 241-1661
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-3993 Dale Reif
Contract Administrator: Barbara Suska Computerized Time Keeping System – Department of Information Technology	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2011	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **INCREASED** by \$45,061.58. All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per agency request, vendor agreement and approval by DTMB Purchasing Operations and State Administrative Board on August 3, 2010.

INCREASE: \$45,061.58

TOTAL REVISED CONTRACT VALUE: \$1,546,475.66

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

May 20, 2009

CHANGE NOTICE NO. 3 (REVISED)
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com	TELEPHONE Curtis J. Gano (616) 241-1661
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-3993 Dale Reif
Contract Administrator: Barbara Suska Computerized Time Keeping System – Department of Information Technology	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2011	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **INCREASED** by \$881,984.46. All other terms and conditions remain the same. The supporting documents are now attached to this change notice.

AUTHORITY/REASON(S):

Per agency request, vendor agreement and approval by DMB Purchasing Operations and State Administrative Board on June 17, 2008.

INCREASE: \$881,984.46

TOTAL REVISED CONTRACT VALUE: \$1,501,413.48

March 14, 2008

Mr. Jim Thelen
Michigan Department of Corrections
Grandview Plaza
P.O. Box 30003
Lansing, MI 48909

Dear Jim:

In response to our conversation, I have revised the following proposal that details the major features and pricing associated with upgrading to our web-based UltraTime Enterprise software for automated time and attendance. I have also provided an overview of the changes that would occur when converting from the current design of individual systems located at each of the thirty-five correctional facilities, to the new architecture utilizing a centralized system located on a single set of application and data servers in Lansing. All pricing in this proposal is valid at least through June 30, 2008.

UltraTime Enterprise Introduction

UltraTime Enterprise was released after nearly four years in development and is proving to be the most significant advance in the UltraTime product line in the past fifteen years. Combining our client's most requested features with the latest software developments from Microsoft; Tracy has produced one of the most stable, scalable and feature rich products available in the industry today.

Benefits of UltraTime Enterprise for Department of Corrections

The following benefits for the Department of Corrections include increased data security, easier deployment, reduced IT capital investment and maintenance costs, as well as the ability to expand the system to smaller sites, thus further increasing the return on dollars invested.

Centralized System - Combining thirty-five individual systems into one centralized system provides a number of advantages and can save tens of thousands of dollars. The advantages include;

- State policies are applied with consistency among all facilities.
- Daily backups allow for data redundancy and protection.
- Eliminates version control issues.
- Easier and faster deployment of upgrades and security enhancements.
- Less expense involved in implementing union contract policy changes.
- Reduced DIT costs in administration of server hardware and software.
- Camps and smaller remote sites can be added easily and cost effectively.
- Substantial savings in hardware and software costs with only two centralized servers required, rather than individual servers located at every correctional facility.
- Enhanced automation of CMS file transmittals (eliminates manual merging of files).

- Shiva is scheduled to phase-out this year and Tracy will no longer be able to provide on-line support to the individual facilities. This will drastically effect our ability to provide support for time and attendance and payroll processes. With a centralized system, we will be able to VPN to the servers in Lansing and continue to provide complete on-line support.

Thin Client – Provides the ability to easily add on remote sites with limited bandwidth access, like Camps. Even sites that utilize 56K dial-up modems can have relatively fast access to the system since the only information traveling down the wire is the keyboard, mouse and display data. All data that does get transmitted is protected by SSL (secure socket layer) 128-bit encryption.

Easy to Deploy – A web-based application is extremely easy to deploy to both existing and new sites. With zero-client software required on the supervisor's PC's (a few active-x files maybe required on the payroll PC), it is very easy to implement the system and to maintain the system through subsequent generations of computers. This feature of the architecture will certainly save DIT considerable time and money.

Reduced Downtime – The new database architecture eliminates issues of corrupted indexes that result in hours of downtime. Also, it eliminates the possibility of users prying into sensitive files with Paradox and other software applications and utilities. This can help to reduce or eliminate overtime paid to personal having to come in on weekends to "fix" the system.

Major Improvements for UltraTime

There are a number of areas that were targeted for improvement over the UltraTime *for Windows* (16-bit) version. Two of the most prominent focal points of concern were in the areas of security and stability.

Security - With viruses, worms, denial of service attacks, hacking and dozens of other occurrences of cyber crime in the news daily, it became readily apparent that enhancing security was a necessity. Also, new government regulations such as HIPAA (Health Insurance Portability and Accountability Act) are making it a financial and potentially criminal liability to have crucial personal information in an un-secure environment.

Stability - Of equal importance was making the application more stable, especially as it is scaled up in ever larger implementations. With individual employee's PC having access to the data and the actual data being processed at the PC, the Windows version had exposure to dishonest data manipulation as well as potential for data corruption from an unstable PC or network environment. The least destructive, but perhaps most frustrating result of this exposure was the need for time consuming system re-indexes, during which time the system is unusable.

Performance and Security Issues Addressed...

- Eliminate corrupted indexes and the need for periodic re-indexing to maintain system integrity.
- Increase security...16-bit Windows applications required the user to have full access rights to the directory. This was a large security hole when the application was deployed to dozens of desktops. Users often used Paradox to browse through the UltraTime data files.

- Eliminate performance restrictions caused by 16-bit Windows architecture. A single failing 16-bit Windows application can bring down all applications. Also, 16-bit apps only support cooperative, not pre-emptive multi-tasking which further limits performance.
- The dBase architecture was a sufficient database for the desktop with a few users, but it was never designed to scale to the enterprise level.
- Eliminate issues and contentions with other applications and newer Operating System (OS) versions. As time goes by, software vendors are spending less time and effort to ensure compatibility with older 16-bit Windows applications.

Although many enhancements have been implemented during the years to enable UltraTime for Windows to continue to be viable, the time had come to start over and completely re-write UltraTime and the basic foundation that it was built on.

UltraTime Enterprise – Design Overview

The latest generation of our flagship product is UltraTime Enterprise and the changes are substantial. The application has been completely re-written utilizing the Microsoft .Net Framework architecture. Completely web-based, UltraTime Enterprise utilizes a Microsoft SQL database backend.

Data Security: Microsoft SQL database and a browser architecture utilizing SSL (secure socket layer) increases data integrity and security. All data records transmitted between the server and client are encoded with this 128-bit encryption. Also, data on the server is no longer directly accessed by the client, which further enhances data integrity and security.

Thin Client Architecture: Utilizing a browser based architecture allows for a thin client that requires a fraction of the bandwidth of previous versions of UltraTime. This increases performance on a local network as well as enabling remote sites with a limited bandwidth fractional T1 line, or even a modem connection, to now have complete capabilities for viewing and editing records. Payroll and human resource functions as well as various supervisor functions can be accessed remotely, from a manager's home for example.

Scalable: The design of .NET Framework allows for an affordable yet scalable infrastructure that is supported by a number of server products, starting with Windows Server 2003 Standard Edition progressing up to the Enterprise (8 CPUs, 64GB RAM w/ 64 bit Itanium) and Datacenter Editions (32 CPUs, 128 GB RAM w/ 64 bit Itanium). As the system requirements grow, the servers can be scaled up with additional RAM or CPUs, or scaled out with multiple servers added to the system.

Connectivity and Integration: The .NET Framework has a number of tools to allow easy connectivity to other applications. For instance, the .NET Framework Data Provider for Oracle provides a native .Net interface to Oracle databases that bypasses the need to use an OLE DB provider and provides greater performance and scalability. Oracle 8i Release 3 (8.1.7) and 9i are supported. Future integration developments for UltraTime are possible with the .NET Framework including device support such as PDA's (.NET Compact Framework) and cell phones (Mobile Internet Toolkit).

Enhanced Management Reports and Tools for Analyzing Data: in UltraTime Enterprise Edition, there is an increased focus on management reports and better analytical tools. Support for Microsoft Reporting Services and the award winning Crystal Reports Enterprise Edition have been added to increase the flexibility and power of the reporting mechanism.

Recommended Hardware

Recommended Server (separate Data and Application servers):

- Dual 3GHz Xeon Processors
- 4GB RAM
- 15,000 RPM Hard Drives. Recommend two drives configured Raid 1 (mirrored) for the OS and four drives configured Raid 5 for the Data and/or Application.
- Redundant Power Supplies
- Microsoft SQL Server 2003
- Data Backup software and hardware that is sufficient and capable to support full backups while system is on-line.

Required Software

- • Microsoft Server 2003 (or later)
- • Microsoft SQL Server 2000 (or later)
- • Microsoft Internet Information Server (IIS)
- • Microsoft Internet Explorer (I.E. 6.0 or above)
- • Microsoft .Net Framework
- • Integrated support for Crystal Reports (Business Objects)
- • Integrated support for Microsoft SQL Server Reporting Services

Note: The above recommendations are for *guideline purposes only*. Please consult with Tracy Technical Services for detailed requirements for your environment.

Project Costs

The pricing for this project is detailed below. There are two special discounts being applied. The first is a fifty-five (55%) discount based on a number of factors, such as volume, being an existing customer, and having an annual support agreement on the prior product. This discount amounted to a **savings of \$536,250.00**.

