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

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

May 14, 2008

CHANGE NOTICE NO. 5
TO
CONTRACT NO. 071B4200236
between
THE STATE OF MICHIGAN
and

<table>
<tr><td colspan="2" rowspan="3">NAME & ADDRESS OF VENDOR

Emphasys Computer Solutions
2325 Summit Park Drive
Petoskey, MI 49770
lhuckle@emphasys-software.com</td><td colspan="2">TELEPHONE (248) 388-2223
Larry Huckle</td></tr>
<tr><td colspan="2">VENDOR NUMBER/MAIL CODE</td></tr>
<tr><td colspan="2">BUYER/CA (517) 373-3993
Dale Reif</td></tr>
<tr><td colspan="4">Contract Compliance Inspector: Melanie Ashley
MSHDA Voucher Management System DIT/MSHDA</td></tr>
<tr><td>CONTRACT PERIOD:</td><td>From: May 3, 2004</td><td colspan="2">To: April 30, 2009</td></tr>
<tr><td colspan="2">TERMS
N/A</td><td colspan="2">SHIPMENT
N/A</td></tr>
<tr><td colspan="2">F.O.B.
N/A</td><td colspan="2">SHIPPED FROM
N/A</td></tr>
<tr><td colspan="4">MINIMUM DELIVERY REQUIREMENTS
N/A</td></tr>
</table>

NATURE OF CHANGE (S):

Effective immediately, this contract is hereby INCREASED by $41,150.00 to purchase Address Management Software and INCREASED by $131,321.00 for annual software maintenance. Vendor quotes supporting the increase are attached. All other terms and conditions remain the same.

AUTHORITY/REASON:

DMB Purchasing Operations Approval.

INCREASE: $172,471.00

TOTAL REVISED CONTRACT VALUE: $2,508,931.00

emphasys

Emphasys Software
3890 Charlevoix Avenue, Suite 370
Petoskey, MI 49770
(800) 968-6884/(231)347-2639(FAX)

Sales Quote

Quote Type:	Regular Quote
Sales Rep:	Larry Huckle
Quote Date:	3/27/2008
Quote Number:	1066
Created By:	Delia Weidner
Referred By:	

Michigan State Housing Development Authority

735 E. Michigan Avenue
P.O. Box 30044

Phone: (517) 373-6022 FAX: (517) 373-7657

Description: Address Management Software

Contact Name: Paul Bursley

Item	Product Description	Quantity	Price Each	Extended Price
1				
MailRoom	MailRoom ToolKit - Enterprise *Annual Renewal subscription fee of $6,950*	1.00	9,950.00	9,950.00
2				
GeoCode Add-on	GeoCode Add-on *Annual Renewal Subscription Fee of $1,000*	1.00	1,000.00	1,000.00
3				
Delivery Validation	Delivery Point Validation *Annual Renewal subscription fee of $1,000*	1.00	1,000.00	1,000.00
4				
Address Mngt Link :	Address Management Link Software *Elite Interface with Satori's Address Management Software*	1.00	12,500.00	12,500.00
5				
Elite Consulting	Elite Consulting *Remote Installation Assistance, Setup and User Training*	1.00	1,200.00	1,200.00
6				
SMA	Software Maintenance Agreement *SMA for Elite Link to Satori to be prorated and added to your current SMA upon Installation.* *Annual Renewal for Full Address Management System including MailRoom Toolkit, Delivery Point Validation, GeoCode, Elite Link SMA and 120 Per User Licenses is $16,970.*	1.00	2,500.00	2,500.00
7				
Per User Lic	Per User License *Annual Renewal subscription of $46 per user (101 - 200 users)*	120.00	65.00	7,800.00

Quote and prices subject to change 30-days from Quote Date. Terms of payment for hardware and/or third party items are 85% due upon signing. All proprietary products are Net 30 due upon delivery of products or services. On-site services do not include travel and per diem expenses. Client must obtain a Return Merchandise Agreement (RMA) number and approval from Emphasys for any refunds, exchanges, or returns. All returns for third-party products must be requested within 30 days from the delivery date, and will be subject to a 30% restocking fee. Client is responsible for any applicable freight and sales taxes.

Grand Total:	$35,950.00

Signature for Quote Approval ***P.O.Number*** ***THANK YOU!***

emphasys

Emphasys Software
3890 Charlevoix Avenue, Suite 370
Petoskey, MI 49770
(800) 968-6884/(231)347-2639(FAX)

Sales Quote

Quote Type:	CC-OS Quote
Sales Rep:	Larry Huckle
Quote Date:	3/27/2008
Quote Number:	
Created By:	Delia Weidner
Referred By:	

Michigan State Housing Development Authority

735 E. Michigan Avenue
P.O. Box 30044

Phone: (517) 373-6022 FAX: (517) 373-7657

Description: Address Cleansing **Contact Name: Richard Child**

Item	Product Description	Quantity	Price Each	Extended Price
1				
OSSTAND	Optimization Standard Consulting Services *Address Cleanup Services for Elite Addresses - (Scope of Work for initial pass: ES to perform one pass on records to ascertain address cleanup. ES to return a file of corrected addresses and addresses that are unverifiable. The latter will have to be corrected/adjusted manually by the housing authority.)* *ES can provide additional iterations on this set of data to check address validation for $1200 per iteration.*	1.00	5,200.00	5,200.00

Grand Total: $5,200.00

Signature for Quote Approval ***P.O.Number*** ***THANK YOU!***

emphasys

3890 Charlevoix Avenue
Suite 370
Petoskey MI 49770
Phone: (231) 347-8787 Fax: (231) 347-2639

Invoice	14854
Date	3/3/2008
Page	1

REMIT TO: [illegible]
[illegible]
[illegible]

Bill To:
Michigan State Housing Development Authority
Attn: Rich Child
P.O.Box 30044
Lansing MI 48909

Ship To:
Michigan State Housing Development Authority
P.O.Box 30044
Lansing MI 48909

Purchase Order No.	Customer ID	Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
	MSHD			Net 30	0/0/0000	0

Ordered	Item Number	Description	Discount	Unit Price	Ext. Price
1.00	MAE-ELITE	Annual Software Maintenance Agreement eff. 5/1/08-4/30/09	$0.00	$131,321.00	$131,321.00

Subtotal	$131,321.00
Misc	$0.00
[illegible]	$0.00
Freight	$0.00
Trade Discount	$0.00
Total	$131,321.00

Child, Rich (MSHDA)

From: AWebb@emphasysworld.com
Sent: Wednesday, March 12, 2008 4:44 PM
To: Child, Rich (MSHDA)
Cc: Barton, Tobi (MSDHA); Ashley, Melanie A (DIT)
Subject: MSHDA Invoice - Year 5 Maintenance

Rich,

Please find attached a pre-invoice for Year 5 Maintenance for the Elite Software. We talked about this when we met with Melanie Ashley to review the contract.

This was already included in the award of Contract 071B4200236, which has an amount of $198,352.00 available to issue a PO against.

This invoice is due May 1, 2008, so we will need a PO no later than April 30, 2008 for the Year 5 maintenance.

Please let me know if you have any questions.

Andrea Webb
Director of Optimization Services
Emphasys Software
Phone: 1-(800)-968-6884, ext. 3211
Fax: 1-(231)-347-2639
E-mail: mailto:awebb@emphasysworld.com

From: Montero, Debbie
Sent: Wednesday, March 12, 2008 12:58 PM
To: Webb, Andrea
Subject: MSHDA Invoice

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

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

August 16, 2007

CHANGE NOTICE NO. 3
TO
CONTRACT NO. 071B4200236
between
THE STATE OF MICHIGAN
and

<table>
<tr><td colspan="2" rowspan="3">NAME & ADDRESS OF VENDOR

Emphasys Computer Solutions
2325 Summit Park Drive
Petoskey, MI 49770
lhuckle@emphasys-software.com</td><td>TELEPHONE (248) 388-2223
Larry Huckle</td></tr>
<tr><td>VENDOR NUMBER/MAIL CODE</td></tr>
<tr><td>BUYER/CA (517) 373-3993
Dale Reif</td></tr>
<tr><td colspan="3">Contract Compliance Inspector: Melanie Ashley
MSHDA Voucher Management System DIT/MSHDA</td></tr>
<tr><td colspan="3">CONTRACT PERIOD: From: May 3, 2004 To: May 2, 2008</td></tr>
<tr><td>TERMS
N/A</td><td colspan="2">SHIPMENT
N/A</td></tr>
<tr><td>F.O.B.
N/A</td><td colspan="2">SHIPPED FROM
N/A</td></tr>
<tr><td colspan="3">MINIMUM DELIVERY REQUIREMENTS
N/A</td></tr>
</table>

NATURE OF CHANGE (S):

Effective immediately, this contract is hereby INCREASED by $335,468.00 and extended to May 2, 2008. One additional optional one-year extension is available on this contract. The attached statement of work is hereby incorporated into this contract. All other terms and conditions remain the same.

AUTHORITY/REASON:

DMB Purchasing Operations Approval on 8/9/2007.

INCREASE: $335,468.00

TOTAL ESTIMATED CONTRACT VALUE REMAINS: $2,336,460.00

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

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

April 17, 2007

CHANGE NOTICE NO. 2
TO
CONTRACT NO. 071B4200236
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **Emphasys Computer Solutions** **2325 Summit Park Drive** **Petoskey, MI 49770**		TELEPHONE (248) 388-2223 **Larry Huckle** VENDOR NUMBER/MAIL CODE BUYER/CA (517) 373-3993 **Dale Reif**	
Contract Compliance Inspector: Melanie Ashley **MSHDA Voucher Management System DIT/MSHDA**			
CONTRACT PERIOD:	From: **May 3, 2004**		To: **May 2, 2007**
TERMS **N/A**		SHIPMENT **N/A**	
F.O.B. **N/A**		SHIPPED FROM **N/A**	
MINIMUM DELIVERY REQUIREMENTS **N/A**			

NATURE OF CHANGE (S):

Effective immediately, the buyer for this contract is changed to Dale Reif. All other terms and conditions remain the same.

AUTHORITY/REASON:

DMB/Purchasing Operations Approval.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: $2,000,992.00

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

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

May 12, 2005

CHANGE NOTICE NO. 1
TO
CONTRACT NO. 071B4200236
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **Emphasys Computer Solutions** **2325 Summit Park Drive** **Petoskey, MI 49770**		TELEPHONE (248) 388-2223 **Larry Huckle** VENDOR NUMBER/MAIL CODE BUYER/CA (517) 373-1080 **Melissa Castro, CPPB**
Contract Compliance Inspector: Melanie Ashley **MSHDA Voucher Management System DIT/MSHDA**		
CONTRACT PERIOD: From: **May 3, 2004**		To: **May 2, 2007**
TERMS **N/A**	SHIPMENT **N/A**	
F.O.B. **N/A**	SHIPPED FROM **N/A**	
MINIMUM DELIVERY REQUIREMENTS **N/A**		

NATURE OF CHANGE (S):

The attached statement of work is hereby incorporated into this contract.

AUTHORITY/REASON:

DMB/Acquisition Services Approval.

INCREASE: $275,510.00

Total Revised Estimated Contract Value: $2,000,992.00

emphasys

www.emphasysworld.com

We build software so you can build communities.

April 21, 2005

Lupe Cisneros
State of Michigan Department of Information Technology
Constitution Hall, Atrium South Tower I.I.
525 W. Allegan Street
Lansing, MI 48852

RE: Cost Reduction Proposal   Contract 071B4200236 MSHDA Voucher Mgmt System-DIT

Dear Ms. Cisneros:

This letter is to respond to the State of Michigan Department of Information Technology's letter dated March 29, 2005, which requested a proposal to reduce the cost of the above mentioned contract. The contract is for the implementation of software for MSHDA's statewide Housing Choice Voucher program.

Based on a strong appreciation of the financial pressure the State is experiencing, we performed an in-depth review of the contract, intent to find potential cost reductions while maintaining the quality of the implementation. At the same time, we knew potential reductions must not compromise our ability to meet our contractual obligations to the State and to MSHDA. Outlined below are our findings and proposal.

Emphasys originally provided a reduced rate for its products and services that ultimately resulted in the final contract price. Specifically, Emphasys provided a 20% discount on software license fees that resulted in a savings to the State of $113,440. We also waived the first year maintenance fee for an additional $113,440 in savings. Emphasys waived or discounted other fees, including the on-site executive level oversight meetings that were originally proposed at $17,600 and project management services rates that were discounted an additional $17,600. Overall the discounts and waived fees totaled $262,080, or 15.8% of the total contract price (net of travel budget and inclusive of waived services). That said, we reviewed the contract line item for travel expense and believe that a majority of the remaining implementation services will be fulfilled by resources located in Michigan. As a result, we expect an additional cost savings to MSHDA of $5,000 in airfare travel, which Emphasys proposes to reduce in the contract.

Additionally, there is an Amendment to the contract that is pending approval with the State that involves additional software and services critical to the Housing Choice Voucher program management by MSHDA. Emphasys will provide an additional 20% price reduction on the software license fees, which will save the State an additional $14,600, plus we will waive the first year of incremental maintenance associated with this new software resulting in an additional savings of $14,600 (the first year billing of incremental maintenance will begin one year from date of Amendment). The total cost reduction proposed for the Amendment is $29,200. This cost reduction proposal is predicated on the State's acceptance of the pending Amendment to the contract, as reduced above.

We believe that to reduce our professional services rates further will set the wrong precedent and put at risk our ability to hire and retain quality staff, ultimately compromising our ability to deliver and meet contractual obligations we have with the State. We trust that the State understands our rate structure is established in order to ensure we are competitive in the market, to earn a reasonable profit, and to enable Emphasys to hire and retain fully qualified professional services staff. We are therefore proposing that Emphasys not provide further rate cuts to our professional services.

Please let me know if you should have any questions.

Sincerely,

Larry Huckle
Director of Strategic Accounts
Emphasys Software

Cc: Heather Witkowski, IT Strategies, MSHDA
Melanie Ashley, Contract Administrator, DIT
Melissa Castro, Buyer, Strategic Business Development, DMB Acquisition Services
Timothy Rudolph, COO, Emphasys Software

DEPARTMENT OF INFORMATION TECHNOLOGY
IT SERVICES
STATEMENT OF WORK

Project Title: MSHDA Multi-Family Housing Software	Period of Coverage: 3/1/05 – 2/28/07
Requesting Department: DLEG/MSHDA	Date: 3/1/05
Agency Project Manager: Heather Walkowski	Phone: 241-2847
DIT Contract Liaison: Melanie Ashley	Phone: 636-6401

BACKGROUND:

MSHDA is migrating its core business/computer applications from the VAX/VMS platform to industry standard database technologies. MSHDA has multiple year contracts with three software providers, one for each of its core business area, each serving a distinct external customer group.

One of MSHDA's core business areas is the Section 8 Housing Choice Voucher program. This function is being converted to proprietary Section 8 Housing Software

MSHDA has a three year contract with two one-year extensions with Emphasys Computer Solutions – Contract #071B4200236. **As MSHDA enters Year Two of the contract, additional money and services are needed to complete the implementation of the software and purchase Housing Quality Standard (HQS) hand-held software.**

PROJECT OBJECTIVE:

THIS STATEMENT OF WORK IS REQUESTING AN ADVICE OF CHANGE TO the Emphasys Computer Solution's CONTRACT WITH MSHDA/DLEG/DIT totaling $309,710 for Year Two. See attached software provider quote.

SCOPE OF WORK:

As MSHDA enters Year Two of the contract, additional money/services are needed to complete the implementation of the software and purchase HQS hand held software.

TASKS TO BE PERFORMED:

MSHDA's Existing Housing business function is being converted to proprietary Housing Choice Voucher Software. MSHDA has a three year contract with two one-year extentions with Emphasys Computer Solutions. As MSHDA enters Year Two of the contract, additional money and services are needed to complete the implementation of the software and purchase HQS Handheld Software.

1. Project Management Services
   - One week on-site for four months
   - Four hours per week for additional 12 week of remote/off site
   - Travel

2. Custom Programming
   - 333 hours, contingent upon specifications
   - 3 Week of Business Analyst onsite to develop specifications and test

3. Training
   - Phase 1 - 12 additional on-site training weeks
   - Phase 2 - 8 additional on-site training weeks

4. Elite Network Engineering
   - 2 additional on-site weeks to assist DIT
   - Travel

5. HQS Handheld Software 1. Project Management
- 73 HQS Handheld Software Licenses
- 73 Software Maintenance Agreement
- 8 hours of Network Engineering

Contractors:

Project Management
Kevin Wells
Dave Crowley
Jim Ackerman
Leslie Dupin
Consulting/Training/Data Conversion
Lula Barber
Melanie Huff
Lance Leaning
Karen Mallory
Bonnie McLeod
Dorthy Oldham
Mark Sanders
Eric Saylor
Michelle Schlueter
Maureen Wamsley
Network Engineering
Art Armfield
Andrea Webb
Administration/Account Management
Larry Muckle
Tim Rudolph
Custom Programming/Development
Kevin Schworm
Kristi Caporosso
Yvette Couture
Miguel Galindo
Bob McFarland
Marty Plonk
Lenore Senter
Jean Smith
Angela Taylor
Dick Warden

CHANGE CONTROL PROCESS:
Emphasys Computer Solutions will prepare a Change Request form including a quote for each customization. If both DIT and MSHDA are agreeable with the quote, the DIT Project Manager and Agency Project Manager would sign the quote. The approved quote will be sent to the DIT Contract Administrator. The DIT Contract Administrator will sign the quote. The approved quote will be sent to Emphasys Computer Solutions, the Agency Project Manager and the DIT Project Manager. Work can begin.

PROJECT CONTROL AND REPORTS:
A monthly progress report must be submitted to the Agency Project Manager throughout the life of this project. This report may be submitted with the billing invoice. Each monthly 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 **Time and Materials** basis. DIT will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the Project Manager not more often than monthly. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager prior to payment. The invoices shall describe and document to the Project Manager's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, provide a detailed breakdown of each type.

Payment shall be considered timely if made by the DIT within thirty days after receipt of properly completed invoices

EXPENSES:

The State will be reimbursing The Mitas Group for travel expenses, including hotel, mileage, meals, parking, etc., at the current state authorized rates as outlined by DMB guidelines (http://www.michigan.gov/dmb/1,1607,7-150-9141---,00.html) and must be accompanied by actual receipts. Travel time will not be reimbursed.

PROJECT CONTACTS:

The designated **Mitas Project Manager** is:
Kevin Wells
Emphasys Computer Solutions
2325 Summit Park Drive
Petoskey, Michigan 49770
Voice: 800-968-6884
E-mail: kwell@emphasysworld.com

The designated **Agency Project Manager** is:
Heather Witkowski
DLEG/Michigan State Housing Development Authority
735 E. Michigan
Lansing, Michigan 48912
Voice. 517-241-2847
E-mail : witkowskih@michigan.gov

The designated **DIT Project Manager** is:
Leigh A. Scherzer
DIT-DLEG Agency Services
7285 Parson Dr., 1SC
Lansing, MI 48913
Voice: 517-636-6323
E mail: lascher@michigan.gov

The **DIT Contract Administrator** for this project is:
Melanie Ashley
Michigan Department of Information Technology
Ops Center, 1SC
7285 Parsons Dr.
Lansing, MI 48913
Voice: 517-636-6407
E-mail: maashle@michigan.gov

AGENCY RESPONSIBILITIES/ASSUMPTIONS:

MSHDA will provide office work space, telephone, and personal computer for the onsite project manager and various staff. The Mitas project manager will not be expected to supervise MSHDA staff or DIT staff assigned to MSHDA support. The project manager's responsibilities are limited to the Mitas application and working with DIT on establishing the related computing environment. DIT will manage the desktop and server environments, the local and wide area networks, and the remote access services used by MSHDA staff and contractors

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants provided by Emphasys Computer Solutions, will work at various locations including, but not limited to, 735 E. Michigan in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00

pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted without prior written approval of both the Agency Project Manager and the DIT-DLEG Agency Services Information Officer.

APPROVALS

Agency Project Manager

DIT Information Officer

emphasys

Emphasys Computer Solutions
2325 Summit Park Drive
Petoskey, MI 49770
(800) 968-6884/(231)347-2635(FAX)

Sales Quote

Quote Type:	Regular Quote
Sales Rep:	Larry Huckle
Quote Date:	02/28/2005
Quote Number:	
Created By:	Larry Huckle
Referred By	

Michigan State Housing Development Authority
735 E. Michigan Avenue

Phone: (517) 335-6613 FAX

Description: Additional Project Management Services

Contact Name: Heather Witkowski

Item	Product Description	Quantity	Price Each	Extended Price
1				
Elite Project Manag	Elite Project Management *One week on-site for four months.*	4.00	5,000.00	20,000.00
2				
Elite Project Manag	Elite Project Management *Four hours per week for additional 12 weeks of remote Project Management Services*	12.00	540.00	6,480.00
3				
TRAVEL	Travel *Travel for four on-site visits for hotel, mileage, per diem.*	4.00	660.00	2,640.00

Quote and prices subject to change 30-days from Quote Date. Terms of payment for hardware and/or third party items are 85% due upon signing. All ECS proprietary products are Net 30 due upon delivery of products or services. On-site services do not include travel and per diem expenses. Client must obtain a Return Merchandise Agreement (RMA) number and approval from ECS for any refunds, exchanges, or returns. All returns for third-party products must be requested within 30 days from the delivery date, and will be subject to a 30% restocking fee. Client is responsible for any applicable freight and sales taxes.

Grand Total: $29,120.00

Signature for Quote Approval

P.O.Number

THANK YOU!

Emphasys Computer Solutions
2326 Summit Park Drive
Petoskey, MI 49770
(800) 968-8084/(231)347-2639(FAX)

Sales Quote

Quote Type:	Regular Quote
Sales Rep:	Larry Huckle
Quote Date:	02/28/2005
Quote Number:	
Created By:	Larry Huckle
Referred By:	

Michigan State Housing Development Authority
735 E. Michigan Avenue

Phone: (517) 335-6813 FAX:

Description: HQS Handheld Licenses

Contact Name: Heather Witkowski

Item	Product Description	Quantity	Price Each	Extended Price
1 HQSHHWIN	HQS Handheld Software - Elite *Hand Held Licenses - per optional software in contract* *Price does NOT include actual hand held devices or hardware, which must be purchased separately.*	73.00	1,000.00	73,000.00
2 Elite Maintenance A	Elite Software Maintenance Agreement *20% of Hand held License fee*	73.00	200.00	14,600.00
3 Elite Network Engir	Elite Network Engineering *Eight hours of remote assistance for installation of software on Hand Helds. MSHDA to assume full responsibility for installing and configuring software on all 73 hand helds and ensuring connectivity between remote sites and host site. Emphasys can assume responsibility for installation of hand held software for $300 per hand held. Shipping of hand helds billed extra.*	8.00	150.00	1,200.00

Errors and prices subject to change 30 days from Quote Date. Terms of payment for hardware and/or third party items are 65% due upon signing. All ECS proprietary products are Net 30 due upon delivery of products or services. On-site services do not include travel and per diem expenses. Client must obtain a Return Merchandise Agreement (RMA) number and approval from ECS for any refunds, exchanges, or returns. All returns for third-party products must be requested within 30 days from the delivery date, and will be subject to a 30% restocking fee. Client is responsible for any applicable freight and sales taxes.

Grand Total: $88,800.00

Signature for Quote Approval

P.O.Number

THANK YOU!

Emphasys Computer Solutions
2325 Summit Park Drive
Petoskey, MI 49770
(800) 968-6884/(231)347-2635(FAX)

Sales Quote

Quote Type:	Regular Quote
Sales Rep:	Larry Huckle
Quote Date:	02/17/2005
Quote Number:	
Created By:	Larry Huckle
Referred By:	

Michigan State Housing Development Authority
735 E. Michigan Avenue

Phone: (517) 335-6613 FAX:

Description: Amendment to contract: out-of-scope services.

Contact Name: Paul Bursley

Item	Product Description	Quantity	Price Each	Extended Price
1 Elite Services	Elite Professional Services (All) *Contingency for Custom Programming, up to 333 hours. This Amendment is for additional out of scope services needed for additional functional requirements that will be met with Custom Programming, and due to delay in going live with phase I and the utilization of Phase II resources to complete work on Phase I.*	333.00	150.00	49,950.00
2 Elite Services	Elite Professional Services (All) *Business Analyst on-site to develop and finalize specifications for Custom Programming*	2.00	6,000.00	12,000.00
3 Elite Services	Elite Professional Services (All) *On-site function testing of Custom Programming*	1.00	6,000.00	6,000.00
4 Elite Training	Elite Training *Phase I - 12 additional on-site training weeks*	12.00	4,000.00	48,000.00
5 Elite Training	Elite Training *Phase II - 8 additional on-site training weeks*	8.00	4,000.00	32,000.00
6 Elite Network Engir	Elite Network Engineering *2 additional on-site weeks for Network Engineer to assist DIT*	2.00	6,000.00	12,000.00
7 TRAVEL	Travel *Travel: hotel, mileage, per diem. 24 trips.*	24.00	660.00	15,840.00
8 TRAVEL	Travel *Travel Allowance: Airfare*	1.00	16,000.00	16,000.00

Quote and prices subject to change 30-days from Quote Date. Terms of payment for hardware and/or third party items are 80% due upon signing. All ECS proprietary products are Net 30 due upon delivery of products or services. On site services do not include travel and per diem expenses. Client must obtain a Return Merchandise Agreement (RMA) number and approval from ECS for any returns, exchanges, or rebates. All returns for third-party products must be requested within 30 days from the delivery date, and will be subject to a 30% restocking fee. Client is responsible for any applicable freight and sales taxes.

Grand Total	$191,790.00

Signature for Quote Approval   ***P.O.Number***   ***THANK YOU!***

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

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET **May 5, 2004**
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

NOTICE
TO
CONTRACT NO. 071B4200236
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **Emphasys Computer Solutions** **2325 Summit Park Drive** **Petoskey, MI 49770**		TELEPHONE (248) 388-2223 **Larry Huckle** VENDOR NUMBER/MAIL CODE BUYER/CA (517) 373-1080 **Melissa Castro, CPPB**
Contract Compliance Inspector: Melanie Ashley **MSHDA Voucher Management System DIT/MSHDA**		
CONTRACT PERIOD:	From: **May 3, 2004**	To: **May 2, 2007**
TERMS **N/A**	SHIPMENT **N/A**	
F.O.B. **N/A**	SHIPPED FROM **N/A**	
MINIMUM DELIVERY REQUIREMENTS **N/A**		

Estimated Contract Value: **$1,725,482.00**

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

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

CONTRACT NO. 071B4200236
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TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **N/A**	
MISCELLANEOUS INFORMATION: **Estimated Contract Value: $1,725,482.00**	

FOR THE VENDOR:

Emphasys Computer Solutions
Firm Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature
Anthony J. DesChenes, Director
Name
Strategic Business Development
Acquisition Services
Title

Date

ACQUISITION SERVICES

ACQUISITION SERVICES
STATE OF MICHIGAN

TABLE OF CONTENTS

SECTION I – CONTRACTUAL SERVICES TERMS AND CONDITIONS

SECTION II - WORK STATEMENT

APPENDICES

DEFINITION OF TERMS

TERMS	DEFINITIONS
Application Service Provider (ASP)	Third-party entities that manage and distribute software-based services and solutions to customers across a wide area network from a central data center.
Blanket Purchase Order	Alternate term for "Contract" used in the State's Computer system (Michigan Automated Information Network [MAIN])
Cancellation	Ending all rights and obligations of the State and Contractor, except for any rights and obligations that are due and owing.
Contract	A binding agreement entered into by the State of Michigan resulting from a bidder's proposal; see also "Blanket Purchase Order."
Contractor	The successful bidder who is awarded a Contract.
DMB	Michigan Department of Management and Budget**.**
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.
HCV	Housing Choice Voucher
Hosting Service Provider (HSP)	Application service provider dedicated to providing hosting services. Typically operates a Web server farm, either at a data center or collocation facility.
ITB	Invitation to Bid - A generic form used by Acquisition Services to solicit quotations for services or commodities. The ITB serves as the document for transmitting the RFP to interested potential bidders.
JEC	Joint Evaluation Committee – The group of State personnel who evaluate proposals and select the successful bidder.
MSHDA	Michigan State Housing Development Authority.
Onsite Hosting	A service arrangement where the application software runs on computer hardware located at the customer site.
Outsourcing	The act of hiring an outside source, usually a consultant or application service provider, to transfer components or large segments of an organization's internal IT structure, staff, processes and applications for access via a virtual private network or an internet-based browser.
RFP	Request For Proposal - A term used by the State to solicit proposals for services such as consulting. Typically used when the requesting agency requires vendor assistance in identifying an acceptable manner of solving a problem.
Successful Bidder	The bidder(s) awarded a Contract as a result of a solicitation.
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.
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 to provide computer software along with implementation, support, and optional hosting services for the information systems that support the Authority's Section 8 Housing Choice Voucher (HCV) programs.

Software must be in compliance with all requirements of the HUD-50058 refer to HUD's website for Technical Reference Guide, etc. http://www.hud.gov/offices/pih/systems/pic/50058/pubs/ .

This Contract is the following types:

- Lump sum/fixed price Contract for ongoing Monthly Services
- Unit price Contract for individual ad hoc request and customized enhancement projects

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of this Contract by all parties. The activities in the Contract will be for a three year period from May 3, 2004 through May 2, 2007 with two optional one-year extension periods. The optional extensions may be exercised at the sole discretion of the State.

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, MSHDA. Where actions are a combination of those of Acquisition Services and MSHDA, the authority will be known as the State.

Acquisition Services is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Contract. All communications concerning contractual matters must be addressed to:

Melissa Castro, CPPB
DMB, Acquisition Services
2nd Floor, Mason Building
P.O. Box 30026
Lansing, MI 48909
Email: castrom@michigan.gov
Phone: 517-373-1080

I-D CONTRACT COMPLIANCE INSPECTOR

The Director of Acquisition Services 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 the Contract. That authority is retained by Acquisition Services. The Contract Compliance Inspector for this project is:

Melanie Ashley
Department of Information Technology
Contract and Procurement Services
Ops Center, 1st floor
7285 Parsons Dr.
Lansing, MI 48913
E-mail: maashle@michigan.gov
Phone: 517-636-6407
Fax: 517-636-6415

The MSHDA Project Manager for this project is:

Heather Witkowski
Michigan State Housing Development Authority
735 E. Michigan Ave
P.O. Box 30044
Lansing, Michigan 48909
E-Mail: witkowskih@michigan.gov
Phone: (517) 241-2847

The DIT Project Manager for this project is:

Leigh Scherzer
Department of Information Technology, Agency Services
Ops Center, 1st floor
7285 Parsons Drive
Lansing, MI 48913
E-Mail: lascher@michigan.gov
Phone: (517) 636-6323

I-E PURCHASE ORDERS

Orders for delivery of commodities and/or services may be issued directly by the State Departments through the issuance of a Purchase Order Form referencing this Contract (Blanket Purchase Order) agreement and the terms and conditions contained herein. Contractor is asked to reference the Purchase Order Number on all invoices for payment.

I-F COST LIABILITY

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

I-G 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-H 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-I DISCLOSURE

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

I-J ACCOUNTING RECORDS

1. 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.

2. Repayment

In the event that an audit performed by or on the behalf of MSHDA indicates an adjustment to the costs reported under this Contract or questions the allowableness of an item of expense, MSHDA shall promptly submit to the Contractor a Notice of Audit Results and a copy of the audit report which may supplement or modify and tentative findings verbally communicated to the Contractor at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the Contractor shall: (a) respond in writing to MSHDA's Project Manager indicating whether or not they concur with the audit report; (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense; and, (c) submit a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE." The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense.

Where the documentation is voluminous, the Contractor may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MSHDA. The RESPONSE shall refer to and apply the language of the Agreement. The Contractor agrees that failure to submit A RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MSHDA to finally disallow any items of questioned or no opinion expressed cost.

MSHDA shall make its decision with regard to any Notice of Audit Results and RESPONSE within on hundred twenty (120) days after the date of the Notice of Audit Results. If MSHDA determines that an overpayment has been made to the Contractor, the Contractor shall repay that amount to MSHDA, or reach agreement with MSHDA on a repayment schedule, within thirty (30) days after the date of an invoice from MSHDA. If the Contractor fails to repay the overpayment or reach agreement with MSHDA on a repayment schedule within the thirty (30) day period, the Contractor agrees that MSHDA shall deduct all or a portion of the overpayment from any funds then or thereafter payable by MSHDA to the Contractor under this contract, or any other agreement, or payable to the Contractor under the terms of 1951 PA 51, as applicable. Interest will be assed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash interest earnings. The rate of interest will be annually reviewed by MSHDA and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The Contractor expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MSHDA's decision only as to any item of expense the disallowance of which was disputed by the Contractor in a timely filed RESPONSE.

I-K 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 not withstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

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**

This Contract contains customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;

2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;

3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;

4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;

5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;

6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;

7. The Contractor has duly authorized the execution, delivery and performance of the Contract;

8. The Contractor has not provided any gifts, payments or other inducements to any officer, employee or agent of the State;

9. The Contractor will maintain all equipment and software for which it has maintenance responsibilities in good operating condition and will undertake all repairs and preventive maintenance in accordance with applicable manufacturer's recommendations;

10. The Contractor will use its best efforts to ensure that no viruses or similar items are coded or introduced into the systems used to provide the services;

11. The Contractor will not insert or activate any disabling code into the systems used to provide the services without the State's prior written approval;

12. A ninety (90) day warranty on all purchased and developed software, data conversion programs, and data and customization to the product performed by the contractor.

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 **WORK PRODUCT AND OWNERSHIP**

Contractor grants to State of Michigan a nonexclusive, nontransferable, non-assignable license to use Contractor's proprietary software identified in this Contract, The license is solely for State of Michigan's, or its agents, own use for its internal data processing operations and solely on the one computer system currently used by State of Michigan.

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

2. Notwithstanding any provision of this Contract to the contrary, any preexisting work or materials including, but not limited to, any routines, libraries, tools, methodologies, processes or technologies (collectively, the "Development Tools") created, adapted or used by the Contractor in its business generally, including any and all associated intellectual property rights, shall be and remain the sole property of the Contractor, and the State shall have no interest in or claim to such preexisting work, materials or Development Tools, except as necessary to exercise its rights in the Work Product. Such rights belonging to the State shall include, but not be limited to, the right to use, execute, reproduce, display, perform and distribute copies of and prepare derivative works based upon the Work Product, and the right to authorize others to do any of the foregoing, irrespective of the existence therein of preexisting work, materials and Development Tools, except as specifically limited herein. All Source Code, related documentation, and modifications, enhancements, or customization to the Work Product Contractor provides hereunder, shall in all cases remain the sole property of Contractor.

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

I-P **CONFIDENTIALITY OF DATA AND INFORMATION**

2. 1. .
   1. Freedom of Information

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

2. Confidentiality of Data and Information

a. Subject at all times to the provisions of the FOIA, each party (the "receiving party") shall protect all Confidential Information of the other party furnished, disclosed or made available to it under or as a result of this Contract from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as such party uses to protect its own Confidential Information from unauthorized use and disclosure, and in any event through the use of reasonable care.

b. In addition, the receiving party will: (i) only disclose the other party's Confidential Information to those of its employees or agents who have a need to know such Confidential Information in order to exercise such party's rights and fulfill its obligations hereunder; (ii) not use such confidential Information except as necessary to exercise such party's rights and fulfill its obligations hereunder or as otherwise authorized in writing by the other party; and (iii) to return the Confidential Information to the other party upon termination of the Agreement or upon the request of the other party. Except as expressly provided in this Contract, no ownership or license right is granted in any Confidential Information by virtue of its disclosure, and the disclosing party shall retain all of its right, title and interest in and to its Confidential Information.

c. The obligations of the parties under this Section shall survive any expiration or cancellation of this Contract.