An additional ten (10%) percent discount is being applied for the State of Michigan in accordance with Governor Granholm's cost cutting initiatives. This discount amounted to an **additional savings of \$44,475.00**.

UltraTime Enterprise Software and Modules (12,000 employees):

Software Item Description	Qty	Unit Price	Total Price
UltraTime Enterprise (12,000 employee) Version - \$22.50 per employee with discounts.	1	\$600,000.00	\$600,000.00
UltraPay Enterprise Module - \$2.25/employee with discounts.	1	\$60,000.00	\$60,000.00
Employee Import Enterprise Module - \$2.25/employee with discounts.	1	\$60,000.00	\$60,000.00
UltraView Enterprise Module (850 seat) - \$135.00 per supervisor with discounts.	1	\$255,000.00	\$255,000.00
UltraComm/IP (1-150 terms, see note)	1	\$6,000.00	\$6,000.00
Special (55%) Discount (limited time offer)	1		-- \$536,250.00
Additional Discount (10%) for State of Michigan	1		-- \$44,475.00
Options			
Dormant Employee Module (1000 employee) - 1000 dormant employee license. - \$3.375/employee with discount.	1	\$7,500.00	\$3,375.00
SQL Server, Crystal Enterprise, Security Certificate licenses and all hardware, are the responsibility of the client.	1	Client will provide	Client will provide
Total (Enterprise Software) <i>(Plus Sales Tax, options not included)</i>			\$400,275.00

Notes:

The discounts do not apply to UltraComm/IP. The functionality provided by the UltraNet, UltraSelect and UltraProcessor modules in the previous product are included in the UltraTime Enterprise Version and the separate modules are no longer required. All pricing is valid at least through **June 30, 2008**.

Training, Installation and Custom Programming:

The following are estimates for installing software and training. The actual breakout between installation, configuration and training may vary, although the total labor to install should be approximately thirty-five days.

Item Description	Qty	Unit Price	Total Price
Convert and Configure System (estimated days)	45	\$750.00	\$33,750.00
Days of Training	25	\$750.00	\$18,750.00
Options:			
Custom Programming (Future)	?	\$115.00/hour	\$?.??
Total (Labor) <i>(Plus Sales Tax, options not included)</i>			\$52,500.00

Linx Hardware Replacement

The Linx V-2N terminals are currently working fine and are fully compatible with the UltraTime Enterprise software. However, if it is desired to upgrade to a newer terminal in the next three years, the following table details the costs based on the current number of terminals utilized.

Linx Replacement Terminal

Item Description	Qty	List Price	Special Price	Total Price
Linx 7-5 Ethernet Terminal - 512K memory, 2X40 display. - Ethernet 10/100 interface. - Track 2 magstripe reader. - Tracy T&A license for Linx. - Utilizes existing Linx wall mount bracket.	109	\$1,625.00	\$1,282.50	139,792.50
Trade-In Discount for Linx X-2N terminal	109	N.A.	(\$150.00)	(\$16,350.00)
Options				
Power Protection (350 Va UPS)	1	\$135.00	\$95.00	\$95.00
Linx wall mount bracket	1	\$105.00	\$99.75	\$99.75
Linx pigtail for external speaker	1	\$115.00	\$95.00	\$95.00
ATS Ethernet Terminal - 16MB Ram/ 32MB Flash. - Ethernet 10/100 interface. - Track 2 magstripe reader. - Tracy T&A license for ATS terminal.	109	\$1,664.00	\$1,275.00	\$138,975.00
ATS Terminal Upgrade to Java - Java Programming on Linux OS. - 128M Ram/128M Flash.	109	\$300.00	\$225.00	\$24,525.00
Required Power and Ethernet drops/ports	1	P.O.R.	P.O.R.	P.O.R.
Total (Terminals) <i>(Options not included)</i>				\$123,442.50

Note: Ethernet drops and power will be needed at each location. Also requires a fixed IP address for each terminal. The Power Protection (UPS) will need to be mounted at terminal location.

Annual Support Agreement (ASA)

Annual Support Agreement (ASA) commences at the end of the manufacture's warranty period. The manufacture's warranty is 90 days from installation. The ASA includes on-line and telephone technical support as well as installation of all incremental updates. Support is available from Monday through Friday from 8:00am to 5:00pm EST, excluding holidays. Hardware ASA includes depot service covering parts and labor, as well as installation of all terminal software updates.

UltraTime Enterprise Annual Support Agreement (ASA):

The following pricing reflects the **Special Discount of fifty-five (55%) percent** provided to the Michigan Department of Corrections.

Software Item Description	Qty	List Price	Discounted (55% Off)
Annual Support Agreement on UltraTime Enterprise - 12,000 employee version.	1	\$90,000.00	\$40,500.00
Annual Support Agreement on UltraPay Enterprise	1	\$9,000.00	\$4,050.00
Annual Support Agreement on Employee Import	1	\$9,000.00	\$4,050.00
Annual Support Agreement on UltraView Enterprise - 850 seat version.	1	\$38,250.00	\$17,212.50
Annual Support Agreement on UltraComm/IP	1	\$900.00	\$900.00
Options			
Annual Support Agreement on Dormant Employee - 1000 dormant employee license.	1	\$1,125.00	\$506.25
Total (ASA 2009, no options)			\$66,712.50

Note: Service on SQL Server, Crystal Enterprise and hardware are not included on proposal. .
Annual Support price increases are limited to 2.5% per year.

UltraTime Enterprise - Annual Support Agreement (ASA) Summary:

Item Description	Qty	Total Price
ASA on UltraTime Enterprise and Modules (Year 2009) – see note	1	\$66,712.50
ASA on UltraTime Enterprise and Modules (Year 2010) – see note	1	\$68,380.31
ASA on UltraTime Enterprise and Modules (Year 2011) – see note	1	\$70,089.18
Total		\$205,181.99

Note: Above pricing based on license levels proposed, without options. The 2.5% increase has been included. Additional licenses will be priced according to the contract.

Ethernet Badge Terminal - Annual Support Agreement (ASA) Summary:

Item Description	Qty	Total Price
ASA on Ethernet Badge Terminals (Year 2009) – see note	1	\$32,703.91
ASA on Ethernet Badge Terminals (Year 2010) – see note	1	\$33,521.51
ASA on Ethernet Badge Terminals (Year 2011) – see note	1	\$34,359.55
Total		\$100,584.97

Note: Above pricing based on prior year's ASA on hardware for 109. The 2.5% increase has been included. Additional terminals will be priced according to the contract.

Conclusion

UltraTime for Windows, a 16-bit application, is currently over nine years old and has reached the end of its life. All development and custom modification work is no longer being scheduled. Tracy is concerned that the stability and reliability of the UltraTime for Windows product will be compromised in the future as less concern and testing is performed by Microsoft on its new OS versions in regards to compatibility with older 16-bit Windows applications. To insure reliable labor management data processing and payroll, Tracy highly recommends clients begin to plan and budget for the new UltraTime Enterprise version.

UltraTime Enterprise is a state of the art replacement that is completely web-based and features a robust and secure MS SQL database backend. Designed to be located centrally on two servers located in Lansing, upfront capital expenditures and on-going IT maintenance expenses are greatly reduced. Thin client architecture allows for the system to be deployed to Camps and other smaller sites with limited bandwidth connectivity.

For cost and security issued the State of Michigan phased out Shiva a year ago. Shiva was the mechanism that Tracy utilizes to provide on-line support to the computers located at the correctional facilities. This has drastically affected our ability to provide support for time and attendance and payroll processes. With a centralized system, we will be able to VPN to the servers in Lansing and once again provide complete on-line support with the security level that has been mandated.

All existing Linx badge terminals (time clocks) and employee ID's are compatible with the new system. All existing labor data, user information and employee historical information will be imported into the new system. Training required for end users will be minimal due to similarity in application operation with previous version. System conversion will be relatively transparent to the end user. The interface to DCDS is included in the conversion labor amount proposed.

Please feel free to call if you have any questions, or require further information. I may be reached at (616) 241-1661 ext. 12, or by email at curtisg@tracyinc.com.

Sincerely,
Tracy, Inc.

Curtis J. Gano

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

June 23, 2008

CHANGE NOTICE NO. 3
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com	TELEPHONE Curtis J. Gano (616) 241-1661
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-3993 Dale Reif
Contract Administrator: Barbara Suska Computerized Time Keeping System – Department of Information Technology	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2011	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **INCREASED** by \$881,984.46. All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per agency request, vendor agreement and approval by DMB Purchasing Operations and State Administrative Board.

INCREASE: \$881,984.46

TOTAL REVISED CONTRACT VALUE: \$1,501,413.48

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

March 6, 2008

CHANGE NOTICE NO. 2 (REVISED)
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com	TELEPHONE Curtis J. Gano (616) 241-1661
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-3993 Dale Reif
Contract Administrator: Barbara Suska Computerized Time Keeping System – Department of Information Technology	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2011	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **EXTENDED** to September 30, 2011. Per the attached Vendor Statement of Work, the contract is **INCREASED** by \$119,429.02 for the purchase of software, software maintenance and training for the Department of Military and Veteran Affairs. The Department of Information Technology now administers this contract. . All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per agency request, vendor agreement and approval by DMB Purchasing Operations and State Administrative Board on March 4, 2008.