I-Q REMEDIES FOR BREACH OF CONFIDENTIALITY

The Contractor acknowledges that a breach of its confidentiality obligations as set forth in section I-P 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-R CONTRACTOR'S LIABILITY INSURANCE

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

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

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 INSUREDS 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. Employers liability insurance with the following minimum limits:
$100,000 each accident
$100,000 each employee by disease
$500,000 aggregate disease

I-S NOTICE AND RIGHT TO CURE

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

I-U 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 reprocurement 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 necessarily be limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

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

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

breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.

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

I-U RIGHTS AND OBLIGATIONS UPON CANCELLATION

1. If the Contract is canceled by the State for any reason, the Contractor shall, (a) stop all work as specified in the notice of cancellation, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Work Product or other property derived or resulting from the Contract that may be in the Contractor's possession, (c) return all materials and property provided directly or indirectly to the Contractor by any entity, agent or employee of the State, (d) transfer title and deliver to the State, unless otherwise directed by the Contract Compliance Inspector or his or her designee, all Work Product (excluding proprietary software, source code and related documentation) 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-V EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable 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-W ASSIGNMENT

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

I-X DELEGATION

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

I-Y NON-DISCRIMINATION CLAUSE

In the performance of any Contract or purchase order resulting herefrom, the bidder agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The bidder further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting 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-Z **WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT**

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

I-AA **MODIFICATION OF SERVICE**

The Director of Acquisition Services 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: **Emphasys**
Attn: Timothy Rudolph
2325 Summit Park Dr.
Petoskey, MI 49770

For the State: **Melissa Castro, CPPB**
DMB, Acquisition Services
Mason Building, 2nd Floor
530 W Allegan
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 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 CALENDAR WARRANTY

The vendor warrants that all software for which the vendor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure year 2000 compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

I-LL CONTRACT DISTRIBUTION

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

I-MM 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-K with respect to third party claims, action and proceeding brought against the State. The Contractor's liability for indirect or consequential damages in regards to the Contractor's indemnification responsibilities to the State as set forth in Section I-K with respect to third party claims is limited to two times the value of the executed Contract.

I-NN STATE STANDARDS

1. **EXISTING TECHNOLOGY STANDARDS**. The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards http://www.michigan.gov/dit/0,1607,7-139-7321_18439---,00.html

2. **PM METHODOLOGY STANDARDS**. The State has adopted a standard, documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. This policy is referenced in the document titled "Project Management Methodology" – DMB Administrative Guide Procedure 1380.02 issued June 2000. Vendors may obtain a copy of this procedure by contacting the DMB Office of Information Technology Solutions.

   The State of Michigan Project Management Methodology can be obtained from the DMB Office of Project Management's website at http://michigan.gov/dit/0,1607,7-139-18391_22016---,00.html

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

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

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

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

   Vendors must use the Portal Technology Tools to implement web content management and deployment efforts for agencies. Tools used for web based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with the Center of Excellence at the Office of e-Michigan.

   Under special circumstances vendors that are compelled to use alternate tools must submit an exception request to the e-Michigan Office for evaluation and approval of each alternate tool prior to proposal evaluation by the State. For purposes of this Contract, Contractor will coordinate use of all tools with DIT and MSHDA.

I-OO 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.

I-PP STOP WORK

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

work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either:

a. Cancel the stop work order; or
b. Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.

2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the contract price, or both, and the Contract shall be modified, in writing, accordingly, if:

   a. The stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to the performance of any part of this Contract; and
   b. The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.

3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.

4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.

5. An appropriate equitable adjustment may be made in any related contract of the Contractor that provides for adjustment and is affected by any stop work order under this section. The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this section.

I-QQ PERFORMANCE AND RELIABILITY EVALUATION (PARE)

The purpose of Performance and Reliability Evaluation (PARE) is for the State of Michigan to test and accept the Application Software (Work Product) in accordance with Contractors response to ITB so that final payment of Work Product can be made to Contractor.

Acceptance will be conducted in two parts for each phase of the implementation. The purpose of the first part of acceptance is for the State of Michigan to acknowledge and accept that the software is ready for production "go-live". The purpose of the second part is for final acceptance after production go-live. Protocol for acceptance shall be as follows:

Prior to the PARE, a committee of three persons, or as otherwise mutually agreed upon, will be formed to evaluate the system's performance. At a minimum, the committee will consist of one Contractor representative and two State personnel.

<u>Part I Determination of System Readiness</u>

Part I of the performance period shall commence on the first workday after the State of Michigan receives written confirmation from the Contractor that the following activities have been completed:

- Initial training,
- Setup of master control file, security profiles, and critical reports,
- Data conversion, and
- User Guides.

Required training for this performance testing does not include necessary training for "go-live" or follow-up training, and shall be limited to committee members assigned to PARE, or as otherwise mutually agreed in writing. State of Michigan agrees to accept the application software with respect to the application installed on a phase-by-phase basis; of which there shall be a performance period not to exceed five (5) business days, from date of notice. Date of notice is defined as the date that the Contractor confirms the software meets the implementation readiness specifications.. The testing shall include the following: functional testing compared to Contractors response to ITB, accuracy of converted data, reports setup in the system, security setup, and accuracy of User Guides. If State of Michigan does not respond within thirty (30) calendar days as to any significant deficiencies, then the respective software modules of that phase will be deemed accepted and ready for full production. If deficiencies are identified in writing, Contractor shall follow the procedures outlined in Remediation Steps below.

Immediately upon successful completion of the performance period, State of Michigan shall notify Contractor in writing (acceptance certification) that the Application Software has been accepted and can now be deployed in a full production environment.

<u>Part II Final Acceptance</u>
Part II Final Acceptance of the Work Product for each phase will be when the system is correctly operating with State of Michigan's data in a production go-live environment for at least ten (10) business days. Part II Final Acceptance performance period shall commence on the first workday after receipt by State of Michigan in writing from Contractor that the system is in production and ready for final acceptance testing. After the ten working day period, if State of Michigan does not respond within thirty (30) calendar days as to any significant deficiencies, then the respective software modules of that phase will be deemed to have met final acceptance. If deficiencies are identified in writing, Contractor shall follow the procedures outlined in Remediation Steps below.

<u>Remediation Steps</u>
In the event the Application Software fails to perform in substantial accordance with the specifications and representations set forth in Contractor Proposal, in response to the State of Michigan ITB, and the User Guides, Contractor shall, at the option of State of Michigan, modify or adjust the Application Software to meet said specifications at Contractor's expense.

Contractor shall have ninety (90) calendar days in which to correct any deficiencies, at which time State shall re-test that component that caused the State of Michigan to not accept the Work Product originally.

If successful completion of the performance period is not attained within two separate 90-day period attempts by Contractor, the State shall have the option of terminating the Contract, or continuing the performance tests.

State of Michigan acknowledges the following:

- Custom Modifications to the software, if underway during PARE, shall not preclude State from accepting the Work Product.
- PARE shall not apply to service packs released by Contractor subsequent to go-live of software.
- PARE shall not apply to any hardware component, device, or software not provided by the Contractor.
- The Contractor remains responsible for any work subcontracted.

<u>Training Acceptance</u>: **A**cceptance of the training provided by Contractor will be confirmed by State of Michigan in writing as evidenced by the initialed Training Logs. Such training is to be authorized by State of Michigan's Project Manager or her/his designee, and conducted by Contractor.

I-RR TECHNICAL SUPPORT

1. **RESPONSIBILITIES OF CONTRACTOR**
   1.1. Contractor shall provide Support commencing on the Effective Date.
   1.2. Contractor agrees to provide Standard Support, as defined in this Agreement, for the Application Software licensed to State of Michigan. Contractor agrees to provide Standard Support to enable the Application Software to perform substantially without interruption and error and in Substantial Compliance with the then current Documentation and the then current Mandated Changes.
   1.3. Contractor is to provide support to State of Michigan for technical issues arising from the Application Software malfunctioning relative to the functionality described in the Documentation. Any additional services to support State of Michigan are outside the scope of this Agreement.
   1.4. "Software for Life": State of Michigan shall be entitled to Upgrades without having to repurchase Contractor proprietary software licenses. Once State of Michigan owns a license to a Contractor proprietary Software Module, State of Michigan shall be entitled to any substantially equivalent future Upgrades of that originally licensed module at no additional license fee, provided that all related Standard Support fees have been paid since the original licensing of that module. State of Michigan is responsible for purchasing any third party required product (hardware or software) and Services required to properly implement the Upgrade.
   1.5. Audits: During the term of this Agreement and for three (3) years after termination or expiration, State of Michigan will maintain complete records regarding its housing unit counts, software modules installed or purchased, or any other measure upon which Standard Support fees are based. Upon reasonable notice to State of Michigan, Contractor may audit, at Contractor' expense, State of Michigan's unit counts, software modules installed, and other relevant measures and supporting records to determine its compliance hereunder.
   1.6. **Standard Support** means the following services shall be provided by Contractor to State of Michigan at no additional cost to State of Michigan:
      1.6.1. Technical troubleshooting and assistance with Application Software in order to restore the Application Software's functionality to its operational condition prior to any known errors and to comply with related published Documentation, the current published software manuals and Mandated Changes.
      1.6.2. Corrections of errors, interruptions, malfunctions or defects in the Application Software to enable the Application Software to substantially conform to published Documentation.
      1.6.3. Assistance with errors caused by routine Software Fixes or Enhancements that are correctly installed, as directed in writing by Contractor.
2. **RESPONSIBILITIES OF STATE OF MICHIGAN**
   2.1. **Request for Service.** At any time, State of Michigan may report its request for service and its priority code by fax using Contractor' dedicated support fax phone number, its 800-support number or e-mail. If State of Michigan believes that the Support Event is of the highest priority ("Priority 1"), State of Michigan shall make every reasonable effort to determine if the event is hardware or software-related prior to requesting support from Contractor.
   2.2. **Standard Required Information.** When contacting Contractor for Standard Support, State of Michigan shall provide the following information: State of Michigan name, phone and contact person, the name of the Application Software module (e.g., General Ledger, Low Income, Section 8, etc.), the menu item that was selected and the exact difficulty that was experienced. State of Michigan understands and agrees that its full cooperation and assistance are necessary for Contractor to properly respond to a request for service. State of Michigan is responsible for notifying Contractor of any Application Software problems and providing written documentation of Application Software problems with specific examples.
   2.3. **Install Latest Third Party Software.** State of Michigan agrees to install in their live environment the latest released version of Third Party Software that is used by and compatible with the Application Software within two (2) years of general release by said third party. During

such two (2) year period, Contractor shall use its Best Efforts to continue to support the Application Software using State of Michigan's version of the Third Party Software. In the event a Third Party Software product or version thereof is discontinued, phased-out or no longer supported by its owner, Contractor's obligation to support that Software shall cease.

2.4. **Install Latest Application Software.** State of Michigan agrees to install the latest released Upgrade of the Application Software in their live environment within 6 (six) months of release by Contractor.

2.5. **Reasonable Access.** State of Michigan agrees to provide those Contractor personnel involved with the operation and support of the Application Software reasonable access to perform activities necessary to fulfill its obligations under this Agreement. State of Michigan will provide Contractor with predefined passwords that will not change without the prior approval of State of Michigan. State of Michigan agrees to provide Contractor appropriate access to State of Michigan's computer system during normal business hours via Contractor-approved telephone modem and modem software. State of Michigan will also provide its own Internet access and connection. Such provision shall be operable prior to initial software installation and shall remain operable for the duration of Contractor' obligation to State of Michigan for software support services.

2.6. **Data for Support.** State of Michigan will make available to Contractor, on a reasonable basis, data necessary for the successful support of the Application Software, including all currently existing critical files. All such data shall be considered to be State of Michigan's Proprietary Information, and Contractor shall retain same in strict confidence and shall not use or disclose such Proprietary Information except to the extent necessary to perform services hereunder.

2.7. **Backups.** State of Michigan shall create and keep current backups, not older than two (2) working days, of all Application Software and related data files. State of Michigan further agrees to make backups available for restoration purposes if needed by Contractor. Any backup services provided by Contractor shall result in billable time to State of Michigan.

2.8. **Modifications by State of Michigan**. In no event shall Contractor be liable or responsible for correcting any errors or damage resulting from changes or modifications to the Application Software made by State of Michigan.

2.9. **Designated State of Michigan Contact.** It is the intent that only State of Michigan designated contacts or, in their absence, their assignees initiate support calls to Contractor.

Support events have two categories

- **Priority 1** (Emergency Support Event that impacts mission critical processes)
- **Priority 2** (Routine Support Event)

I-SS DISPUTE RESOLUTION

A. Informal Dispute Resolution

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract shall be resolved as set forth herein. Any claim not timely submitted by the Contractor within the deadlines provided in the Contract, or if such deadline is not otherwise provided, more than ten days from the occurrence of the event which gives rise to the dispute, shall be deemed waived.

A claim is a properly and timely written demand or assertion by the State or the Contractor seeking an adjustment in Contract Price and or payment of monies due, an extension or shortening of Contract Time, the adjustment or interpretation of Contract terms, or any other relief arising under or relating to the Contract, which can only become a dispute after a determination by the State under appropriate provision of the Contract.

For all Contractor claims seeking an increase in Contract Price or Contract Time, the Contractor shall submit an affidavit executed by an officer or partner of the Contractor, certifying that the claim is made in good faith, the amount claimed accurately reflects the adjustments in Contract Price or Time for which the Contractor believes the State is liable, and covers all costs of every type to which the Contractor is entitled from the occurrence of the claimed event, and supporting cost and pricing data are current, accurate, complete, and represent the Contractor's best knowledge and belief.

1. If the Contractor's Project Manager and Contract Compliance Inspector are unable to resolve disputes, the Contractor, upon the written request of a party, will appoint a designated representative(s) who does not devote substantially all of his or her time to performance under the Contract, whose task it will be to meet with the Contract Compliance Inspector or his/her successor for the purpose of endeavoring to resolve such dispute.

2. If the Contract Compliance Inspector or his/her successor and the designated Contractor representative(s) are unable to resolve the dispute, the Contractor's designated representative(s) will meet with the Contract Compliance Inspector and with the Director of Purchasing or his designee for the purpose of endeavoring to resolve such dispute.

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

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

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

6. Formal proceedings for the resolution of a dispute may not be commenced until the earlier of:

   a. The designated representatives concluding in good faith that amicable resolution through continued negotiation of the matter does not appear likely; or

   b. Thirty (30) days after the initial request to negotiate the dispute; provided, however, that this provision will not be construed to prevent a party from instituting formal proceedings earlier to avoid the expiration of any applicable limitations period or to preserve a superior position with respect to other creditors.

B. Formal Dispute Resolution

If the State and Contractor are unable to resolve any controversy relating to or arising under the Contract as contemplated by Paragraph 1, then either party shall have recourse in the Michigan State Courts as set forth herein. In the case of an action initiated by the Contractor against the State, such action shall be submitted to the Michigan Court of Claims; while in the case of an action by the State against the Contractor, such action shall be initiated in the applicable Michigan District or Circuit Court; provided, however, that the State reserves, as its sole option, the right to require that any particular claim for damages, whether it is initiated by the Contractor or the State, be submitted to mandatory and binding arbitration. Prior to commencing any action against the State in the Court of Claims, the Contractor shall request the State to inform the Contractor whether the controversy shall be resolved through litigation in the Court of Claims or by mandatory and binding arbitration. If the controversy is to be resolved by arbitration, the following procedures shall apply:

C. Selection of Arbitrator

The party submitting the controversy to arbitration (the "Disputing Party") shall notify the American Arbitration Association ("AAA") in Detroit, Michigan and the other party in writing describing in reasonable detail the nature of the dispute (the "Dispute Notice"), and shall request that AAA furnish to the parties a list of nine (9) possible arbitrators who shall be licensed to practice law in the United State, who shall not have any conflict of interest, and who shall have at least five (5) years of experience in end user computing and data processing matters. Each party shall have fifteen (15) days to reject three (3) of the proposed arbitrators. If three (3) individuals have not been so rejected, they shall serve as arbitrators; if four (4) or more individuals have not been so rejected, the AAA shall select the three (3) arbitrators from those individuals.

1. Conduct of Arbitration

Arbitration will be conducted by the arbitrators selected pursuant to Subparagraph (a) above with respect to the dispute described in the Dispute Notice and any other disputes related to the Contract between the parties to the Contract (A) pending at the inception of such arbitration and not otherwise being arbitrated under this Paragraph or (B) arising during the pendency of such arbitration, in accordance with the commercial Arbitration Rules of the AAA, except as specifically provided otherwise in this Paragraph. The arbitrators will allow reasonable discovery as otherwise set forth pursuant to the Michigan Rules of Court, except that the arbitrators may limit or extend the time limits and/or extent of said discovery consistent with the purposes and nature of the specific arbitration at issue. The arbitrators will have no power or authority, under the Commercial Arbitration Rules of AAA or otherwise, to amend or disregard any provision of the Contract. The arbitration hearing shall be limited to not more than ten (10) hearing days, with each of the parties being allocated one-half of the time for the presentation of its case. Unless otherwise agreed to by the parties, an arbitration hearing shall be conducted on consecutive business days.

2. Replacement of Arbitrator

Should an arbitrator refuse or be unable to proceed with arbitration proceedings as called for by this Paragraph, the arbitrator shall be replaced by an arbitrator selected from the other arbitrators originally proposed by AAA and not rejected by the parties, if any, or if there are not remaining proposed arbitrators who have not been rejected, by repeating the process of selection to this Subparagraph (c), then a rehearing shall take place in accordance with the provisions of this Paragraph and the Commercial Arbitration Rules of AAA.

3. Findings and Conclusions

The arbitrator rendering judgement upon disputes between the parties to the Contract shall, after reaching judgment and award, prepare and distribute to the parties a writing describing the findings of fact and conclusions of law relevant to such judgement and award, and containing an opinion setting forth the reasons for giving or denial of any award. The parties agree that the arbitrator's opinion shall be a confidential document subject to the confidentiality obligations contained in the Contract.

4. Place of Arbitration

Arbitration hearings shall be held in Lansing, Michigan.

5. Time is of the Essence

The arbitrators are instructed that time is of the essence in the arbitration proceeding, and that the arbitrators shall have the right and authority to issue monetary sanctions against either of the parties if, upon a showing of good cause, that party is unreasonably delaying the proceeding. The arbitrators shall render their judgment or award within fifteen (15) days following the conclusion of the arbitration proceeding. The judgment or award of the arbitrators shall be final and binding on the parties, and judgment thereon may be entered or enforced in any court having jurisdiction thereof or having jurisdiction over either of the parties or their assets.

C. Injunctive Relief

The only circumstance in which disputes between the State and the Contractor will not be subject to the provisions of Paragraph (1) above is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or sever, and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

D. Continued Performance

The Contractor agrees to continue performing its obligations under the Contract while any dispute is being resolved unless and until the termination or expiration of the Contract terminates such obligations.

E. Governing Law

The provisions of the Contract shall be construed in accordance with the substantive laws of the State of Michigan without regard to its choice of law rules.

F. Jurisdiction

THE CONTRACTOR IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE COURT OF CLAIMS AND TO VENUE IN INGHAM COUNTY, MICHIGAN, AND IRREVOCABLY WAIVES ANY OBJECTIONS IT MAY HAVE TO SUCH JURISDICTION ON THE GROUNDS OF LACK OF PERSONAL JURISDICTION OF SUCH COURT, THE LAYING OF VENUE OF SUCH COURT, ON THE BASIS OF FORUM NONCONVENIENS, OR OTHERWISE. THE CONTRACTOR AGREES TO APPOINT AGENTS IN THE STATE OF MICHIGAN TO RECEIVE SERVICE OF PROCE

SECTION II

WORK STATEMENT

II-A BACKGROUND/PROBLEM STATEMENT

MSHDA is the 35-year-old state authority that has as its mission the provision financial and technical assistance through public and private partnerships to create and preserve decent, affordable housing for low and moderate income Michigan residents.

MSHDA acquires its funds though Federal government programs (e.g., HUD), state government programs, and private investors (e.g., through the sale of bonds), and then provides benefits through multifamily loans, tax credits, single family loans, home improvement loans, Section 8 rental assistance, and community development grants and technical assistance programs. These benefits are generally provided through other entities, such as developers, banks, landlords, and local communities and development agencies.

As of June 30, 2002 (MSHDA's fiscal year end), and for the year then ended, MSHDA had assets of $1.7 billion, equity of $435 million, operating revenues of $272 million, and net income of $28 million. It has 225 employees, of which 190 are located in its Lansing, Michigan headquarters and 30 in its Detroit office. For additional information about MSHDA, refer to the web site at http://www.michigan.gov/mshda.

MSHDA has studied its current information technology and systems environment and concluded that outsourcing appears to be the most viable option to obtain quality updated information management systems, for the following reasons:

Upgrade Outdated Technology and Systems

MSHDA's information technology (VAX/VMS computers) and systems applications (some developed in the 1970s) are outdated and need to be replaced.

The existing applications have been developed internally using traditional methods on a VAX/VMS platform. MSHDA plans to migrate this platform and its legacy financial, multifamily and asset management applications to industry standard WIN2K technologies and software applications currently available in the marketplace. MSHDA will not consider a software development program, but recognizes that existing applications used by Providers may require modifications to meet its needs. However, these changes will be kept to a minimum.

Replace Retiring Employees

In 2002, the State of Michigan offered state employees an early retirement package, and most of the computer services personnel assigned to MSHDA have retired. It would be virtually impossible to attract new qualified employees willing and able to work in MSHDA's current technology and systems environment.

It should be noted that MSHDA has no intention of transferring any of its remaining computer services personnel to the Provider's payroll.

MSHDA's Current IT Environment includes:

Applications

Although all MSHDA staff are equipped with personal computers, almost all of the application information systems supporting core processes run on the VAX/VMS platform. MSHDA has two VAX 4700 computers running the VMS 7.2 operating system. One system handles all production processing; the other is used solely for development and testing.

The VAX/VMS applications portfolio consists of programs written and maintained by in-house staff (including those within this service scope) and programs purchased from Application Oriented Designs (AOD) of Miami, Florida (not within the service scope). Almost all of the internally developed applications are written in Accent R, a "4th generation language" and proprietary indexed file system produced by National Information Systems of Reno, Nevada. The only exceptions are portions of the General Ledger and Investments systems (both within the service scope) that are written in VAX Cobol. Applications purchased from AOD are written in VAX Cobol and AcuCobol and use the RMS indexed files native to the VMS operating system. Although MSHDA divisions use Microsoft Office for word processing, spreadsheets, and even some Access databases to support their work, the only major line-of-business applications running on the Windows platform are 1) HDS Project Portfolio, used by the Federal Contracts section of the Asset Management division (not within the service scope), and 2) the Housing Inspection System used by the Technical Services section of the Multifamily Development division (within the service scope).

Network

MSHDA staff are located in two office buildings, one in Lansing and the other in Detroit. The local area networks in both sites are managed by the Telecommunications division of the Department of Information Technology (DIT). This division also manages the metropolitan area (MAN) and wide area networks (WAN) that interconnect all State agencies, and the connection of these networks to vendor networks and the Internet. The State network is organized into three zones by firewalls: an Internet zone, a DMZ zone and an Internal zone. Connections to vendor networks are supported using dedicated connections into the DMZ zone and Virtual Private networking (VPN) connections into the DMZ from the Internet.

Transmission speeds on the local area network, metropolitan area network, Lansing-Detroit link, and Internet access links are all 100 megabits per second or higher.

IT Staffing

The details of the information technology system were included in Appendices A – B of the ITB. Each section includes information about the:

- Functional information
- Technical/systems detail

Documentation

The state of current systems documentation varies from application to application. In general, the quality is below average for an installation with the number, complexity, and size of applications, such as MSHDA's.

II-B <u>OBJECTIVES</u>

The objective of this Contract is to obtain a Provider who will take responsibility for the day-to-day operation, support, and enhancement of the information systems supporting the following MSHDA Existing Housing functions in a contemporary IT environment:

- ❑ Section 8 HCV Programs
  - o Voucher Management Application
  - o Document Processing Logs
  - o Data Warehouse for Reporting

These services will be performed at:

The **Customer's location (onsite)** using State-owned hardware, network facilities, and system software along with application software purchased or licensed from the Provider. State IT personnel will support the network, the hardware, the operating system, and essential supporting software, such as the database management system, but will not support the application software. The Provider will be wholly responsible for maintaining the application software.

II-C TASKS

Contractor Responsibilities

The service requires 7-day-per-week, 24-hour-per-day of data and applications availability. The service also requires "on-call" support 5 days per week, 11 hours per day, from 7 AM to 6 PM. All times are Eastern time zone. During this on-call period, support personnel must be available to resolve system problems. Responses to such calls must be made within 2 hours, with a fix or workaround provided by the close of the next business day for Priority 1 calls.

MSHDA Responsibilities

The Provider will have the qualifications and core competencies to perform this service with excellent performance, based on contractually agreed upon standards. MSHDA expects the Provider to make decisions on the activities (what is performed) and the tasks (how they are performed), in order to allow the Provider to control its factors of production (the Provider's: technology, systems applications, equipment, personnel, etc.), to meet the desired performance.

Subsequent to the contract signing, MSHDA will not be responsible in any way to direct or manage day to day the factors of production or determine how this service will be performed, to achieve the excellent performance.

Having said that, MSHDA will approve Provider recommended changes to its activities and tasks and the resulting outputs (e.g., user reports, screens, etc.), to assure that such changes will not adversely affect MSHDA's operations. MSHDA will also retain decision rights over the strategic direction of the information technology and systems to assure that it is continuously aligned with MSHDA's vision, mission, goals and objectives.

Ms. Heather Witkowski will be the primary liaison role between the Provider and MSHDA's user community. Ms. Witkowski and Leigh Scherzer will be responsible for project management and monitoring, planning, user analysis, user quality assurance, user satisfaction surveys, and direct interaction for the service with the Provider. They will designate certain staff members (business analysts) to coordinate service requests with the Provider. The Provider will not be expected to interact directly with MSHDA's end users, other than through its help desk.

II-D PROJECT CONTROL AND REPORTS

1. Project Control
   a. The Contractor will carry out this project under the direction and control of MSHDA's Project Manger, Heather Witkowski and DIT's Project Manager, Leigh Scherzer.

   b. Although there will be continuous liaison with the Contractor team, the client agency's project director will at a minimum meet weekly (during conversion), with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise. The objective of this step is to ensure that MSHDA's Project Manger is promptly informed of the progress and the major issues that confront the Contractor throughout the contract.

   c. The Contractor will submit brief written bi-weekly summaries of progress which outline the work accomplished during the reporting period, work to be accomplished during the subsequent reporting period, problems, real or anticipated, which should be brought to the attention of the client agency's project director, and notification of any significant deviation from previously agreed-upon work plans.

d. Within five (5) working days of the award of the Contract, the Contractor will submit a work plan to DIT's project director for final approval. This final implementation plan must be in agreement with the proposal presented by the Contractor and accepted by the State for Contract, and must include the following:

1) The Contractor's project organizational structure.

2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with the staffing submitted in the accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.

3) A project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.

4) A time-phased plan in the form of a graphic display, showing each event, task, and decision point in the work plan.

II-E PRICE PROPOSAL

All prices/rates in this Contract will be firm for the duration of the Contract. No price changes will be permitted.
See Appendix A for detailed pricing information.

II-F CONTRACT PAYMENT

All invoices should reflect actual work done. Specific details of invoices and payments will be agreed upon between the Contract Compliance Inspecotr and the Contractor after the Contract Agreement has been signed and accepted by both the Contractor and the Director of Acquisition Services, Department of Management & Budget.

State of Michigan agrees to pay Contractor the price of the Application Software by paying a deposit of twenty-five percent of the license fees at the time of execution of this Agreement and the balance of the license fees upon initial installation and Acceptance of the Application Software as defined in Section I-QQ .

State of Michigan agrees to pay 100% of the amounts listed in this Agreement for Services upon delivery and Acceptance of such Services by Contractor.

State of Michigan agrees to pay for Software Standard Support each year, in advance, prior to the anniversary of the initial due date, which shall be effective the first of the month following the ("Effective Date").

All amounts are due and payable within forty-five calendar days of Contractor' invoice, and all amounts shall be in US dollars unless otherwise noted.

Michigan State Housing Development Authority
Investment Summary (Application Hosted by State)

Elite Section 8 Enterprise Application Software Implementation for State of Michigan

Description	Total Year 1
1. Application Software (See purchase discount below)	$ 567
2. Third Party License Fees (Crystal Pro Report Writer) - to be provided by State	$
3. Initation & Planning Stage (Implementation Services)	$ 36,000
4. Phase I Professional Services	$ 316,000
Waiting List, Section 8, Family Self Sufficiency, Report Mart	
5. Phase II Professional Services	$ 214,000
Rent Reasonableness, HQS Inspections Host	
6. Phase III Professional Services	$ 56,000
Executive Portal (SEMAP), Web Portal	
7. Full Time Project Management (11 Months)	$ 220,000
8. Monthly Executive Management Oversight	$ -
9. Customization	$ 90,000
10. Travel Budget	$ 77,220
Additional travel allowance for airfare as needed (estimate 20 trips @ $1,000/ea)	$ 20,000
11. Attendance at Data Management Seminar (10 Students @ $995/ea.)	$ 9,950
Sub-Total Investment:	$ 1,606,370
Less 20% Purchase Incentive Discount on License Fees:	$ (113,440)
Total Investment:**	$ 1,492,930

** Please refer to list of assumptions related to this Investment Summary in Section 6.3 of Proposal

Travel Expenses are a Not To Exceed Estimate. Should additional travel expenses be required, State agrees to negotiate a chang

Application Software License and Support Fees

Description	
EMPHASYS ELITE SOFTWARE - State Agency Pricing	
Section 8 Suite - State Agency*	
Waiting List	
Resident Processing	
Section 8 Financial Management (Check Processing, A/R Portability)	
Family Self Sufficiency	
Rent Reasonableness	
HQS Inspections Host Module	
Web Portal - Pre-Applicants	
Executive Portal Information Management (SEMAP)	**$ 12,600**
Includes Report Mart Data Warehouse	
	License F

* State agency pricing applies. Each additional 3,000 units requires additional bundle license fees as outlined above.

Each Bundle provides for unlimited users of the software.

**Purchase incentive valid only if software modules as proposed are purchased

THIRD PARTY SOFTWARE

Crystal Professional Report Writer (To be provided by State)

(150 users @ $495/each, maintenance $99/each/year)

OPTIONAL SOFTWARE

Web Portal Add-Ons

Applicant	**$**	**12,600**
Resident	**$**	**12,600**
Vendor/Landlord Portal	**$**	**12,600**

Optional HQS Hand Held Software ($1,000 per hand held) - hardware not included

- Estimating 70 hand helds (one per contracting agency)

SUMMARY OF COSTS (outlined by Cost Categories on p44 of RFP)

RFP Category	Project Cateogry	Type	Total
1. Implementation & Conversion	Phase 1	Services:	$ 224,000
		Travel:	$ 9,900
	Phase 2	Services:	$ 148,000
		Travel:	$ 5,940
	Phase 3	Services:	$ 36,000
		Travel:	$ 2,640
	Project Initiation	Services:	$ 36,000
		Travel:	$ 3,960
	Project Mngt	Services:	$ 220,000
		Travel:	$ 29,040
1. Implementation & Conversion Services:			$ 664,000
1. Implementation & Conversion Travel:			$ 51,480
2. Training	Phase 1	Services:	$ 92,000
		Travel:	$ 13,200
	Phase 2	Services:	$ 66,000
		Travel:	$ 9,240
	Phase 3	Services:	$ 20,000
		Travel:	$ 1,980
2. Training Services:			$ 178,000
2. Training Travel:			$ 24,420
3. Customization	Customization	Services:	$ 90,000
		Travel:	$ 1,320
3. Customization Services:			$ 90,000
3. Customization Travel:			$ 1,320
Total Services:			**$ 932,000**
Total Travel:			**$ 77,220**
TOTAL SERVICES WITH TRAVEL:			**$ 1,009,220**

Description	Duration	Start	Finish	RFP Category	Project Category	ECS Service

MSHDA Elite Implementation	**235d**	**4/2/04**	**#####**			
Full Time Project Management	**220d**	**4/5/04**	**2/4/05**	**Implementation & Conversion**	**Project Mngt**	**Project Management**
Project Initiation	**26d**	**4/2/04**	**5/7/04**			
Contract Award and Execution	1d	4/2/04	4/2/04		Project Initiation	
Network Validation & Configuration/Implementation Assistance	2w	4/19/04	4/30/04	Implementation & Conversion	Project Initiation	Network Engineering
Application Software & Database Installation/Configuration	1w	5/3/04	5/7/04	Implementation & Conversion	Project Initiation	Network Engineering
Project Management Set-Up and Planning	1w	4/5/04	4/9/04		Project Initiation	
Project Kick-Off	1w	4/19/04	4/23/04	Implementation & Conversion	Project Initiation	Senior Consulting
High Level Discovery	2w	4/5/04	4/16/04	Implementation & Conversion	Project Initiation	Senior Consulting
Monthly On-Site Executive Mngt Status Meetings	**181d**	**4/2/04**	**12/14/04**	**Implementation & Conversion**	**Project Mngt**	**Project Management**
Customizations	**30d**	**7/5/04**	**8/13/04**			
Develop, Design, Document Specifications	6w	7/5/04	8/13/04	Customization	Customization	Software Engineering
Develop Custom Modifications	6w	7/5/04	8/13/04	Customization	Customization	Software Engineering
Functional Testing of Customizations	7.5d	8/2/04	8/11/04			
Functional Testing of Custom Mods	1.5w	8/2/04	8/11/04	Customization	Customization	Software Engineering
Functional Testing of Custom Mods	1.5w	8/2/04	8/11/04	Customization	Customization	Software Engineering
Phase I - Waiting List, Section 8 HCV, Report Mart,Family Self Sufficiency	**110d**	**4/12/04**	**9/10/04**			
Data Conversion	**70d**	**4/12/04**	**7/16/04**			
Discovery and Mapping	3w	4/12/04	4/30/04	Implementation & Conversion	Phase 1	Data Conversion
Custom Conversion Coding	2w	5/3/04	5/14/04	Implementation & Conversion	Phase 1	Data Conversion
Iteration One Complete	1w	5/17/04	5/21/04	Implementation & Conversion	Phase 1	Data Conversion
Data Cleansing, Verification, Validation	4w	5/24/04	6/18/04	Implementation & Conversion	Phase 1	Data Conversion
Iteration Two Complete	1w	6/21/04	6/25/04	Implementation & Conversion	Phase 1	Data Conversion
Modification of conversion routine as needed	2w	6/28/04	7/9/04	Implementation & Conversion	Phase 1	Data Conversion
Iteration Three Complete	1w	7/12/04	7/16/04	Implementation & Conversion	Phase 1	Data Conversion
Discovery/Fit Analysis	4w	4/12/04	5/7/04	Implementation & Conversion	Phase 1	Senior Consulting
System Design / Concept of Operations	5w	5/10/04	6/11/04	Implementation & Conversion	Phase 1	Senior Consulting
System Security	2w	5/10/04	6/10/04	Implementation & Conversion	Phase 1	Senior Consulting
System Development / Configuration: Emphasys In-house	3w	6/14/04	7/2/04	Implementation & Conversion	Phase 1	Senior Consulting
Reports Cross-	2w	7/5/04	7/16/04	Implementation & Conversion	Phase 1	Senior Consulting