INCREASE: \$119,429.02

TOTAL REVISED CONTRACT VALUE: \$619,429.02

February 1, 2008

Mr. Tom Biedrycki
Grand Rapids Home for Veterans
3000 Monroe N.W.
Grand Rapids, MI 49505

Dear Tom,

In response to our meeting, I have prepared the following overview and statement of work concerning the Tracy automated time and attendance system and the overtime equalization module.

Overview

The Grand Rapids Home for Veterans is in immediate need of updating the current Tracy UltraTime *for Windows* automated time and attendance system and to supplement it with the Automated Overtime Equalization (Call-Out) Module. These two needs have become critical due to the obsolescence of the version of UltraTime software that is being utilized and by a Union grievance regarding overtime equalization.

The old version of UltraTime *for Windows* software the facility is using to pay its employees dates back over nine years to 1999. The foundation of the software is based on dBase file structure and is a 16-bit application. The current operating system (OS) from Microsoft that ships with PC's no longer supports these 16-bit applications. To reliably process payroll, it has become necessary to upgrade to the newest version of the time and attendance software, UltraTime Enterprise.

In addition, it is currently impossible for the staff to effectively and reliably administrate the overtime equalization policy per the union contract. Further tightening of budgets and staff reductions is only going to make this a larger problem. The Automated Overtime Equalization Module relieves staff of manually filling vacancies and helps to insure accurate administration per union contracts. This module will reduce or eliminate the approximate fifty-four hundred manually dialed telephone calls that are placed each year to fill shifts caused by overtime or absences. The module applies the union rules to determine which employees can fill a vacancy and the order that they are offered the shift. It then automatically calls the employees and tracks the offered overtime.

Automated Overtime Equalization Module

This module utilizes interactive voice response (IVR) to assist in contacting employees to fill vacant shifts. The employees are contacted in a specific order based on a variety of factors, including; location, overtime previously offered, seniority and skill set. The controlling parameters are contained in a rule table permitting adjustment per union negotiations.

This module has been used extensively at the Maxey Training School and the Adrian Training School for the past five years to process thousands of shift vacancies.

Overtime Equalization Module Feature Set:

- Integrates employee schedules with a seniority based overtime list that will produce the proper overtime list once a vacancy is identified. The module also provides the capability to immediately add and remove individuals from eligibility for overtime. The module accommodates multiple phone numbers for each employee and factors schedule and accepted overtime shifts into employee availability. The module also creates reports of these activities both by vacancy (shift) and individual employee.
- Ability to automatically remove employees from the overtime rotation who are not available to work, e.g. on annual or sick leave, already working that shift, working a double, on disciplinary restrictions, and still charge them eight (8) hours of overtime offered.
- Accepts notification that an employee is unavailable for overtime for a period of time and remove them from the eligibility list. When eligibility is reinstated, the module will add the highest number of hours charged at the employee's overtime designation site to their individual record and reinsert them into the rotation.
- Designed to run in an automatic mode and will accept response code values from an employee's touch-tone telephone.
- Ability to dial long distance, local and internal calls and use multiple numbers for employees. Devices called include telephones, cell phones, answering machines and pagers.
- Accepts various rotational schedules and can be updated as needed to reflect staff movement. Staff movement results in a new overtime rotation for each work location due to the insertion of a new employee into the rotation who may have more or fewer seniority hours than the employee being replaced.
- Ability to alert the system operator each time an on-site number is called and the employee is not reached. The system will then wait for user intervention before proceeding with the call list.
- Ability to configure with four (4) incoming lines on a single IVR board. Each IVR board contains four analog telephone line ports and has a half-size PCI form factor. A PC is required for in-coming calls and a PC is required for out-going calls. Recommended PC requirements include: Windows XP operating system, 500 MHz processor, 256MB Ram, 1024 by 768 screen resolution.
- Utilizes MS-SQL database architecture and features web-based administration. Fully integrated with the UltraTime Enterprise software.
- Ability to generate a variety of reports to track overtime offered when used in conjunction with the UltraTime Enterprise software. Reports include the name of the employee whose shift is being covered by overtime, the reason for that employee's unavailability, the name of the replacement employee who is working that overtime, the date and time of the overtime shift and whether the staff working is a pool staff or facility staff working overtime.

Benefits of UltraTime Enterprise for Grand Rapids Home for Veterans

The following benefits for Grand Rapids Home for Veterans include increased data security, easier deployment, reduced IT capital investment and maintenance costs, as well as the ability to expand the system, thus further increasing the return on dollars invested. Improved management tools provide additional benefits in analyzing labor performance and costs.

Centralized System - Combining individual systems into one centralized system provides a number of advantages that can save thousands of dollars. The advantages include;

- Payroll policies are applied with consistency among all departments.
- Daily backups allow for data redundancy and protection.
- Eliminates version control issues.
- Easier and faster deployment of upgrades and security enhancements.
- Less expense involved in implementing union contract policy changes.
- Reduced IT costs in administration of server hardware and software.
- Smaller remote sites can be added easily and cost effectively.
- Substantial savings in hardware and software costs with centralized servers, rather than individual servers located in each department.

Thin Client – Provides the ability to easily add on remote sites with limited bandwidth access. Even sites that utilize 56K dial-up modems can have relatively fast access to the system since the only information traveling down the wire is the keyboard, mouse and display data. All data that does get transmitted is protected by SSL (secure socket layer) 128-bit encryption. Payroll and human resource functions as well as various supervisor functions can now be accessed remotely, from a manager's home for example.

Easy to Deploy – A web-based application is extremely easy to deploy to both existing and new departments. With zero-client software required on the supervisor's PC's (a few active-x files maybe required on the payroll PC), it is very easy to implement the system and to maintain the system through subsequent generations of computers. This feature of the architecture will certainly save IT considerable time and money.

Reduced Downtime – The SQL database architecture eliminates issues of corrupted indexes that result in hours of downtime. Also, it eliminates the possibility of users prying into sensitive files with Excel and other software applications and utilities. This can help to reduce or eliminate overtime paid to personal having to stay late or come in on weekends to "fix" the system.

DCDS Integration – The Tracy UltraTime Enterprise version maintains tight integration with the State of Michigan's DCDS payroll. Capabilities for further integration are greatly increased with this latest version. Full support of all Union rules as defined and implemented over the past ten years is included.

Utilizes Existing Hardware – All existing hardware including badge terminals, employee badges, card ID printers and PC's are fully supported by the new version.

Configuration and Historical Data – All existing system configurations, employees, punch data as well as all archived information will be brought into the new version.

Major Improvements for UltraTime

There are a number of areas that were targeted for improvement over the UltraTime *for Windows* (16-bit) version. Prominent focal points of concern were in security and stability and the most important feature enhancement was in the area of improving management tools for querying and analyzing data.

Security - With viruses, worms, denial of service attacks, hacking and dozens of other occurrences of cyber crime in the news daily, it became readily apparent that enhancing security was a necessity. Also, new government regulations such as HIPAA (Health Insurance Portability and Accountability Act) are making it a financial and potentially criminal liability to have crucial personal information in an un-secure environment. UltraTime Enterprise utilizes the Microsoft SQL database and a browser architecture utilizing SSL (secure socket layer) for increased data integrity and security. All data records transmitted between the server and client are encoded with this 128-bit encryption. Individual fields, such as SSN, in the employee table can be encrypted. Also, data on the server is no longer directly accessed by the client, which further enhances data integrity and security.

Stability - Of equal importance was making the application more stable, especially as it is scaled up in ever larger implementations. With individual employee's PC having access to the data and the actual data being processed at the PC, the Windows version had exposure to dishonest data manipulation as well as potential for data corruption from an unstable PC or network environment. The least destructive, but perhaps most frustrating result of this exposure was the need for time consuming system re-indexes, during which time the system is unusable. The new UltraTime Enterprise architecture isolates the data from instability in the user's PC and eliminates indexes and downtime from having to re-index.

Enhanced Management Tools – The competitive nature of today's environment makes it essential for management to have immediate access to real-time labor detail and the ability to compare their strategic initiatives with actual labor results. Enhanced management reports and support for Microsoft Reporting Services have been added to increase flexibility and power in the reporting mechanism.