Reference						
Development of Custom User Guides (Optional)	4w	7/5/04	7/30/04	Implementation & Conversion	Phase 1	Senior Consulting
System Development / Configuration - Client Site	4w	7/5/04	7/30/04	Implementation & Conversion	Phase 1	Senior Consulting
User Training	3w	8/2/04	8/20/04	Training	Phase 1	Training
Go Live Assistance	2w	8/23/04	9/3/04	Training	Phase 1	Training
Follow up Assistance / Acceptance & Closeout	1w	9/6/04	9/10/04	Training	Phase 1	Training
Phase II - Rent Reasonableness, HQS Inspections	**89d**	**8/23/04**	**######**			
Data Conversion	**50d**	**8/23/04**	**10/29/04**			
Discovery and Mapping	1w	8/23/04	8/27/04	Implementation & Conversion	Phase 2	Data Conversion
Custom Conversion Coding	2w	8/30/04	9/10/04	Implementation & Conversion	Phase 2	Data Conversion
Iteration One Complete	1w	9/13/04	9/17/04	Implementation & Conversion	Phase 2	Data Conversion
Data Cleansing, Verification, Validation	2w	9/20/04	10/1/04	Implementation & Conversion	Phase 2	Data Conversion
Iteration Two Complete	1w	10/4/04	10/8/04	Implementation & Conversion	Phase 2	Data Conversion
Modification of conversion routine as needed	2w	10/11/04	10/22/04	Implementation & Conversion	Phase 2	Data Conversion
Iteration Three Complete	1w	10/25/04	10/29/04	Implementation & Conversion	Phase 2	Data Conversion
Discovery/Fit Analysis	2w	8/23/04	9/3/04	Implementation & Conversion	Phase 2	Senior Consulting
System Design / Concept of Operations	4w	9/6/04	10/1/04	Implementation & Conversion	Phase 2	Senior Consulting
System Security	1w	9/6/04	9/30/04	Implementation & Conversion	Phase 2	Senior Consulting
System Development / Configuration: Emphasys In-house	2w	10/1/04	10/14/04	Implementation & Conversion	Phase 2	Senior Consulting
Reports Cross-Reference	1w	10/15/04	10/21/04	Implementation & Conversion	Phase 2	Senior Consulting
Development of Custom User Guides (Optional)	3w	10/15/04	11/4/04	Implementation & Conversion	Phase 2	Senior Consulting
System Development / Configuration - Client Site	2w	10/15/04	10/28/04	Implementation & Conversion	Phase 2	Senior Consulting
User Training	5w	10/29/04	12/2/04	Training	Phase 2	Training
Go Live Assistance	2w	12/3/04	12/16/04	Training	Phase 2	Training
Follow up Assistance/Acceptance and Closeout	1w	12/17/04	12/23/04	Training	Phase 2	Training
Phase III - Executive Information System (SEMAP), Web Portal	**45d**	**######**	**2/24/05**			
Discovery/Fit Analysis	1w	12/24/04	12/30/04	Implementation & Conversion	Phase 3	Senior Consulting
System Design / Concept of Operations	2w	12/31/04	1/13/05	Implementation & Conversion	Phase 3	Senior Consulting
System Design / Configuration: Emphasys In-	1w	1/14/05	1/20/05	Implementation & Conversion	Phase 3	Senior Consulting

house						
Reports Cross-Reference	1w	1/21/05	1/27/05	Implementation & Conversion	Phase 3	Senior Consulting
System Design / Configuration - Client Site	1w	1/28/05	2/3/05	Implementation & Conversion	Phase 3	Senior Consulting
User Training	1w	2/4/05	2/10/05	Training	Phase 3	Training
Go Live Assistance	1w	2/11/05	2/17/05	Training	Phase 3	Training
Follow up Assistance/Acceptance & Closeout	1w	2/18/05	2/24/05	Training	Phase 3	Training

Optional and Ad Hoc Services

Description of Services	Cost per I

A. Ad-Hoc Requests - Available on an Hourly Rate basis as follows:

1. Training - $ 100/hour
2. Application Customization - $ 150/hour
3. Custom Report Writing - $150/hour
4. Data Conversion Services - $150/hour
5. Network Engineering Services - $150/hour
6. Project Management - $ 150/hour
7. Support Services (Out of scope from Support Agreement) $150/hour

B. Process Assessment (6-9 months post-production) **$**

1. Staff Required
   a. Senior Consultant
      1. Review current policy and procedures
      2. Limitation of current procedures
      3. Development of business case and recommendations
      4. Review Critical forms, letters, reports
      5. System and process modeling
      6. Presentation of current processes and recommended changes
      7. Determination of Best Practices
      8. Deliverable - 5 books **$**
         a. Flowchart of current workflow
         b. Recommended options presentation
         c. Area of responsibility matrix
         d. Reporting of business processes and procedures

C. Creation of Custom User Guides - per major functional area **$ 1**

(Note: This is proposed and included within the cost schedule. This may be removed at MSHDA's option)

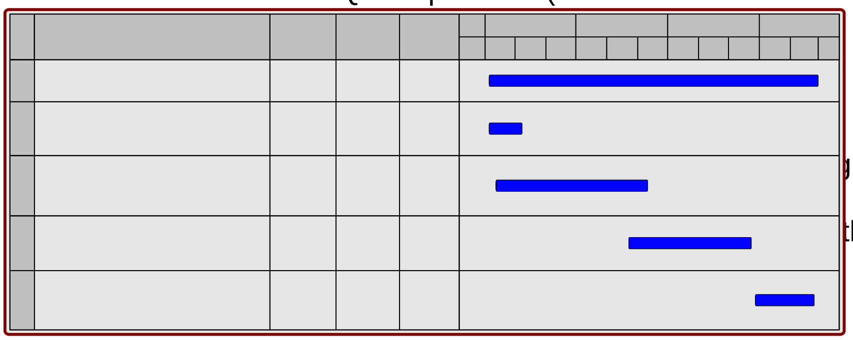
1. Development of user guides with roles and procedures
2. Deliverables:
   a. User Guides - 8
      *Additional user guides $30 per User Guide

Management Summary

Narrative

Our solution is comprised of the Emphasys Elite Suite of software components designed specifically to fulfill MSDHA's requirements. These components include:

- Waiting List
- Section 8 Housing Choice Voucher software
- Section 8 Financial Management, S8 Accounts Receivable, and Contractor Payment
- HQS Inspections (with hand held technology)



g a full-time Project Manager providing
three major phases. Assuming a start
th a description of software included in

MSHDA has expressed certain goals, objectives, and functional requirements that must be achieved with this new system. Emphasys is confident that a significant majority of the functional requirements are currently met with our Elite software. Based on the information contained in the ITB, Emphasys has developed a solution that consists of the implementation of Elite software, using a phased approach and our proven implementation methodology. We will conduct a thorough review of the requirements outlined in the ITB and match them with MSHDA's vision for the future and the capabilities presented in the new proposed system. It is sometimes an organization's nature to view business requirements for a new system through the "eyes" of the old system and its current capabilities and/or deficiencies. Emphasys will facilitate discovery sessions that will encourage MSHDA's team to fully understand the capabilities of the Elite solution and envision how these features, functions, and capabilities can meet the current business needs, and anticipate and prepare for future requirements. Emphasys is prepared to lead MSHDA through a successful implementation and provide a framework for many years to come. A summary of our approach to the implementation is outlined later in this Section, Section 3.4.

How the Elite Application will be Deployed

The Elite application can be deployed either as a traditional "thick" client, or as a "thin" client using Citrix Metaframe and the Nfuse Portal technology. This solution is proven to be highly reliable, scaleable, fast, and secure. If deployed in a "thick" client environment, the software is installed on a main fileserver computer located on the State/MSHDA network and the application is "served" through the network to the desktop. The application is not installed at the desktop level, though there are certain settings required to properly run Elite in a thick client environment. Thick client deployment may be desirable for those "power" users of the system. The remote contractors of MSHDA will need to run a thin client of the Elite application whereby the software is run over the Internet using the Citrix ICA client and connecting to the application through the Citrix NFuse Portal technology. By simply double clicking an icon on the desktop and logging into the secured system from a remote location can accomplish this. Remote MSHDA contractors will need to have their own Internet connection. Standard dial-up Internet connections should perform satisfactorily

ID	***DESCRIPTION***	*Start*	*Finish*	*Duration*
1	**Full Time Project Management**	04/05/2004	02/28/2005	236d
2	**Project Initiation / Kick-Off /**	04/05/2004	05/07/2004	25d

for single remote users. If the State desires to outsource the hosting of Elite, Emphasys has proposed the option to have EDS host the Elite application in an entirely thin client ASP environment. For additional information on recommended hardware requirements to properly run Elite, please refer to Section 6.2, Recommended Hardware Configuration. As we researched the **Existing Technology Standards** from the State, we understand that deploying the Elite Client/Server, as a thin-client application using Citrix Metaframe technology is an acceptable standard and approach.

Software solution Overview

In this section we have provided a summary description of each of the modules and components we are proposing to MSHDA. As mentioned earlier, this solution consists of the following components:

- Waiting List
- Section 8 Housing Choice Voucher software
- Section 8 Financial Management, S8 Accounts Receivable, and Contractor Payment
- HQS Inspections (with hand held technology)
- Rent Reasonableness
- Family Self Sufficiency
- Executive Portal (SEMAP reporting)

Presenting an overview in this way will allow MSHDA to understand, from a high level, the functionality that is exemplary of all the solution components you will have available during each phase of the project. This is not meant to be exhaustive list of all capabilities, but rather an introduction to some of the ways you can expect Elite to create efficiencies in your agency. For a detailed description of functional and technical requirements by module we have completed the Response to Appendix B, Details of Desirable Functionality of the Voucher Management Applications, located in Section 4.2.1 of this Proposal. Emphasys Elite will meet a significant majority, if not all, of the requirements “out-of-the-box”. We have also included more details related to the Elite Waiting List and the Section 8 Housing Choice Voucher software in Section 8, Supplemental Material, located at the end of this proposal.

Waiting List

The Elite Waiting List module manages the initial stages of placing persons in assisted housing, collecting applicant data, making eligibility determinations and drawing names from the lists. It handles multiple waiting lists for Section 8 and other housing programs such as Public Housing. In addition, it meets HUD Fairness Standards, determining applicant position by federal and local preferences, bedroom requirements, and application date and time.

Waiting List processes available in Elite include:

- Pre-application Entry
- Waiting List Draw
- Full Application Entry
- Section 8 Voucher Offers
- Waiting List Sorting Process
- Waiting List Reports

Elite Waiting List includes many features that save you time and money such as:

Pre-application Process

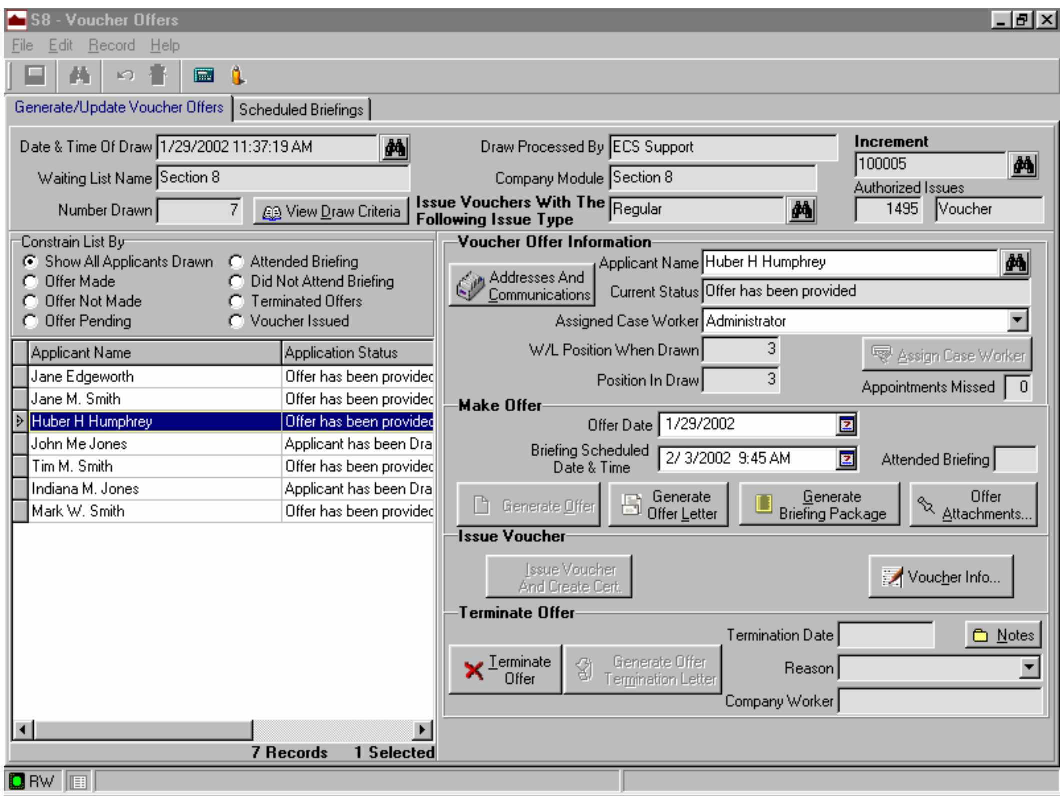
Often, just a few criteria are needed to determine whether a client should apply for waiting lists.

Use the Pre-application Process to record initial qualifying information for potential applicants. The time required for a full application can then be spent on those individuals who do qualify.

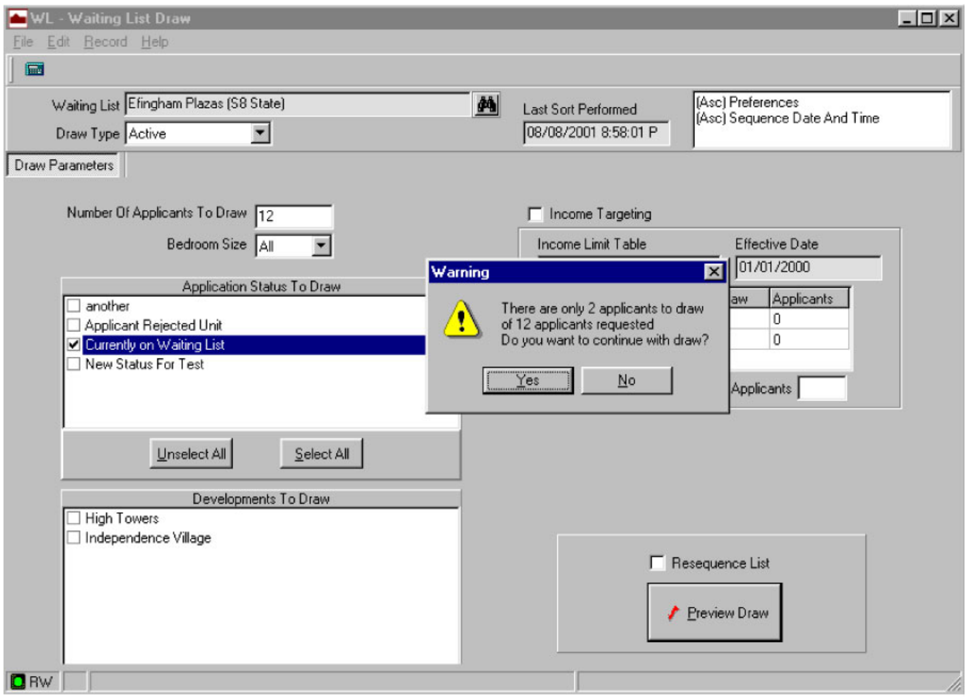
Other features include:

- System-defined HUD criteria
- The ability to create and prioritize additional criteria to determine user definable eligibility per waiting list
- Quality assurance through audit trails created during receipt, entry and qualification of pre-applications
- Eligibility determination with the click of a button
- Automatic transfer of qualified individuals to the Full Application process
- Automatic generation of denial letters including reasons for denial
- Full Application Process
- Full applications are easy to navigate. Tabs allow same-screen access to all necessary application data: general information, preferences, waiting lists, family members, additional requirements and shared housing. Users can complete full applications, track interviews, automatically print verification letters and transfer full applications to the Draw Process.

Voucher Offer Screen



Draw Process
Elite's Draw Process module was designed to be flexible and to meet the demanding needs of housing agencies related to occupancy. For instance, the system assists users with deconcentration draws and income targeting. It reminds users that applicant files are out of date if they haven't been changed in a specific period of time. Elite's Draw Process also automatically creates applicant interviews and sends out appointment letters. By automating many of the draw processes, the Elite system can save your authority time and money. The following screen is a sample of the draw process:



8 Housing Choice Voucher

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The Elite Section 8 system provides a complete workflow design that allows housing authorities to streamline day-to-day processes through automation. Manual processes such as issuing vouchers, tracking increment funding and submitting 50058s can be automated with Elite Section 8.

The Elite Section 8 module addresses the following **Financial Processing** needs:

- Exclusions & Abatements
- Manual Adjustments
- Payment Cutoff Calendar
- Payment Processing
- Prepayment Generation
- Unit Month/Fee Processing
- Contractor Payments
- Financial Reports

The Elite Section 8 module addresses the following **Resident Processing** needs:

- Building Entry
- Caseworker Assignment
- End of Participation
- Lease Tracking
- Move Resident into Unit
- Move Resident out of Unit

- Request for Tenancy Approval
- Resident Processing
- Voucher Offers
- Submit 50058 Data to PIC
- Unit Entry
- Resident Reports

Generating/Updating Offers

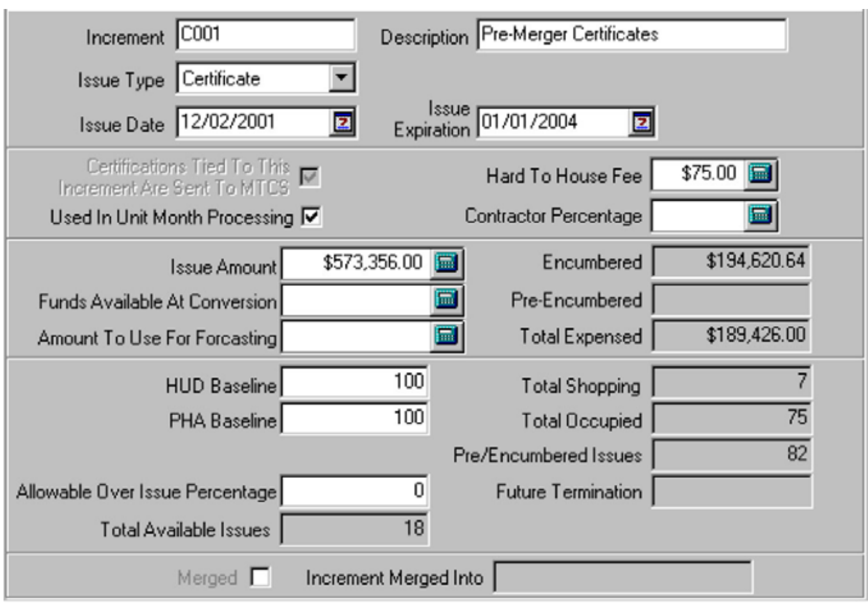
The Voucher Offers sub-module allows housing authority staff to issue multiple vouchers and simultaneously generate offer letters. Offer termination letters can be produced in the same way.

Scheduling Briefings

Section 8 allows housing authority staff to schedule and track appointments with Section 8 applicants. It can be set up to automatically recall applicants for appointments as well as track those applicants who have missed appointments.

Increment Entry

Typically, those authorities that manually track increment funds on spreadsheets take between thirty minutes to an hour to determine how many vouchers they can issue. By using the Elite system to automate tracking of increment funding, this time drops to one or two minutes. As displayed below, funds are automatically tracked by the system that maintains the historical financial records and future encumbered obligations. This provides the user with a recommended number of vouchers to issue.



Request for Tenancy Approval

The Request for Tenancy Approval (RFTA) process features an enhanced tracking system. A stop clock monitors remaining time on vouchers. The system can also be set to automatically extend an applicant's time to search for housing and issue expiration warnings. Inspection and Rent Reasonableness systems are closely tied to this process. Once a new RFTA is created and a property tied to it, inspection requests are initiated and
Rent Reasonableness comparisons are required. The system also tracks failed historical RFTAs.

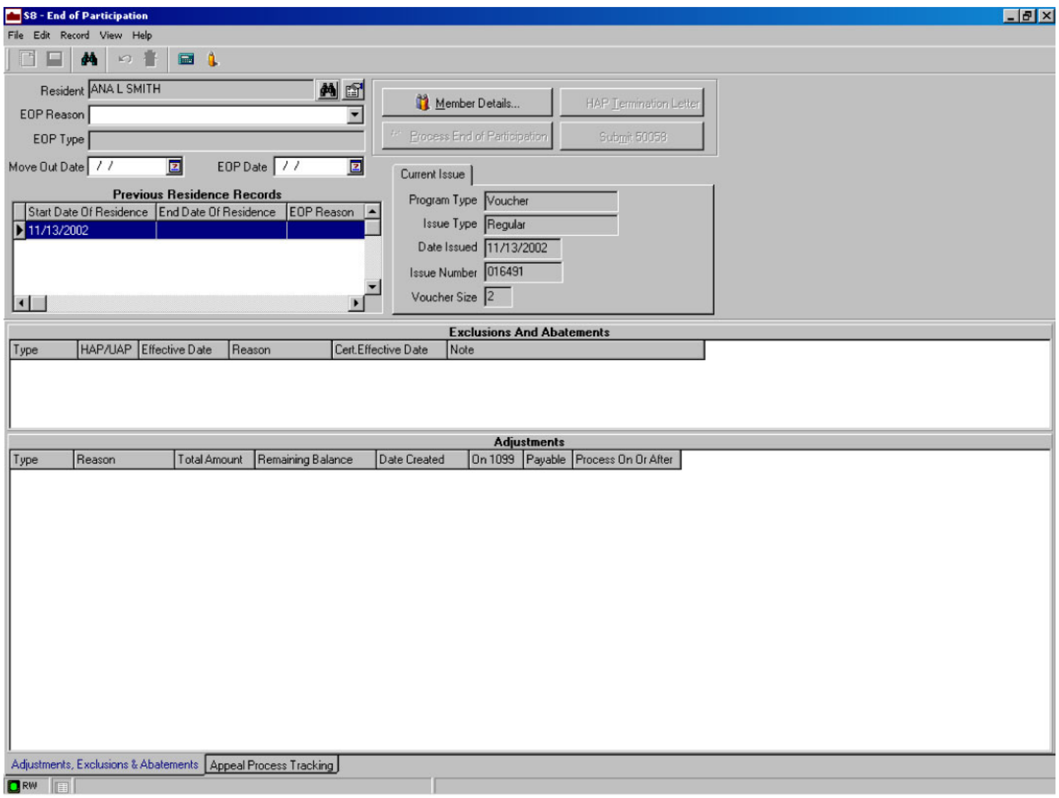
Check Run Alerts

As a precaution prior to check runs, authorities very often take their systems down for upwards of eight hours to prevent users from making changes to the system (e.g. adjustments, completing certifications, etc.). Authorities also have difficulty-informing staff of special check runs. With the Elite system, authorities can now create their own cut-off dates for when they will perform a check run or multiple check runs. When these dates are created, housing authority staff is automatically informed of the hours and minutes before the check run. Once the cut-off date is reached, the staff can continue to make adjustments, perform certifications, etc. The cut-off feature ensures that everything before the cut-off date that has been completed will be included in the check run, thus eliminating the precautionary downtime.

End of Participation

The End of Participation process provides one location with everything necessary to end participation in Section 8. For example, you can:

- Automate the creation and validation 50058s
- Generate letters for HAP termination
- Track which EOP reasons can be appealed and which cannot
- Record a history for each appeal



HQS Inspections

The Elite HQS Inspections system provides a complete workflow design that allows housing authorities to streamline day-to-day processes through automation. Manual processes such as generating quality assurance inspections, producing correspondence, tracking inspection history, scheduling appointments, and automatic re-inspections can be automated with the Elite HQS Inspections.

Flexibility of Elite HQS Inspections

- Inspection Types - The system handles user-defined types of inspections such as annual, initial, housekeeping, etc.
- When setting up the types, user-defined quality assurance can be applied by type, with established request dates that assist the authority in the scheduling of different kinds of inspections.
- Elite can automatically schedule an inspection with the same inspector if the unit fails inspection, or in case of a no entry or no show. This intuitive response makes the job easier and less time consuming for inspection schedulers.
- Inspection Checklist - The system comes with a predefined checklist from the standard form HUD-52580; however, the users can create additional or modify existing checklist items. Each item can have a different setting for the number of days before re-inspection, and Elite will automatically schedule an inspector to come back for the re-inspection of that item.
- HUD Forms - The 52580 form is automatically printed on the screen or a printer.
- Scheduling Elite allows users to schedule inspections with ease. Scheduling may be done by address, caseworker, census tract, ZIP code, city, type of inspection, etc.
- Attachments - with Elite, housing authorities have the ability to attach electronic pictures and documents to inspections for historical retrieval.

Rent Reasonableness

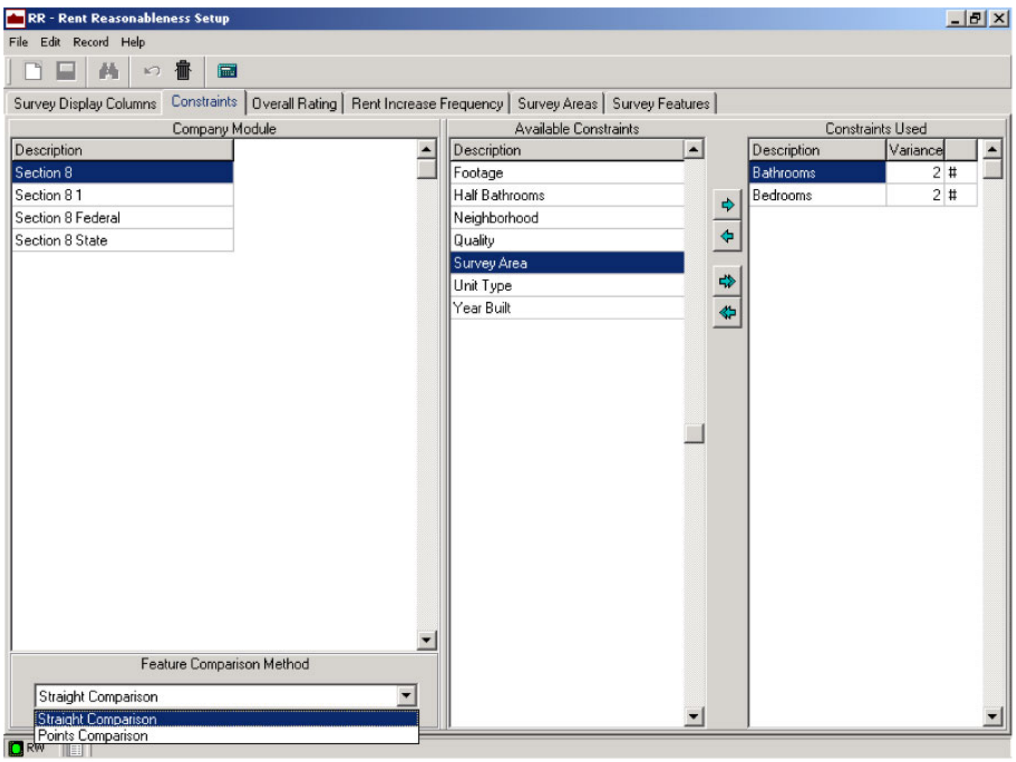
The Elite Rent Reasonableness module is designed to store and organize the information gathered in surveys of non-subsidized housing. This information can then be used in evaluating potential program units. The module may be used as a standalone system or installed on a variety of network platforms. The module is easy to use and offers tremendous flexibility during setup, allowing authorities to tailor the system to their specific needs. Users can then perform accurate unit comparisons by a variety of methods and under a variety of assumption sets.

Initial Comparison

Initially, the system compares certain general characteristics of a unit to those of the surveyed units. Based on this, the system selects all similar units in the database for more detailed comparisons. During the initial comparison, a certain amount of variance may be allowed for in the following categories: Number of Bathrooms, Square Footage and Year Built. After performing this initial step, the module uses the selected data for a closer comparison to the proposed unit. For this second step, the system will apply one of the following HUD-prescribed comparison methods:

Comparison Methods

- Straight Comparison - The Straight method compares the proposed unit to those units selected in the filtering process described earlier. Those units determined to be comparable, as well as specific unit features, are weighted equally for this comparison method.
- Points Comparison - The Points method is similar to the weighted method, however only “positive” scores are provided for the individual features. Units are only penalized for missing features in that they do not receive the corresponding points. After scoring the features in this way, composite scores are tabulated both for proposed and for surveyed units, and the comparisons are then made. The user is able to define scoring categories. For example:
  100 points and higher = excellent
  70-99 points = good
  50-69 = fair
  50 points or less = poor



Authorities subjectively determine the relative importance of specific features and score them accordingly. The Rent Reasonableness module will then weigh those features accordingly.

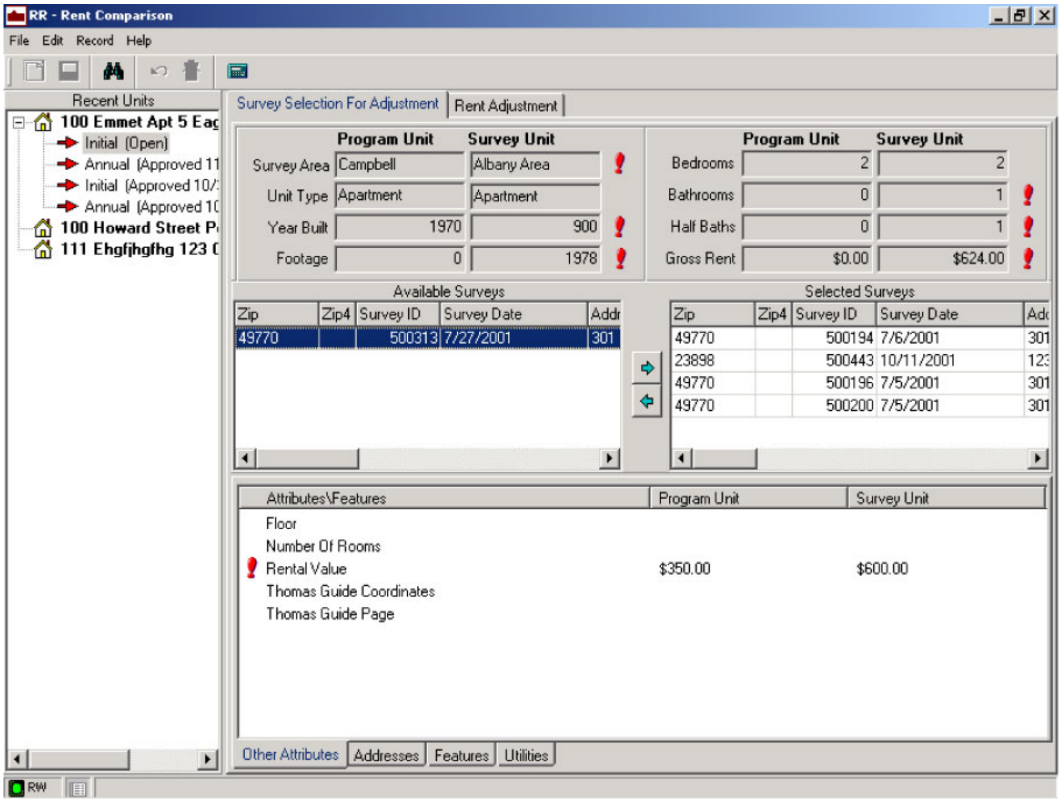
Comparing Program Units

Under the Features tab, the surveyed unit’s features are broken down into six major categories: Amenities, Facilities, Management and Maintenance Services, Location to Services, Accessibility and HQS Quality.

- Amenities – carpet, drapes, dishwasher, etc.
- Facilities – playground, storage, parking, etc.
- Management & Maintenance Services – on-site maintenance, grounds keeping, etc.
- Location to Services – schools, stores, mass transportation, etc.

- Accessibility – ramps, wheelchair-accessible shower, handrails, etc.
- HQS Quality – excellent, good, fair, poor

Comparison criteria are broken down into five categories: Location, Unit Type, Bedroom Size, Bathroom Size and Square Footage. The module allows the user to select any of the five items listed above for use in unit comparisons.



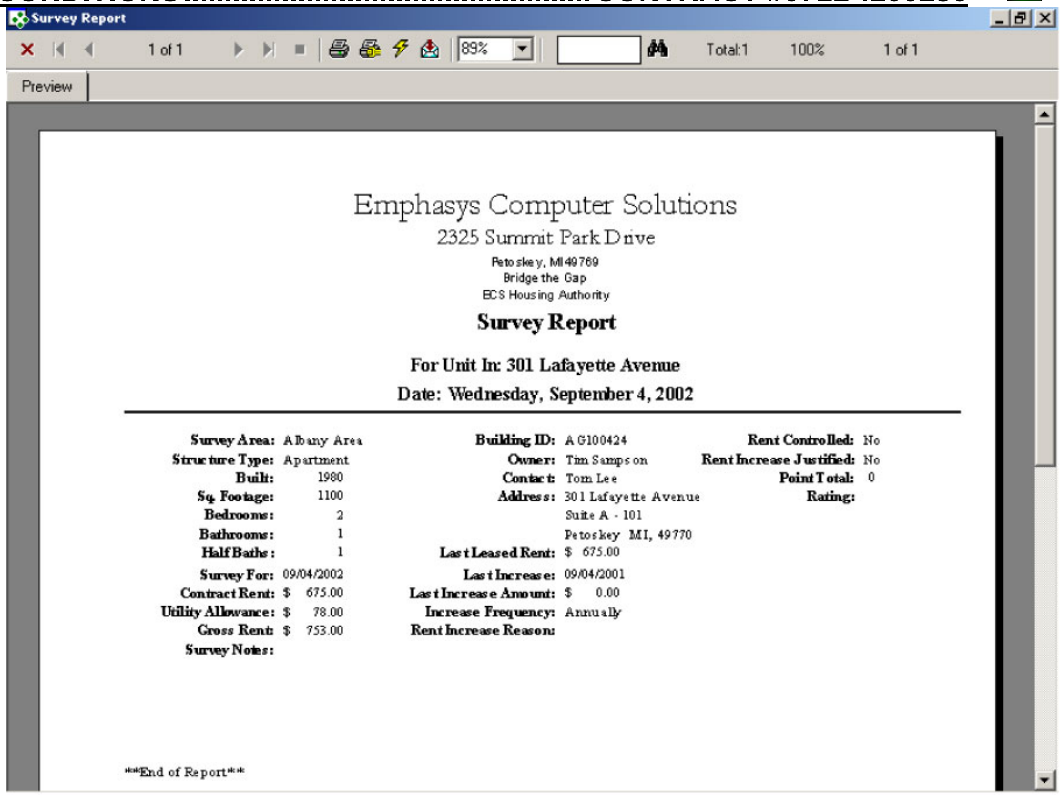
Rent Adjustments

For initial rent comparisons, the Elite Rent Reasonableness module is integrated with the Request For Tenant Approval (RFTA) process in the Elite Section 8 module.

Reporting Capabilities

The Elite Rent Reasonableness module also features the following reporting capabilities:

- Blank Unit Survey Form (rent reasonableness checklist)
- Rent Reasonableness – Rent Comparable Form (used for lease approval rent comparisons)
- Completed Unit Survey
- Rent Reasonableness Unit Survey Cross Tab
- User Defined



Family Self Sufficiency

The Elite Family Self-Sufficiency (FSS) module is more than just a data collection tool for the HUD 50058. It is designed to assist your agency in the administration of a successful FSS program. Elite FSS helps your agency:

- Monitor family services
- Track correspondence and communications
- Track financial data
- Calculate escrow payments and interest prorations
- Process payments

The module offers tremendous flexibility during setup, allowing authorities to tailor the system to their specific needs.

Participant Information

This sub-module is the participant or family management portion of the FSS module. From this area users can:

- Collect and track all non-financial information
- Create and monitor family services plans
- View escrow information (automatically calculated by the system)

The system stores this information and makes it available in the Elite Section 8 Resident Processing modules. A related HUD 50058 record is automatically included in the certification submission to MTCS. The FSS Correspondence Tracking sub module is useful for recording initial and follow-up communication between an agency and their various participants. The agency or the participant can initiate contact. Types of contact are user defined and might include communication in person, by letter, via e-mail, by phone (person to person or conference call).

Users can record each instance of contact by date, type, status, worker, etc., including internal notes and attached electronic documents.