UltraTime Enterprise System Features:

- **Web-Based** Application is 100% web-based, providing the latest in technology and accessibility.
- **MS-SQL Database** Developed with the Microsoft .Net framework utilizing the industry standard Microsoft SQL database for very high levels of performance and security.
- **Zero Client** No software needs to be installed or maintained on the individual client PC's. Only software necessary is the IE browser (version 6.0 or later).
- **Security** Encryption (128 bit) security is applied to all transactions between the server and client by utilizing a secure socket layer (SSL). In addition, individual fields in the employee table can be configured with encryption.
- **ID Badges** The UltraBadge™ module provides complete integration for employee ID badge production. The employee's picture, name and identification fields are easily configured on the badge.
- **Zero-Effort Editing** The UltraView™ module utilizes a colored cell concept that enables supervisors to monitor employee's scheduling, punches and payroll information quickly and easily. A supervisor can quickly confirm an employee's infraction, such as a late clock in, edit an employee's punch, or override a schedule. Also, employees can be quickly tagged and grouped for override work schedules, meetings or to work on a particular job. All aspects of attendance, payroll and scheduling are tightly integrated into one screen.
- **Union Compliance** Complies with over ten years of union contracts, including rule sets for MCO, ASFME, UAW and MSEA. Table driven configuration values for overtime, shift differential, rounding, line-up time and holiday rules.
- **Scheduling** Robust scheduling capabilities, including; date-based, override, perpetual, rotating and floating by employee, department, group or shift. Reports include 6-week schedule, bi-weekly work summary of scheduled employee counts (coverage) and daily scheduled employee detail.
- **DCDS Integration** The DCDS payroll interface is included and fully supported in the latest version. This is now centralized which enhances reliability and ease of use. Form A-684 time card sheet is also supported.
- **Compatible** Utilizes all existing hardware including; badge terminals, PC's and printers.

Personal Computer and Printer

Any computer accessing UltraTime Enterprise should be running a minimum screen resolution of 800 X 600, with 1024 X 768 recommended. PC's must be running Microsoft IE 6.0 or later and have the ability to get web pages from the hosting server. Also, pop-up blockers need to be disabled for the application's web pages.

Server Requirements

The server requirements for the system are based on the system requirements for SQL 2000 or later, Microsoft IIS and .Net, and Microsoft Reporting Services which is included with SQL Standard Edition.

Time Frame

We estimate the time frame for this project will be approximately eight to ten weeks from order receipt until go-live, depending on order date and required modifications. The project is entered into our system at the time a purchase order is received along with the job requirements and the initial payment. The hardware is ordered immediately and the software configuration is begun.

Terms

The following payment schedule is required for this project.

Payment Description	Payment Schedule
Initial Payment	35% due when the purchase order is sent.
Second Payment	35% due at the time the equipment is delivered.
Third Payment	25% due thirty days after the equipment is delivered.
Final Payment	5% due on project completion to agreed on specifications. A project completion criteria checklist will be jointly developed by Tracy Inc. and the Client.

Project Costs

The pricing for this project is detailed below. There are two special discounts being applied. The first is a fifty-five (55%) percent discount based on the State of Michigan being a premier status client. This discount amounted to a **savings of \$80,652.50**.

An additional ten (10%) percent discount is being applied for being an existing customer with an annual support agreement on the prior product. This discount amounted to an **additional savings of \$7,108.50**.

UltraTime Enterprise Software and Modules (650 employees):

Software Item Description	Qty	Unit Price	Total Price
UltraTime Enterprise (650 employee) Version - List price is \$32,500.00. - \$20.25 per employee with discounts.	1	\$13,162.50	\$13,162.50
UltraPay Enterprise Module - List price is \$3,250.00. - \$2.03 per employee with discounts.	1	\$1,316.25	\$1,316.25
UltraView Enterprise Module (50 seat) - List price is \$300.00 each.	50	\$121.50	\$6,075.00
UltraTime Dormant Employee Module (5000) - List price is \$37,500.00. - \$3.04 per employee with discounts.	5	\$3,040.00	\$15,187.50
UltraBadge Enterprise Station - List price is \$5,420.00 each.	2	\$2,837.25	\$5,675.50
UltraTime Automated Overtime Equalization Module - 650 Employee license. - List price is \$42,250.00. - \$26.35 per employee with discounts	1	\$17,111.25	\$17,111.25
Access Control (Meal Tracking) Module (650) - List price is \$6,500.00. - \$4.05 per employee with discounts.	1	\$2,632.50	\$2,632.50
UltraTime Automated Email Notification (650) - List price is \$1,397.50. - \$0.87 per employee with discounts.	1	\$565.50	\$565.50
UltraComm/IP (max 25 terminals)	1	\$2,250.00	\$2,250.00
IVR (4-Line) Voice Boards	2	\$695.00	\$1,390.00
Caller ID capability to board	1	\$750.00	\$750.00
Options			
Employee Import Enterprise Module - List price is \$3,250.00. - \$2.03 per employee with discounts.	1	\$1,316.25	\$1,316.25
UltraTime Enterprise Multiple Position Module (650) - List price is \$6,500.00. - \$6.75 per employee with discounts.	1	\$2,632.50	\$2,632.50
Total (Enterprise Software) (Options not included)			\$66,116.00

Notes:

The functionality provided by the UltraNet, UltraSelect and UltraProcessor modules in the previous product are included in the UltraTime Enterprise Version and the separate modules are no longer required. The above pricing has been itemized; however the special discounts reflect the items and quantities as proposed. All pricing is valid at least through **March 31, 2008**.

Training, Installation and Custom Programming:

The following are estimates for installing software and training. The actual breakout between installation, configuration and training may vary, although the total labor to install should be approximately seventeen days.

Item Description	Qty	Unit Price	Total Price
Convert and Configure System (estimated days)	14	\$750.00	\$10,500.00
Day of Training	3	\$750.00	\$2,250.00
Trip Charge (estimated trips for conversion, training)	8	\$50.00	\$400.00
Total (Labor)			\$13,150.00

Annual Support Agreement (ASA)

Annual Support Agreement (ASA) commences at the end of the manufacture's warranty period. The manufacture's warranty is 90 days from installation. The Annual Support Agreement includes on-line and telephone technical support and software version upgrades. Support is available from Monday through Friday from 8:00am to 5:00pm EST, excluding holidays. Annual Software Support Agreements include telephone and remote support, as well as installation of all incremental updates.

UltraTime Enterprise Annual Support Agreement (ASA):

The following pricing reflects a **Special Discount** of fifty-five (55%) percent that will save the State of Michigan \$12,098.00 per year.

Software Item Description	Qty	Unit Price	Discounted (55% Off)
Annual Support on UltraTime Enterprise (650) - List Price is \$4,875.00.	1	\$2,193.75	\$2,193.75
Annual Support on UltraPay Enterprise Module (650) - List price is \$487.50.	1	\$219.50	\$219.50
Annual Support on UltraView Module (50 seat) - List price is \$2,250.00.	50	\$20.25	\$1,012.50
Annual Support on Dormant Employee Module (5000) - List price is \$5,625.00.	5	\$506.25	\$2,531.25
Annual Support on UltraBadge Enterprise Station - List price is \$813.00 each.	2	\$472.95	\$945.90
Annual Support on Overtime Equalization (650) - List price is \$4,875.00.	1	\$2,851.75	\$2,851.75
Annual Support on Access (Meal) Module (650) - List price is \$975.00.	1	\$438.75	\$438.75
Annual Support on Automated Email Notification (650) - List price is \$209.63.	1	\$94.25	\$94.25
UltraComm/IP (max 25 terminals)	1	\$375.00	\$375.00
Annual Support on IVR (4- Line) Voice Boards	2	\$225.00	\$450.00
Options			
Annual Support on Employee Import Module (650)	1	\$219.50	\$219.50
Annual Support on Multiple Position Module (650)	1	\$438.75	\$438.75
Total (Annual Software Support) (Options not included)			\$11,112.65

Note: Service on SQL Server, Reporting Services, PC and Linx hardware is not included on proposal. . Annual Support price increases are limited to 2.5% per year.

Conclusion

UltraTime *for Windows*, a 16-bit application, is currently over nine years old and has reached the end of its life. All development and custom modification work ended over four years ago. The current release of the Microsoft operating system will no longer support 16-bit applications. To insure reliable labor management data processing and payroll, Tracy highly recommends clients immediately begin to plan and budget for the new UltraTime Enterprise version.

UltraTime Enterprise is a state of the art replacement that is 100% web-based and features a robust and secure MS SQL database backend. Designed to be located centrally on one or two servers, upfront capital expenditures and on-going IT maintenance expenses are greatly reduced. Thin client architecture allows for the system to be deployed even to smaller sites with limited bandwidth connectivity.

The Automated Overtime Equalization Module will insure that union policies are being effectively met in an efficient and accurate manner. The system will automatically select and call employees to fill vacant shifts, track the overtime offered and provide full record logging for audit tracking purposes. Operations are performed in real-time and are accurate to the 1/100th of an hour.

All existing labor data, user information and employee historical information will be imported into the new system. Training required for end users will be minimal due to similarity in application operation with previous version. System conversion will be relatively transparent to the end user. The interface to payroll is included in the conversion labor amount proposed.

Please feel free to call if you have any questions, or require further information. I may be reached at (616) 241-1661 ext. 12, or by email at curtisg@tracyinc.com.

Sincerely,
Tracy, Inc.

Curtis J. Gano

Jan-08-08 11:59am Fran-Mitchell AFSCME 23

16176873873

T-284 P.032/002 F-500

GRIEVANCE SETTLEMENT AGREEMENT
AFSCME and GRRV
C13186-0261-06
2006-23

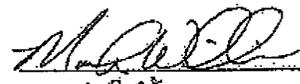
The following terms and conditions are a complete and final settlement of the above grievance:

1. Until the Tracy Time update is installed, all voluntary overtime, including incidental, shall be equalized on a weekly basis.
2. The Employer agrees to purchase and install the Tracy Time update as expeditiously as possible.
3. After the Tracy Time update is installed, all voluntary overtime, including incidental, shall be equalized on a daily basis.
4. In consideration of this agreement, the above grievance is withdrawn; however, the union reserves the right to re-file this grievance directly to arbitration if, in its sole judgment, stipulation 2 above has not been met.
5. Any cancellation fees due the arbitrator shall be paid equally by the parties.
6. This agreement does not establish precedent for the resolution of any other matters.

FOR DMVA:

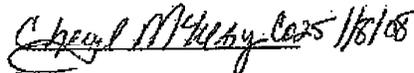
FOR AFSCME:





Date: 1-7-08

Date: 1-8-08



Date:

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

March 5, 2008

CHANGE NOTICE NO. 2
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Curtis J. Gano (616) 241-1661
Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com		VENDOR NUMBER/MAIL CODE
		BUYER (517) 373-3993 Dale Reif
Contract Administrator: Barbara Suska Computerized Time Keeping System – Department of Corrections		
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2011		
TERMS	SHIPMENT	
N/A	N/A	
F.O.B.	SHIPPED FROM	
N/A	N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **EXTENDED** to September 30, 2011 and **INCREASED** by \$119,429.02. Commodity code 924-36/CS 138#192S0002154 for training, is added and the Contract is now administered by the Department of Information Technology. All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per agency request, vendor agreement and approval by DMB Purchasing Operations and State Administrative Board on March 4, 2008.

INCREASE: \$119,429.02

TOTAL REVISED CONTRACT VALUE: \$619,429.02

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

August 23, 2007

CHANGE NOTICE NO. 1
TO
CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Curtis J. Gano (616) 241-1661
Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221 Email: curtisg@tracyinc.com		VENDOR NUMBER/MAIL CODE
		BUYER (517) 373-3993 Dale Reif
Contract Administrator: John Kalanquin Computerized Time Keeping System – Department of Corrections		
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2008		
TERMS	SHIPMENT	
N/A	N/A	
F.O.B.	SHIPPED FROM	
N/A	N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE(S):

Effective October 1, 2007, this contract is hereby **EXTENDED** to September 30, 2008. Please note that the buyer has been changed to Dale Reif. All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per vendor and agency agreement and DMB Purchasing Operations approval.

Estimated Contract Value Remains: **\$500,000.00**

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

October 23, 2003

**NOTICE
 TO
 CONTRACT NO. 071B4200039
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221	TELEPHONE Curtis J. Gano (616) 241-1661
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-7396 Andy Ghosh
Contract Administrator: John Kalanquin Computerized Time Keeping System – Department of Corrections	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2007	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

The terms and conditions of this Contract are those of [REQ. #084R3000407](#), this Contract Agreement and the vendor's quote dated **03/31/2003**. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: **\$500,000.00**

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

CONTRACT NO. 071B4200039
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR <p style="text-align: center;">Tracy Time Systems 230 32nd Street Southeast Grand Rapids, MI 49548-2221</p>	TELEPHONE Curtis J. Gano (616) 241-1661 VENDOR NUMBER/MAIL CODE BUYER (517) 373-7396 Andy Ghosh
Contract Administrator: <p style="text-align: center;">Computerized Time Keeping System – Department of Corrections</p>	
CONTRACT PERIOD: From: October 1, 2003 To: September 30, 2007	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: <p>The terms and conditions of this Contract are those of REQ. #084R3000407, this Contract Agreement and the vendor's quote dated 03/31/2003. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.</p>	
Estimated Contract Value: \$500,000.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the [REQ. No. 084R3000407](#). A Purchase Order Form will be issued only as the requirements of the Department of Corrections are submitted to Acquisition Services. Orders for delivery may be issued directly by the [Department of Corrections](#) through the issuance of a Purchase Order Form.

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

<p>FOR THE VENDOR:</p> <p style="text-align: center;">Tracy Time Systems</p> <hr/> <p style="text-align: center;">Firm Name</p> <hr/> <p style="text-align: center;">Authorized Agent Signature</p> <hr/> <p style="text-align: center;">Authorized Agent (Print or Type)</p> <hr/> <p style="text-align: center;">Date</p>	<p>FOR THE STATE:</p> <hr/> <p style="text-align: center;">Signature</p> <p style="text-align: center;">Andy Ghosh, Buyer Specialist</p> <hr/> <p style="text-align: center;">Name</p> <p style="text-align: center;">Tactical Purchasing, Acquisition Services</p> <hr/> <p style="text-align: center;">Title</p> <hr/> <p style="text-align: center;">Date</p>
---	---

STATE OF MICHIGAN - ACQUISITION SERVICES

TABLE OF CONTENTS

SECTION I – CONTRACTUAL SERVICES TERMS AND CONDITIONS..... 4

I-A PURPOSE..... 4

I-B TERM OF CONTRACT 4

I-C ISSUING OFFICE 4

I-D CONTRACT ADMINISTRATOR 4

I-E COST LIABILITY 5

I-F CONTRACTOR RESPONSIBILITIES 5

I-G NEWS RELEASES 5

I-H DISCLOSURE..... 5

I-I ACCOUNTING RECORDS 5

I-J INDEMNIFICATION 5

I-K LIMITATION OF LIABILITY..... 8

I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS 8

I-M WARRANTIES AND REPRESENTATIONS..... 8

I-N TIME IS OF THE ESSENCE 9

I-O CONFIDENTIALITY OF DATA AND INFORMATION 9

I-P REMEDIES FOR BREACH OF CONFIDENTIALITY 9

I-Q CONTRACTOR'S LIABILITY INSURANCE 10

I-R NOTICE AND RIGHT TO CURE..... 12

I-S CANCELLATION..... 12

I-T RIGHTS AND OBLIGATIONS UPON CANCELLATION 12

I-U EXCUSABLE FAILURE..... 15

I-V ASSIGNMENT 13

I-W DELEGATION..... 14

I-X NON-DISCRIMINATION CLAUSE 14

I-AA MODIFICATION OF SERVICE 15

I-BB NOTICES 16

I-CC ENTIRE AGREEMENT 16

I-DD NO WAIVER OF DEFAULT 16

I-EE SEVERABILITY 16

I-FF HEADINGS 17

I-GG RELATIONSHIP OF THE PARTIES..... 17

I-HH UNFAIR LABOR PRACTICES 17

I-II SURVIVOR 17

I-JJ GOVERNING LAW 17

I-KK YEAR 2000 SOFTWARE COMPLIANCE..... 17

I-LL CONTRACT DISTRIBUTION..... 17

I-MM TRANSITION ASSISTANCE 21

I-NN DISCLOSURE OF LITIGATION 22

SECTION II - WORK STATEMENT..... 24

Appendices

Appendix A – Technical Proposal and Price List

DEFINITION OF TERMS

TERMS	DEFINITIONS
Contract	A binding agreement entered into by the State of Michigan resulting from a vendor's proposal; see also "Blanket Purchase Order."
Contractor	The successful vendor who is awarded a Contract.
DMB	Michigan Department of Management and Budget
State	The State of Michigan For Purposes of Indemnification as set forth in section I-J, State means the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents.
Blanket Purchase Order	Alternate term for "Contract" used in the State's Computer system (Michigan Automated Information Network [MAIN])
Expiration	Except where specifically provided for in the Contract, the ending and termination of the contractual duties and obligations of the parties to the Contract pursuant to a mutually agreed upon date.
Cancellation	Ending all rights and obligations of the State and Contractor, except for any rights and obligations that are due and owing.
Work Product	Work Product means any data compilations, reports, and any other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of and in furtherance of performing the services required by this Contract.



**SECTION I
CONTRACTUAL SERVICES TERMS AND CONDITIONS**

I-A PURPOSE

This Contract is for a Computerized Time Keeping System for the Department of Corrections.

Contract awarded from this solicitation will be a unit price Contract.

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by the contractor prior to signing of a Contract by all parties. The activities (be sure to spell out activity) in this Contract cover the period October 1, 2003 through September 30, 2007. The State fiscal year is October 1st through September 30th. The Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations.

I-C ISSUING OFFICE

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

The Acquisition Services is the sole point of contact in the State with regard to all procurement and contractual matters relating to the services described herein.

The Acquisition Services is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Contract. The ACQUISITION SERVICES will remain the SOLE POINT OF CONTACT throughout the procurement process, until such time as the Director of Purchasing shall direct otherwise in writing. See Paragraph II-C below.