Reporting Capabilities

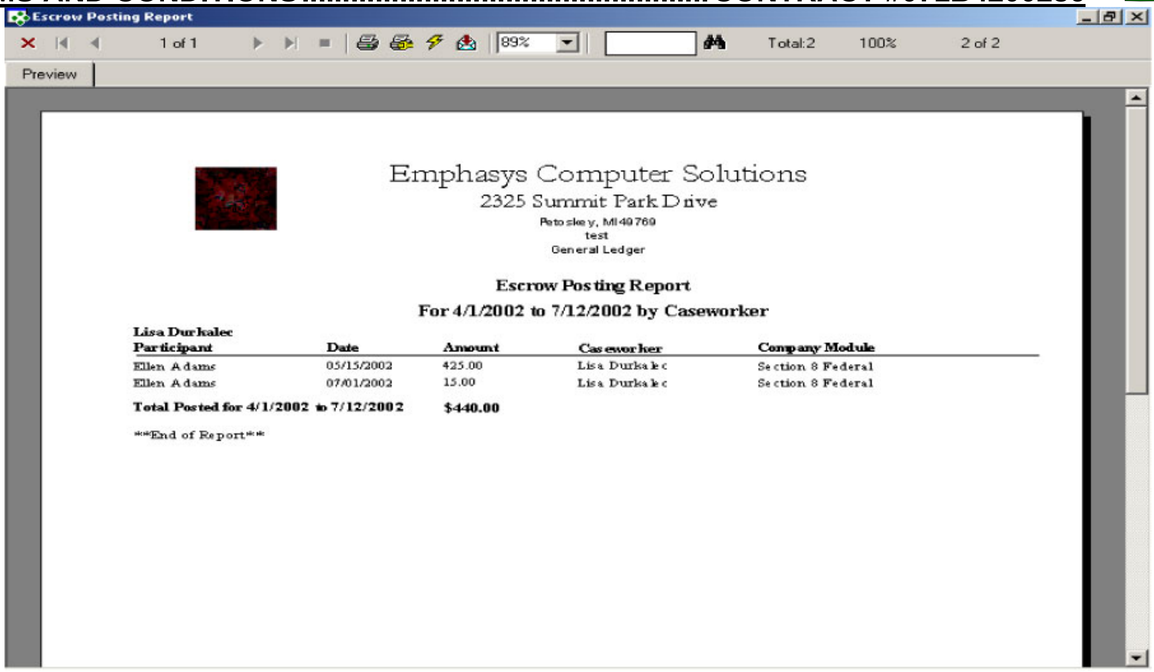
The Elite FSS module includes various prepackaged system reports. Emphasys uses Crystal Reports, third party software, as the report engine for the Elite suite. This design allows users to easily customize their reports to meet their agency's needs. For example, users can change report headers, insert their agency logos and add or remove additional data to reports. Users can also export reports to the following destinations: application, Exchange folder, file or Microsoft Mail. Reports can be exported in any of the following formats: comma delimited, MS Excel, Word, Access, any ODBC compliant database, HTML and many others.

The reports included in the Elite FSS module include:

- Inactive Participant Report
- Enrollment Report
- Exit Report
- Participant Detail Report
- Participant Final Needs Report
- Participant Skill Listings
- Progress Report
- Skill Matching Report
- Participant Interim Needs Report
- Escrow Credit Listing Report
- Escrow Posting Report
- Late Rent Exclusion Report
- Participant(s) Monthly Account Report
- Participant(s) Statement
- Financial Processing

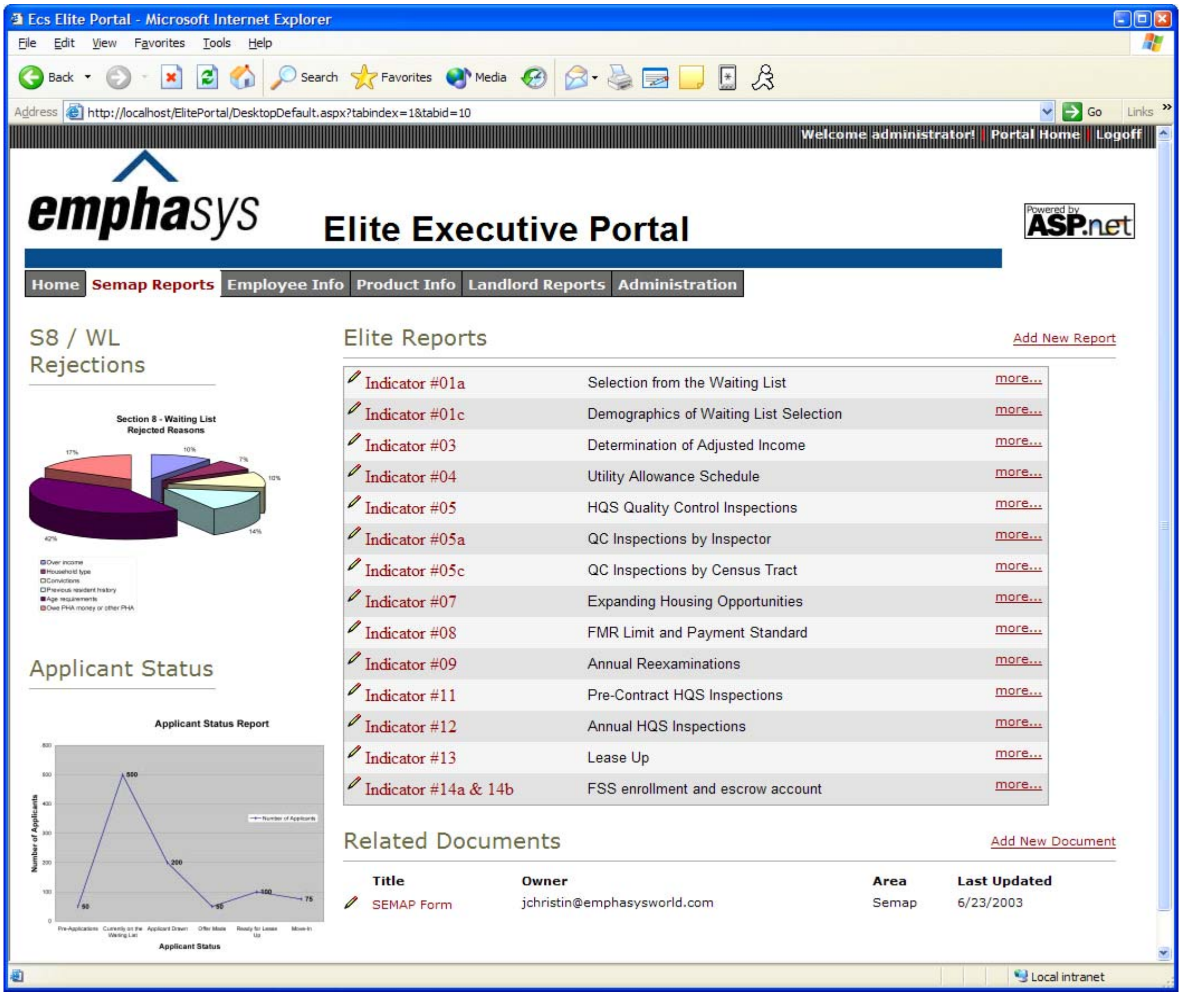
The Financial Processing sub-module is designed to assist users in the financial management of their agency's FSS program. It calculates and processes investment income; processes escrow payments that will allow the users to make disbursements from the accounts. This is also where users would make any necessary adjustments to a participant's escrow account including:

- Adjustments
- Participant Disbursements
- Provider Disbursements
- Escrow Credits
- Forfeiture of Funds
- Investment Income
- Balance Forward Transactions



Elite Executive Portal (SEMAP)

Elite Executive Portal is new software designed to assist managers and executives in gathering the crucial information they need to pinpoint inefficiencies and make informed decisions about their organizations. By measuring and displaying items such as SEMAP scores, occupancy and lease-up rates and move outs, the Executive Portal can help managers and executives identify the areas where their organizations are efficient and where they need improvement. The following screen includes a sample of reports that con be configured from within the Portal. Users can “drill-down” to see the details on any given report, form, or graph once it is setup within the Portal.

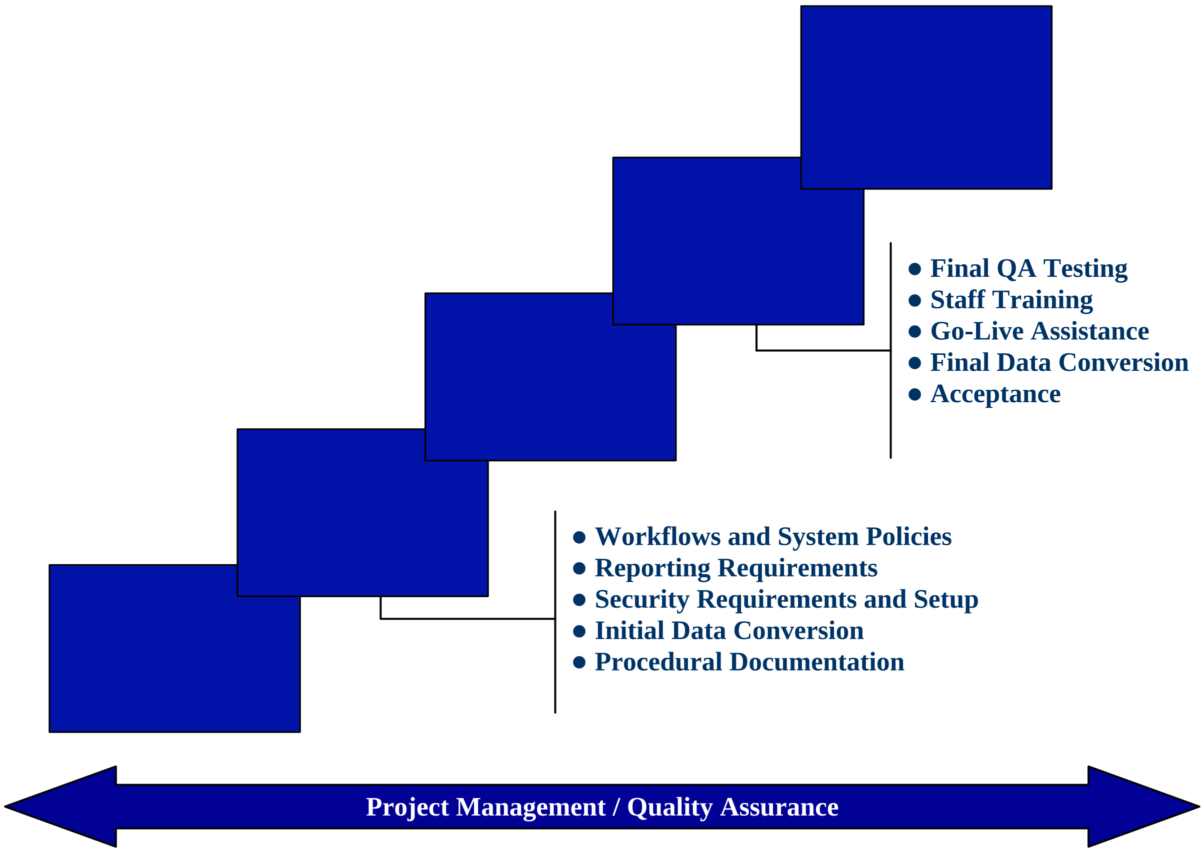


Technical Work Plan

This section outlines a proposed Implementation Work Plan for MSHDA. As mentioned earlier, Emphasys is recommending a phased approach to this implementation initiative whereby certain groups of software modules will be implemented in their respective phase. We are recommending three separate phases, with each phase beginning approximately one month prior to the end of the preceding phase. This approach will ensure a timely and successful implementation by approaching each critical implementation milestone in a systematic way, yet mitigating risk by not over-burdening MSHDA staff with extensive implementation activities.

Through each phase of the implementation we will follow our proven implementation methodology which, at a high-level, consists of five major steps: Discovery and Fit Analysis, System Design, System Development/Configuration including factory “in-house” testing, Implementation and Production, and Post-Production Support. A more detailed description of each task related to each of these stages can be found in Section 3.4.7 of this proposal. Each phase will begin with a Discovery stage where information specific to MSHDA’s requirements is gathered and used during the System Design stage. During the System Design stage we focus on using this information to define in detail the system, its functionality, and business processes in preparation for the System Development/Configuration stage. Once the system is configured and properly tested it is then implemented in the Production stage. Once the system is placed into production, we transition that stage to post-production support. Please keep in mind that through each of these stages, we will continuously validate the system and its capabilities with MSHDA’s vision and needs. It is often possible to accommodate adjustments to the vision and requirements while staying within scope.

The following chart reflects the five-step process we will follow for each phase of implementation:



As MSHDA's business partner, Emphasys will create a migration plan and timeline that best fits the overall goals and objectives of the MSHDA. This preliminary implementation approach and timeline can be modified to meet MSHDA's needs. This proposal is intended to be a starting point for that initiative. Outlined below are key required tasks and milestones that will need to take place to formulate a solid Implementation Plan:

- Determination and recommendation for staffing requirements-both technical and non-technical (operational), as well as suggestions for training and educational programs.
- Oversight and project management of key implementation efforts, including applications software, related training, and support services, as needed.
- Review of impact on business process changes and identification of potential process improvements to support the goals and objectives of MSHDA.
- Execution of specific tasks and deliverables, as outlined in the enclosed preliminary Implementation Plan that will be designed jointly and finalized with MSHDA.
- Coordination of project management activities and related status meetings.
- Preparation and delivery of documentation and status reports.

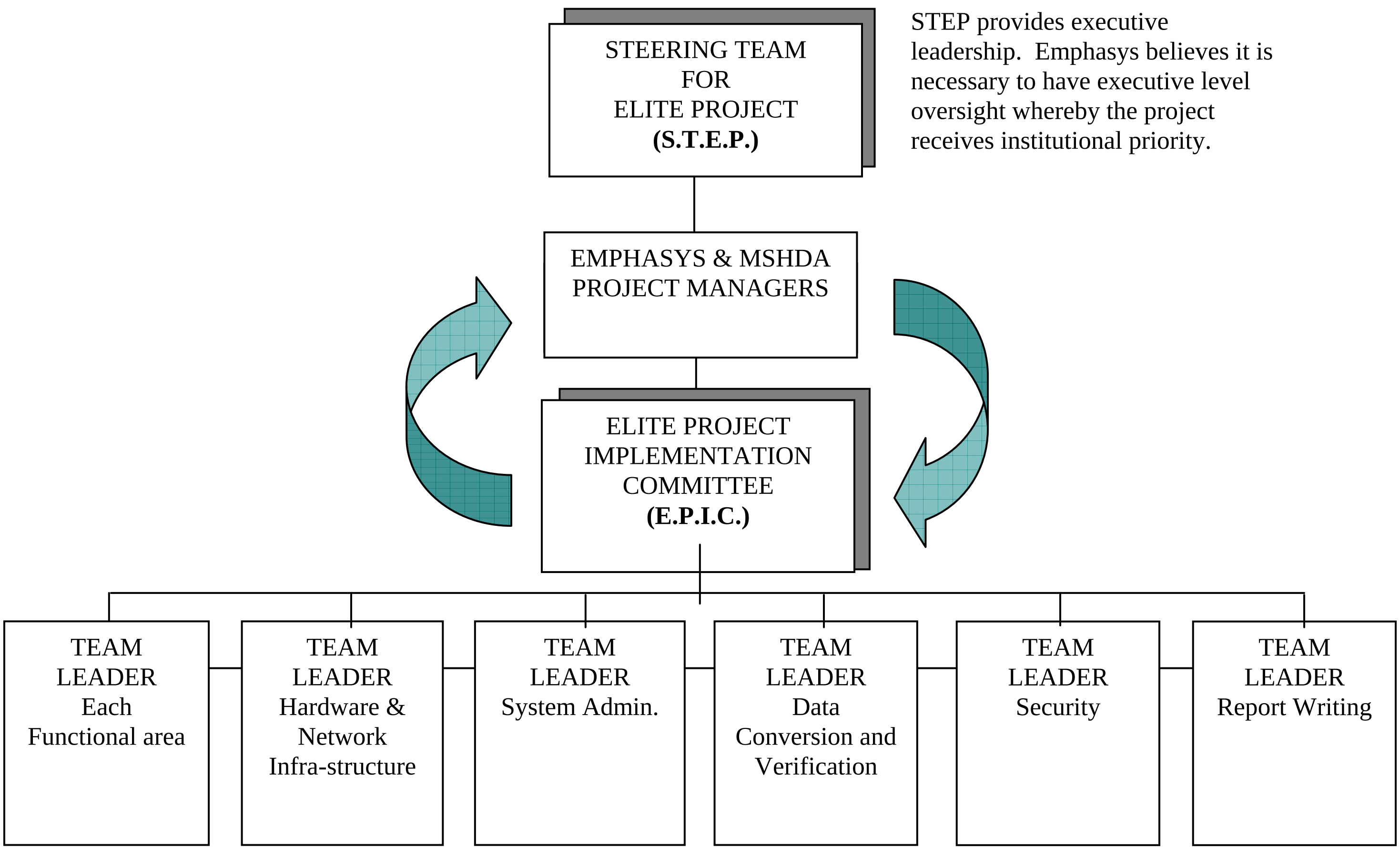
The Technology Work Plan outlined herein includes:

- Full-time Project Management during the duration of this initiative
- System setup and configuration including security and reporting requirements
- Assimilation of MSDHA's workflows and processes within Elite Application software
- Data conversion, cleansing, and validation
- End-user and system training
- Transition Support
- Quality Assurance and System Testing
- Post production support and system maintenance based on HUD regulatory requirements and custom enhancements

Through detailed planning sessions with management and appropriate MSHDA staff, the implementation process will be customized to more closely follow the expressed needs of MSHDA.