All communications concerning this Contract must be addressed to:

Andy Ghosh, Buyer Specialist

Tactical Purchasing
DMB, Acquisition Services
2nd Floor, Mason Building
P.O. Box 30026
Lansing, MI 48909
ghosha@michigan.gov
(517) 373-7396

I-D CONTRACT ADMINISTRATOR

Upon receipt at the Acquisition Services of the properly executed Contract Agreement, it is anticipated that the Director of Purchasing will direct that the person named below or any other person so designated be authorized to administer the Contract on a day to day basis during the term of the Contract.

However, administration of this Contract implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of this Contract. That authority is retained by the Acquisition Services. The Contract Administrator for this project is:

John Kalanquin



Department of Information Technology
Grand Rapids Home for Veterans
3000 Monroe NW
Grand Rapids, MI 49505
(616) 364-5379
kalanquin@michigan.gov

I-E COST LIABILITY

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

I-F CONTRACTOR RESPONSIBILITIES

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

I-G NEWS RELEASES

News releases pertaining to this document or the services, study, data, or project to which it relates will not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the program are to be released without prior approval of the State and then only to persons designated.

I-H DISCLOSURE

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

I-I ACCOUNTING RECORDS

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

I-J INDEMNIFICATION

A. General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:



1. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.
2. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;
3. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;
4. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors,

by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;

5. any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

B. Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.



C. Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive.

Any overlap in subclauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other subclause.

D. Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect notwithstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

I-K LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages. Such limitation as to indirect or consequential damages shall not be applicable for claims arising out of gross negligence, willful misconduct, or Contractor's indemnification responsibilities to the State as set forth in Section I-J with respect to third party claims, action and proceeding brought against the State.

I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS

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

I-M WARRANTIES AND REPRESENTATIONS

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

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



7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor has not provided any gifts, payments or other inducements to any officer, employee or agent of the State;

I-N TIME IS OF THE ESSENCE

The Contractor agrees that time is of the essence in the performance of the Contractor's obligations under this Contract.

I-O CONFIDENTIALITY OF DATA AND INFORMATION

1. All financial, statistical, personnel, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this section.
2. The Contractor shall not be required under the provisions of this section to keep confidential, (1) information generally available to the public, (2) information released by the State generally, or to the Contractor without restriction, (3) information independently developed or acquired by the Contractor or its personnel without reliance in any way on otherwise protected information of the State. Notwithstanding the foregoing restrictions, the Contractor and its personnel may use and disclose any information which it is otherwise required by law to disclose, but in each case only after the State has been so notified, and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.

I-P REMEDIES FOR BREACH OF CONFIDENTIALITY

The Contractor acknowledges that a breach of its confidentiality obligations as set forth in section I-Q of this Contract shall be considered a material breach of the Contract. Furthermore the Contractor acknowledges that in the event of such a breach the State shall be irreparably harmed.

Accordingly, if a court should find that the Contractor has breached or attempted to breach any such obligations, the Contractor will not oppose the entry of an appropriate order restraining it from any further breaches or attempted or threatened breaches. This remedy shall be in addition to and not in limitation of any other remedy or damages provided by law.

I-Q CONTRACTOR'S LIABILITY INSURANCE

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



The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract. The Contractor also agrees to provide evidence that all applicable insurance policies contain a waiver of subrogation by the insurance company.

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

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

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

BEFORE THE CONTRACT IS SIGNED BY BOTH PARTIES OR BEFORE THE PURCHASE ORDER IS ISSUED BY THE STATE, THE CONTRACTOR MUST FURNISH TO THE DIRECTOR OF Acquisition Services, CERTIFICATE(S) OF INSURANCE VERIFYING INSURANCE COVERAGE. THE CERTIFICATE MUST BE ON THE STANDARD "ACCORD" FORM. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. All such Certificate(s) are to be prepared and submitted by the Insurance Provider and not by the Contractor.

All such Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Acquisition Services, Department of Management and Budget.

Such NOTICE must include the CONTRACT NUMBER affected and be mailed to: Director, Acquisition Services, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909.

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

1. Commercial General Liability with the following minimum coverages:
\$2,000,000 General Aggregate Limit other than Products/Completed Operations
\$2,000,000 Products/Completed Operations Aggregate Limit
\$1,000,000 Personal & Advertising Injury Limit
\$1,000,000 Each Occurrence Limit
\$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED(S) on the Commercial General Liability policy.

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



The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability policy.

- 3. Worker's disability compensation, disability benefit or other similar employee benefit act with minimum statutory limits.
NOTE: (1) If coverage is provided by a State fund or if Contractor has qualified as a self-insurer, separate certification must be furnished that coverage is in the state fund or that Contractor has approval to be a self-insurer; (2) Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable; and (3) Any policy of insurance must contain a provision or endorsement providing that the insurers' rights of subrogation are waived. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.
- 4. For contracts providing temporary staff personnel to the State, the Contractor shall provide an Alternate Employer Endorsement with minimum coverage of \$1,000,000.
- 5. Employers liability insurance with the following minimum limits:
\$100,000 each accident
\$100,000 each employee by disease
\$500,000 aggregate disease
- 6. Professional Liability Insurance (Errors and Omissions coverage) with the following minimum coverage: *(to be used if contracting for insurance agents, accountants, lawyers, architects, engineers and surveyors.)*
 - \$1,000,000 each occurrence and \$3,000,000 annual aggregate
 - \$3,000,000 each occurrence and \$5,000,000 annual aggregate
 - \$5,000,000 each occurrence and \$10,000,000 annual aggregate
- 7. Medical Professional Liability, minimum coverage *(Medical Professional Liability Insurance is required anytime the State contracts with a medical professional. If a single practitioner will be providing services on site at an agency facility, CGL is NOT required.)*
 - \$100,000 each occurrence and \$300,000 annual aggregate *(for single practitioner)*
 - \$200,000 each occurrence and \$600,000 annual aggregate *(for single practitioner)*
 - \$1,000,000 each occurrence and \$5,000,000 annual aggregate *(for group practice)*

I-R NOTICE AND RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

I-S CANCELLATION



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

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.

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

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.
3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available.

The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.



4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 7. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

I-T RIGHTS AND OBLIGATIONS UPON CANCELLATION

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

Work Product, on a percentage of completion basis. In the event of a cancellation for cause, or any other reason under the Contract, the State will pay, if applicable, as a separate item of payment pursuant to the Contract, for all partially completed Work Products, to the extent that the State requires the Contractor to submit to the State any such deliverables, and for all charges due under the Contract for any cancelled services provided by the Contractor prior to the cancellation date. All completed or partially completed Work Product prepared by the Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and the Contractor shall be entitled to receive just and fair compensation for such Work Product. Regardless of the basis for the cancellation, the State shall not be obligated to pay, or otherwise compensate, the Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

3. If any such cancellation by the State is for cause, the State shall have the right to set-off against any amounts due the Contractor, the amount of any damages for



which the Contractor is liable to the State under this Contract or pursuant to law and equity.

4. Upon a good faith cancellation, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and materials provided under this Contract, and may further pursue completion of the Work Product under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

I-U EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.
2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable thereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

I-V ASSIGNMENT

The Contractor shall not have the right to assign this Contract or to assign or delegate any of its duties or obligations under this Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any



purported assignment in violation of this section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the State Purchasing Director.

I-W DELEGATION

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

I-X NON-DISCRIMINATION CLAUSE

In the performance of this Contract or purchase order resulting herefrom, the Contractor agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position.

The Contractor further agrees that every subcontract entered into for the performance of this Contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2101, *et seq*, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq*, and any breach thereof may be regarded as a material breach of the Contract or purchase order.

**I-AA MODIFICATION OF SERVICE**

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

This Contract may not be revised, modified, amended, extended, or augmented, except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

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

1. Within five (5) business days of receipt of a request by the State for any such change, or such other period of time as to which the parties may agree mutually in writing, the Contractor shall submit to the State a proposal describing any changes in products, services, timing of delivery, assignment of personnel, and the like, and any associated price adjustment. The price adjustment shall be based on a good faith determination and calculation by the Contractor of the additional cost to the Contractor in implementing the change request less any savings realized by the Contractor as a result of implementing the change request. The Contractor's proposal shall describe in reasonable detail the basis for the Contractor's proposed price adjustment, including the estimated number of hours by task by labor category required to implement the change request.
2. If the State accepts the Contractor's proposal, it will issue a change notice and the Contractor will implement the change request described therein. The Contractor will not implement any change request until a change notice has been issued validly. The Contractor shall not be entitled to any compensation for implementing any change request or change notice except as provided explicitly in an approved change notice.
3. If the State does not accept the Contractor's proposal, the State may:
 - a. withdraw its change request; or
 - b. modify its change request, in which case the procedures set forth above will apply to the modified change request.

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

If the State requests or directs the Contractor to perform any services or functions that are consistent with and similar to the services being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not



included within the scope of the Contractor's responsibilities and charges as set forth in the Contract, then prior to performing such services or function, the Contractor shall promptly notify the State in writing that it considers the services or function to be an "Additional Service" for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing such services or functions. If the Contractor does so notify the State, then such a service or function shall be governed by the change request procedure set forth in the preceding paragraph.

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

I-BB NOTICES

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

For the Contractor: **Curtis J. Gano**
Tracy Time Systems
230 32nd Street Southeast
Grand Rapids, MI 49548-2221

For the State: **Andy Ghosh, Buyer Specialist**
Tactical Purchasing
DMB, Acquisition Services
2nd Floor, Mason Building
P.O. Box 30026
Lansing, MI 48909

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

I-CC ENTIRE AGREEMENT

The contents of this document is contractual obligations. Failure of the Contractor to accept these obligations may result in cancellation of the award.

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

I-DD NO WAIVER OF DEFAULT

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

I-EE SEVERABILITY



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

I-FF HEADINGS

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

I-GG RELATIONSHIP OF THE PARTIES

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

I-HH UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board.

A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

I-II SURVIVOR

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

I-JJ GOVERNING LAW

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

I-KK YEAR 2000 SOFTWARE COMPLIANCE

The Contractor warrants that services provided under this Contract including but not limited to the production of all Work Products, shall be provided in an accurate and timely manner without interruption, failure or error due the inaccuracy of Contractor's business operations in processing date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, including leap year calculations. The Contractor shall be responsible for damages resulting from any delays, errors or untimely performance resulting therefrom.

I-LL CONTRACT DISTRIBUTION



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

I-MM TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to six months after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees.

Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance. If the State cancels this Contract for cause, then the State will be entitled to off set the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said cancellation.

I-NN DISCLOSURE OF LITIGATION

1. The Contractor shall notify the State in its bid proposal, if it, or any of its subcontractors, or their officers, directors, or key personnel under this Contract, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation or deception. Contractor shall promptly notify the State of any criminal litigation, investigations or proceeding which may have arisen or may arise involving the Contractor or any of the Contractor's subcontractor, or any of the foregoing entities' then current officers or directors during the term of this Contract and three years thereafter.
2. The Contractor shall notify the State in its bid proposal, and promptly thereafter as otherwise applicable, of any civil litigation, arbitration, proceeding, or judgments that may have arisen against it or its subcontractors during the five years proceeding its bid proposal, or which may occur during the term of this Contract or three years thereafter, which involve (1) products or services similar to those provided to the State under this Contract and which either involve a claim in excess of **\$250,000** or which otherwise may affect the viability or financial stability of the Contractor , or (2) a claim or written allegation of fraud by the Contractor or any subcontractor hereunder, arising out of their business activities, or (3) a claim or written allegation that the Contractor or any subcontractor hereunder violated any federal, state or local statute, regulation or ordinance. Multiple lawsuits and or judgments against the Contractor or subcontractor, in any an amount less than **\$250,000** shall be disclosed to the State to the extent they affect the financial solvency and integrity of the Contractor or subcontractor.
3. All notices under subsection 1 and 2 herein shall be provided in writing to the State within fifteen business days after the Contractor learns about any such criminal or civil investigations and within fifteen days after the commencement of any proceeding, litigation, or arbitration, as otherwise applicable. Details of settlements which are prevented from disclosure by the terms of the settlement shall be annotated as such. Semi-annually, during the term of the Contract, and thereafter for three years, Contractor shall certify that it is in compliance with this Section. Contractor may rely on similar good faith certifications of its subcontractors, which certifications shall be available for inspection at the option of the State.



4. Assurances - In the event that such investigation, litigation, arbitration or other proceedings disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract, causes the State to be reasonably concerned about:
 - a) the ability of the Contractor or its subcontractor to continue to perform this Contract in accordance with its terms and conditions, or
 - b) whether the Contractor or its subcontractor in performing services is engaged in conduct which is similar in nature to conduct alleged in such investigation, litigation, arbitration or other proceedings, which conduct would constitute a breach of this Contract or violation of Michigan or Federal law, regulation or public policy, then

The Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that: (a) the Contractor or its subcontractors hereunder will be able to continue to perform this Contract in accordance with its terms and conditions, (b) the Contractor or its subcontractors will not engage in conduct in performing services under this Contract which is similar in nature to the conduct alleged in any such litigation, arbitration or other proceedings.

5. The Contractor's failure to fully and timely comply with the terms of this section, including providing reasonable assurances satisfactory to the State, may constitute a material breach of this Contract.



SECTION II

WORK STATEMENT

Project Title: Intelligent Time Keeping System	
Requesting Department: Corrections	
Agency Project Manager: James Thelen	
DIT Contract Liaison: John Kalanquin	
<p>Brief Description of Services to be provided: (Please attach a detailed Work Statement to this request)</p> <p>BACKGROUND: The Department of Corrections requires time clocks at each of their prison facilities. To reduce and eliminate manual entries and errors, software was purchased and customized to conform to the state of MI Civil Service Regulations, Federal Fair Labor Standards, and Union Contract Time Reporting and overtime. This software was also customized to track overtime based on activity reporting so Budget Office can comply with various legislative requests on overtime costs. The software was also customized to electronically transfer the time to the State of Michigan time reporting and payroll system (Data Collection and Distribution System). Other features of the software will enable the Department to monitor and provide accurate payments to contracted health care providers. This will enable the department to only provide payments for actual hours spent on the job versus estimated costs that often times resulted in overpayments.</p> <p>SCOPE OF WORK: Currently the Department is wanting to switch the existing photo id system to incorporate mag strip versus bar code. The majority of the facilities already have equipment in place. There will need to have some minor software changes to pick up the mag strip coding and to convert data to automatically load ID numbers for the 13,000 plus individuals using auto time. The cost is approximately \$5,000.00. In addition to this change would only be costs for the annual service agreements per attached.</p> <p>PROJECT OBJECTIVE: The Department is hoping that we can obtain an extension of the contract. The vendor, in its projections of the annual maintenance has incorporated a reduction, in support of Governor Granholms initiative for budget reductions. All department facilities are familiar with the clock operations as well as the customized software.</p> <p>SEE ATTACHMENT FOR BALANCE OF WORK STATEMENT.</p>	

TERMS AND CONDITIONS

CONTRACT #071B4200039



TO BE COMPLETED BY CONTRACTOR (WRITTEN RESPONSE REQUIRED WITHIN 14 BUSINESS DAYS FROM RECEIPT OF AGENCY WORK STATEMENT)		
Response Approved	Response Denied	Date:
Reason for Denying:		
Signature of Contractor:		

**TASKS:**

Technical support is required to assist with the following tasks:

There is no technical support required to assist with the following tasks.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

1. Deliverables are not included until a purchase is made.

SKILL SET/EXPERIENCE REQUIRED:

The skill set is being able to use the software needed to work with this system.

PROJECT CONTROL AND REPORTS:

A bi-weekly progress report must be submitted to the Agency Project Manager through the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

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



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

3. **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

SPECIFIC DEPARTMENT STANDARDS:

Agency standards, if any, in addition to DIT standards.

PAYMENT SCHEDULE:

Payment will be made on a “fixed price” basis. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Director prior to payment. Payment will be made on an ongoing basis based on the number of hours expended, if the Agency Project Manager deems work is progressing satisfactorily. In the event it is necessary for contractual staff to travel for this project, prior approval must be obtained by the project manager. Travel charges will be reimbursed at current state-authorized rates as outlined by DMB guidelines and must be accompanied by actual receipts. Travel time will not be reimbursed.

PROJECT CONTACTS:

The designated Agency Project Manager is:

Name	James Thelen
Department	MDOC
Area	
Building/Floor	
Address	
City/State/Zip	
Phone Number	517 373-4173
Fax Number	
Email Address	

The DIT Contract Liaison for this project is:

Name	John Kalanquin
Michigan Department of Information Technology	
Building/Floor	Grand Rapids Home for Veterans
Address	3000 Monroe NW
City/State/Zip	Grand Rapids MI 49505
Phone Number	616 364-5379
Fax Number	616 364-5373
Email Address	kalanquin@michigan.gov

AGENCY RESPONSIBILITIES/ASSUMPTIONS:

There are no agency responsibility or assumptions.

RIGHT TO OWNERSHIP:

All data, materials, documentation and other things developed by the contractor for this project shall belong exclusively to the State. This includes, but is not limited to, source code *and documentation*. The State shall also own and retain intellectual property rights covering technology developed as part of the services described herein.



APPENDIX A

TECHNICAL PROPOSAL & PRICE LIST

The pricing portion of this proposal is discounted and divided into three sections:

- Hardware and Software Costs
- Annual Depot Service Agreement Costs
- Annual Depot Service Agreement Notes

Hardware and Software

Item Description	Unit Price
Linx V-2N Ethernet Badge Terminal - Internal magnetic stripe slot reader. - Barcode slot reader (sealed). - External beeper. - 350va UPS battery (approx. 4 hours). - Backlit 80 character LCD display. - Locking wall mount bracket. - List Price is \$2,725.00 (Over 15% discount).	\$2,245.00
UltraTime for Windows - Department of Corrections version. - Includes UltraComm/IP on-line module. - Includes UltraPay module with DCDS interface.. - List Price is \$5,035.00 (over 30% discount).	\$3,495.00
UltraNet Multi-User Module, with 10% discount	\$895.00
UltraSelect Data Select Module, 10% discount	\$895.00
UltraView Module (5 seat), with 10% discount	\$1,795.00
UltraView Module (10 seat), with 10% discount	\$2,695.00
UltraView Module (15 seat), with 10% discount	\$4,495.00
UltraView Module (25 seat), with 10% discount	\$4,995.00
UltraView Module (50 seat), with 10% discount	\$7,875.00
UltraOccr Occurrence Module, with 10% discount	\$895.00
UltraAccr Accrual Benefits Module, with 10% discount	\$895.00
Carbon Copy/32 Diagnostic Software	\$195.00
Custom Modifications (per hour charge), with 10% discount	\$85.00/hr.
Custom Employee Sybase Interface (estimated)	\$2,275.00
Travel and Expenses, with 10% discount	See Note 1
Installation of Linx Data Terminal, with 10% discount	\$225.00
Configuration of UltraTime and Linx Terminal, with 10% discount	\$675.00
Training on UltraTime for Windows Software, with 10% discount	\$675.00
Travel and Expenses (estimated, see note), with 10% discount	\$750.00

Note: Travel and Expenses are calculated at \$85.00 per hour (portal to portal) for car travel and at cost for airfare and car rental (if necessary). Hotel and meals are at cost but shall not exceed \$115.00 per night for room and \$45.00 per day for meals. The average Travel and Expenses is estimated at \$750.00 per trip.



Michigan Department of Corrections - Depot Service Agreement Costs

The following table references the cost for the Annual Service Agreement for Depot Service. The prices shown are for the first ten years and are **discounted ten (10%) percent** and include all parts and labor. The first year reflects an additional discount for overlapping coverage with the manufacturer's warranty. The second through fifth year rates increase at 2.5% per year. For existing equipment, the annual service would continue on from whichever year the contracted equipment was currently on.

Item Description	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year
UltraTime for Windows (ATSW) - Department of Corrections version.	\$236.25	\$322.75	\$330.95	\$339.25	\$347.75
Linx IV-2N Badge Terminal (LDT4-2N) - Batteries not included. - Surge protection not included.	\$135.00	\$184.50	\$189.00	\$193.75	\$198.50
Linx V-2N Ethernet Terminal (LDT5-2N) - Batteries not included. - Surge protection not included.	\$135.00	\$184.50	\$189.00	\$193.75	\$198.50
Linx IV or V, Mag Only or Mag w/Barcode Reader (price is the same). - Batteries not included. - Surge protection not included.	\$185.50	\$253.50	\$259.75	\$266.25	\$273.00
UltraComm Software (UCL/IP)	\$101.25	\$138.25	\$141.75	\$145.25	\$149.00
Linx External Modem - RJ11 surge protection not included.	\$11.75	\$16.00	\$16.50	\$16.75	\$17.25
Support of Carbon Copy/32 Software	\$21.75	\$29.50	\$30.25	\$31.25	\$32.00
UltraNet Multi-User Module (ANO)	\$101.25	\$138.25	\$141.75	\$145.25	\$149.00
UltraData Data Select Module (ASO)	\$101.25	\$138.25	\$141.75	\$145.25	\$149.00
UltraOccr Occurrence Module (AOO)	\$101.25	\$138.25	\$141.75	\$145.25	\$149.00
UltraAccr Accrual Benefit Module (ABO)	\$101.25	\$138.25	\$141.75	\$145.25	\$149.00
UltraView Module (1 seat) ADS01	\$50.50	\$69.00	\$70.75	\$72.50	\$74.25
UltraView Module (5 seat) ADS05	\$202.50	\$276.75	\$283.50	\$290.75	\$297.75
UltraView Module (10 seat) ADS10	\$303.75	\$415.25	\$425.50	\$436.00	\$446.75
UltraView Module (15 seat) ADS15	\$405.00	\$553.50	\$567.25	\$581.50	\$596.00
UltraView Module (25 seat) ADS25	\$506.25	\$691.75	\$709.25	\$726.75	\$744.50
UltraView Module (35 seat) ADS35	\$658.25	\$898.75	\$921.25	\$944.00	\$967.75
UltraView Module (50 seat) ADS50	\$843.75	\$1,153.25	\$1,182.00	\$1,211.50	\$1,241.50
UltraView Module (75 seat) ADS75	\$1,163.00	\$1,590.00	\$1,630.00	\$1,671.00	\$1,712.00

TERMS AND CONDITIONS

CONTRACT #071B4200039



	75	50	25	00	75
UltraTime/DCDS Module (IMP/DCDS)	\$50.50	\$69.00	\$70.75	\$72.50	\$74.25

Notes

Travel and Expenses are **reduced ten (10%) percent** from the standard pricing and are calculated at \$85.00 per hour (portal to portal) for car travel and at cost for airfare and car rental (if necessary). Hotel and meals are **at cost** but shall not exceed \$85.00 per night for room and \$45.00 per day for meals. The average Travel and Expenses is estimated at \$750.00 per trip.



Item Description	6 th Year	7 th Year	8 th Year	9 th Year	10 th Year
UltraTime for Windows (ATSW) - Department of Corrections version. - Includes UltraComm on-line module. - Includes UltraPay module.	\$356.4 0	\$365.2 5	\$374.2 5	\$416.0 0	\$393.00
Linx IV-2N Badge Terminal (LDT4-2N) - Batteries not included. - Surge protection not included.	\$203.5 0	\$208.5 0	\$213.7 5	\$219.0 0	\$224.50
Linx V-2N Ethernet Terminal (LDT5-2N) - Batteries not included - Surge protection not included.	\$203.5 0	\$208.5 0	\$213.7 5	\$219.0 0	\$224.50
Linx IV or V, Mag Only or Mag w/Barcode Reader (price is the same). - Batteries not included. - Surge protection not included.	\$279.7 5	\$286.7 5	\$293.7 5	\$301.0 0	\$308.50
UltraComm Software (UCL/IP)	\$152.7 5	\$156.5 0	\$160.5 0	\$164.5 0	\$168.50
Linx External Modem - RJ11 surge protection not included.	\$17.75	\$18.25	\$18.75	\$19.25	\$19.75
Support of Carbon Copy/32 Software	\$32.75	\$33.50	\$34.25	\$35.00	\$35.75
UltraNet Multi-User Module (ANO)	\$152.7 5	\$156.5 0	\$160.5 0	\$164.5 0	\$168.50
UltraData Data Select Module (ASO)	\$152.7 5	\$156.5 0	\$160.5 0	\$164.5 0	\$168.50
UltraOccr Occurrence Module (AOO)	\$152.7 5	\$156.5 0	\$160.5 0	\$164.5 0	\$168.50
UltraAccr Accrual Benefit Module (ABO)	\$152.7 5	\$156.5 0	\$160.5 0	\$164.5 0	\$168.50
UltraView Module (1 seat) ADS01	\$76.25	\$78.25	\$80.25	\$82.25	\$84.25
UltraView Module (5 seat) ADS05	\$305.2 5	\$312.7 5	\$320.5 0	\$328.5 0	\$336.75
UltraView Module (10 seat) ADS10	\$458.0 0	\$469.5 0	\$481.2 5	\$493.2 5	\$505.50
UltraView Module (15 seat) ADS15	\$610.7 5	\$626.0 0	\$641.5 0	\$657.5 0	\$674.00
UltraView Module (25 seat) ADS25	\$763.0 0	\$782.0 0	\$801.5 0	\$821.5 0	\$842.00
UltraView Module (35 seat) ADS35	\$992.0 0	\$1,016. 75	\$1,042. 25	\$1,068. 25	\$1,095.0 0
UltraView Module (50 seat) ADS50	\$1,272. 75	\$1,304. 50	\$1,337. 00	\$1,370. 50	\$1,404.7 5
UltraView Module (75 seat) ADS75	\$1,755. 50	\$1,799. 25	\$1,844. 25	\$1,890. 25	\$1,937.5 0
UltraTime/DCDS Module (IMP/DCDS)	\$76.25	\$78.00	\$79.75	\$81.75	\$83.75

Notes

Travel and Expenses are **reduced ten (10%) percent** from the standard pricing and are calculated at \$85.00 per hour (portal to portal) for car travel and at cost for airfare and car rental (if necessary). Hotel and meals are **at cost** but shall not exceed \$85.00 per



night for room and \$45.00 per day for meals. The average Travel and Expenses is estimated at \$750.00 per trip.

**Annual Service Agreement (Depot)**

All equipment requiring service will be shipped to Tracy Time Systems (Grand Rapids, MI) for repair. Tracy Time Systems is responsible for maintenance (labor and parts) on all equipment covered under the agreement. Equipment failure due to fire, vandalism, power surges, lightning storms, and other Acts of God is not covered.

Requirements for Return Shipments:

- Equipment must be shipped in manufacturer's package.
- Equipment must be insured against loss or damage.
- Equipment must have a Return Authorization Number.
- Equipment will typically be repaired the day it is received (depending on parts availability), tested for 24 hours and return shipped the next day.
- All shipping charges and insurance charges are prepaid.
- Equipment may be shipped using an overnight service for an additional charge.

The above requirements are the responsibility of the Customer.