Project Organization Chart

The following organization chart represents the structure proposed for this implementation:



Steering Team for the Elite Project (STEP)
STEP provides executive leadership to the project. Membership includes senior administrators from each operational area. STEP will:

- Provide overall project direction
- Advise EPIC (the Elite Project Implementation Team)
- Make timely policy decisions based upon issues forwarded from EPIC
- Review and approve priorities as recommended from EPIC
- Secure resources necessary for project success
- Meet bi-weekly at first, then monthly to assure the project remains on course

Elite Project Implementation Committee (EPIC)
EPIC is responsible for the implementation of the Elite project. EPIC includes team leaders from each of key service/functional areas within MSHDA – Waiting List, Section 8 Housing Choice Voucher Program, Financial Management, Rent Reasonableness, Family Self Sufficiency, and HQS Inspections. Certain members of EPIC will:

- Make policy decisions that is within their authority
- Coordinate and resolve issues across project teams
- Forward issues for decision/resolution to STEP
- Manage the implementation details of all systems
- Expedite decisions and issue directives to project teams
- Meet weekly

Project Manager Responsibilities

The Project Manager will follow MSHDA's standards for Project Management and work closely with Senior Implementation Consultants from Emphasys software to manage all project-related activities and tasks and is responsible along with the EPIC Team for the successful implementation of the Elite project. The Project Manager is the leader/facilitator of EPIC and serves as a resource to STEP. The Project Manager will:

- Coordinate activities across teams
- Develop and maintain the Implementation Plan
- Coordinate activities with MSHDA project manager
- Manage project budget
- Focus efforts of team leaders
- Ensure project tasks are completed by target dates
- Establish the training and consulting schedule for the project
- Request and schedule additional resources as required
- Manage scope of project
- Complete status reports
- Ensure project documentation is maintained
- Ensure the escalation of problems, issues and change requests
- Work cooperatively with team leaders and STEP

Team Leader Responsibilities

Team Leaders, otherwise known as System Knowledge Experts, have been selected because they have a detailed knowledge of the business processes of their respective areas. The team leader will manage his/her project team and is responsible for the assigned tasks and/or implementation of the Elite software in his/her area. The team leader will:

- Assist with making setup decisions within the software
- Ensure project tasks are completed by target dates
- Assure staff is attending training
- Facilitate and negotiate resolution of critical business issues
- Develop operations analysis documents for their focus areas including work flows, input forms, output forms and reports
- Help adapt MSHDA's business processes to the Elite software
- Lead work team initiatives
- Attend all training classes and complete work tasks as agreed upon
- Define and test user procedures for their area
- Develop policies and procedures manuals
- Assist in the definition and design of the conversion plan and strategy
- Validate converted data owned by their areas

Project Timeline, Plan, and Deliverables

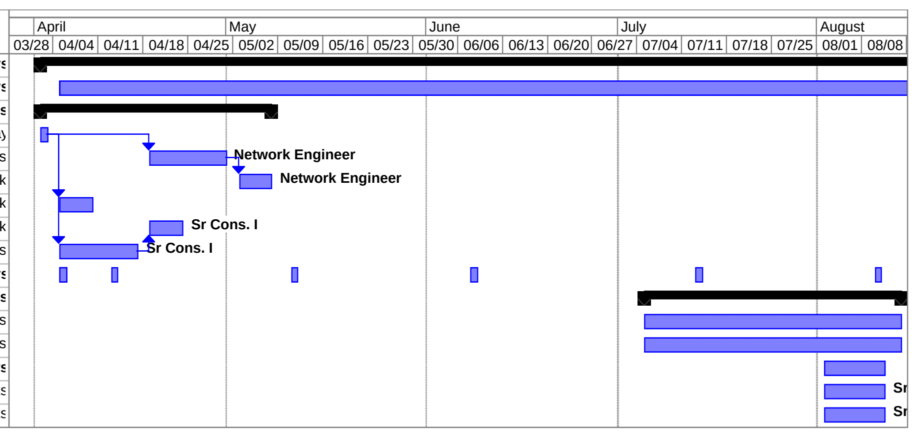
The preliminary Project Work Plan is outlined below. We are estimating a 12-month implementation timeline, with Phase I modules (Waiting List, Section 8, Financial Management, and Report Mart) going live within Five Months. Emphasys will work closely with MSHDA to adjust this plan as needed. Projected delivery dates for each phase are based on our understanding of the scope of work relative to the ITB and from previous experience with similar size engagements. Actual delivery dates will be updated and agreed upon based on the actual project startup date and mutual agreement between Emphasys and MSHDA, based on the detailed project plan and the results of an initial assessment.

Project Initiation / Kick-off

Prior to Phase I, the Emphasys Team will perform services needed to initiate the project including project Kick-Off with MSHDA. This includes initiating and planning the project, identifying and analyzing MSHDA's existing infrastructure, performing high-level data discovery and identifying and confirming MSHDA's functional needs. Within the first month of the project, the Emphasys Team will identify and confirm overall project strategy and scope. This will ensure that policies and procedures are in place so that each phase maintains the proper business focus and receives timely management approval.

Throughout the project, the Emphasys Team will rely on several different channels of communication to ensure that each person involved has sufficient information to perform their responsibilities and to eliminate any surprises. These channels will include weekly team status reports and meetings, scheduled reviews of both interim and formal deliverables, periodic risk and issues management meetings, and regular project Steering Committee meetings.

ID	Task Name	Duration
1	**MSHDA Elite Implementation**	**235 days**
2	**Full Time Project Management**	**220 days**
43	**Project Initiation**	**26 days**
44	Contract Award and Execution	1 day
45	Network Validation & Configuration/Implementation Ass	2 wks
46	Application Software & Database Installation/Configurat	1 wk
47	Project Management Set-Up and Planning	1 wk
48	Project Kick-Off	1 wk
49	High Level Discovery	2 wks
50	**Monthly On-Site Executive Mngt Status Meetings**	**182 days**
62	**Customizations**	**30 days**
63	Develop, Design, Document Specifications	6 wks
64	Develop Custom Modifications	6 wks
65	**Functional Testing of Customizations**	**7.5 days**
66	Functional Testing of Custom Mods	1.5 wks
67	Functional Testing of Custom Mods	1.5 wks



Deliverables from the Initial Planning Stage will include:

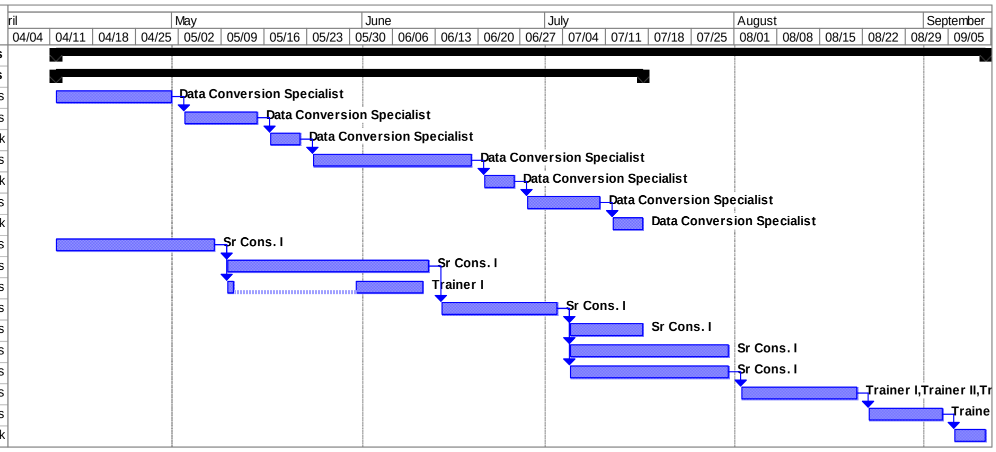
- Defined scope of work
- Refined project plan with implementation timeline and key milestones
- Detailed implementation approach with specific role responsibilities
- Customization details and expectations
- Risk and issues log
- Change management recommendations to secure employee /contractor buy-in to support rollout
- Network assessment log
- List of external system interfaces (i.e., financials, check processing, etc.)
- Approach to report mart/data mart integration
- Data status for Section 8 and related legacy modules

- Data status for LIPH
- Section 8 system design and procedures

Phase I

Upon completion of the initial planning stages outlined above, Emphasys will work with MSHDA on overall information discovery to identify and confirm MSHDA's functional, data conversion, reporting, and general business needs that the system will address. The first phase of the project involves the implementation of the Waiting List, Section 8 Housing Choice Voucher program, Section 8 Financial Management, Report Mart, and Family Self Sufficiency, with the estimated timeline as follows:

ID	Task Name	Duration
68	**Phase I - Waiting List, Section 8 HCV, Report Mar**	**110 days**
69	**Data Conversion**	**70 days**
70	Discovery and Mapping	3 wks
71	Custom Conversion Coding	2 wks
72	Iteration One Complete	1 wk
73	Data Cleansing, Verification, Validation	4 wks
74	Iteration Two Complete	1 wk
75	Modification of conversion routine as needed	2 wks
76	Iteration Three Complete	1 wk
77	Discovery/Fit Analysis	4 wks
78	System Design / Concept of Operations	5 wks
79	System Security	2 wks
80	System Development / Configuration: Emphasys Ir	3 wks
81	Reports Cross-Reference	2 wks
82	Development of Custom User Guides (Optional)	4 wks
83	System Development / Configuration - Client Site	4 wks
84	User Training	3 wks
85	Go Live Assistance	2 wks
86	Follow up Assistance / Acceptance & Closeout	1 wk



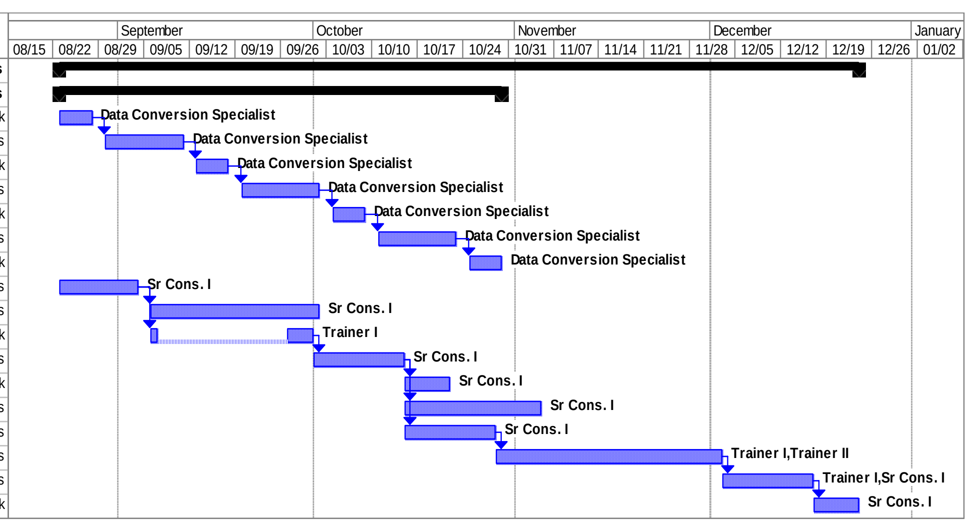
Deliverables from Phase I will include:

- Data status for Section 8 and related legacy modules
- Data mapping of legacy data to Elite database
- Converted data validation acceptance
- Section 8 system design and procedures
- Configuration of master tables and system policies
- Detailed analysis of reporting requirements cross-referenced to availability of canned reports in Elite
- User Training Acceptance
- Go-live production Acceptance

Phase II

Phase II implementation will include HQS Inspections and Rent Reasonableness as follows:

ID	Task Name	Duration
87	**Phase II - Rent Reasonableness, HQS Inspection**	**89 days**
88	**Data Conversion**	**50 days**
89	Discovery and Mapping	1 wk
90	Custom Conversion Coding	2 wks
91	Iteration One Complete	1 wk
92	Data Cleansing, Verification, Validation	2 wks
93	Iteration Two Complete	1 wk
94	Modification of conversion routine as needed	2 wks
95	Iteration Three Complete	1 wk
96	Discovery/Fit Analysis	2 wks
97	System Design / Concept of Operations	4 wks
98	System Security	1 wk
99	System Development / Configuration: Emphasys In	2 wks
100	Reports Cross-Reference	1 wk
101	Development of Custom User Guides (Optional)	3 wks
102	System Development / Configuration - Client Site	2 wks
103	User Training	5 wks
104	Go Live Assistance	2 wks
105	Follow up Assistance/Acceptance and Closeout	1 wk



Deliverables from Phase II will include:

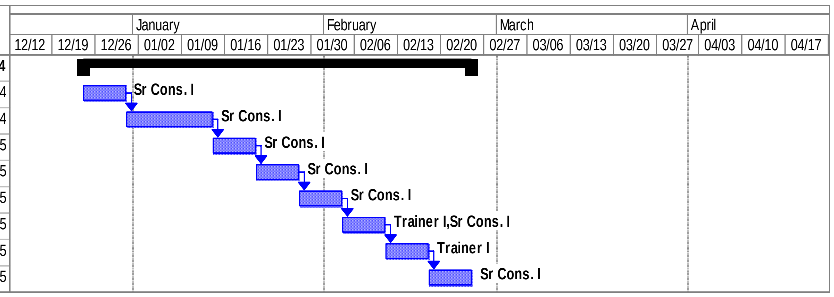
- Data status for related legacy modules
- Data mapping of legacy data to Elite database
- Converted data validation acceptance
- Elite module system design and procedures
- Configuration of master tables and system policies
- Detailed analysis of reporting requirements cross-referenced to availability of canned reports in Elite
- User Training Acceptance
- Go-live production Acceptance

Phase III

Phase III implementation will include the implementation of the Executive Portal along with the Web Components that will allow applicants and/or participants secure access to relevant data over the Web. The proposed project timeline for Phase III is as follows:

Deliverables from Phase III will include:

ID	Task Name	Duration	Start
106	**Phase III - Executive Information System (SEMAP**	**45 days**	**Fri 12/24/04**
107	Discovery/Fit Analysis	1 wk	Fri 12/24/04
108	System Design / Concept of Operations	2 wks	Fri 12/31/04
109	System Design / Configuration: Emphasys In-hous	1 wk	Fri 01/14/05
110	Reports Cross-Reference	1 wk	Fri 01/21/05
111	System Design / Configuration - Client Site	1 wk	Fri 01/28/05
112	User Training	1 wk	Fri 02/04/05
113	Go Live Assistance	1 wk	Fri 02/11/05
114	Follow up Assistance/Acceptance & Closeout	1 wk	Fri 02/18/05



- Executive Reports (including SEMAP) configured within Executive Portal
- User Training Acceptance
- Go-live production Acceptance

Overall Project Timeline and Estimated Hours

ID	Task Name	Duration	Start	Finish	Work
1	**MSHDA Elite Implementation**	**235 days**	**Fri 04/02/04**	**Thu 02/24/05**	**7,008 hrs**
2	**Full Time Project Management**	**220 days**	**Mon 04/05/04**	**Fri 02/04/05**	**1,760 hrs**
43	**Project Initiation**	**26 days**	**Fri 04/02/04**	**Fri 05/07/04**	**240 hrs**
44	Contract Award and Execution	1 day	Fri 04/02/04	Fri 04/02/04	0 hrs
45	Network Validation & Configuration/Implementation Assistance	2 wks	Mon 04/19/04	Fri 04/30/04	80 hrs
46	Application Software & Database Installation/Configuration	1 wk	Mon 05/03/04	Fri 05/07/04	40 hrs
47	Project Management Set-Up and Planning	1 wk	Mon 04/05/04	Fri 04/09/04	0 hrs
48	Project Kick-Off	1 wk	Mon 04/19/04	Fri 04/23/04	40 hrs
49	High Level Discovery	2 wks	Mon 04/05/04	Fri 04/16/04	80 hrs
50	**Monthly On-Site Executive Mngt Status Meetings**	**182 days**	**Mon 04/05/04**	**Tue 12/14/04**	**88 hrs**
62	**Customizations**	**30 days**	**Mon 07/05/04**	**Fri 08/13/04**	**600 hrs**
68	**Phase I - Waiting List, Section 8 HCV, Report Mart,Family Self Sufficiency**	**110 days**	**Mon 04/12/04**	**Fri 09/10/04**	**2,320 hrs**
69	**Data Conversion**	**70 days**	**Mon 04/12/04**	**Fri 07/16/04**	**560 hrs**
70	Discovery and Mapping	3 wks	Mon 04/12/04	Fri 04/30/04	120 hrs
71	Custom Conversion Coding	2 wks	Mon 05/03/04	Fri 05/14/04	80 hrs
72	Iteration One Complete	1 wk	Mon 05/17/04	Fri 05/21/04	40 hrs
73	Data Cleansing, Verification, Validation	4 wks	Mon 05/24/04	Fri 06/18/04	160 hrs
74	Iteration Two Complete	1 wk	Mon 06/21/04	Fri 06/25/04	40 hrs
75	Modification of conversion routine as needed	2 wks	Mon 06/28/04	Fri 07/09/04	80 hrs
76	Iteration Three Complete	1 wk	Mon 07/12/04	Fri 07/16/04	40 hrs
77	Discovery/Fit Analysis	4 wks	Mon 04/12/04	Fri 05/07/04	160 hrs
78	System Design / Concept of Operations	5 wks	Mon 05/10/04	Fri 06/11/04	200 hrs
79	System Security	2 wks	Mon 05/10/04	Thu 06/10/04	80 hrs
80	System Development / Configuration: Emphasys In-house	3 wks	Mon 06/14/04	Fri 07/02/04	120 hrs
81	Reports Cross-Reference	2 wks	Mon 07/05/04	Fri 07/16/04	80 hrs
82	Development of Custom User Guides (Optional)	4 wks	Mon 07/05/04	Fri 07/30/04	160 hrs
83	System Development / Configuration - Client Site	4 wks	Mon 07/05/04	Fri 07/30/04	160 hrs
84	User Training	3 wks	Mon 08/02/04	Fri 08/20/04	480 hrs
85	Go Live Assistance	2 wks	Mon 08/23/04	Fri 09/03/04	240 hrs
86	Follow up Assistance / Acceptance & Closeout	1 wk	Mon 09/06/04	Fri 09/10/04	80 hrs
87	**Phase II - Rent Reasonableness, HQS Inspections**	**89 days**	**Mon 08/23/04**	**Thu 12/23/04**	**1,600 hrs**
88	**Data Conversion**	**50 days**	**Mon 08/23/04**	**Fri 10/29/04**	**400 hrs**
89	Discovery and Mapping	1 wk	Mon 08/23/04	Fri 08/27/04	40 hrs
90	Custom Conversion Coding	2 wks	Mon 08/30/04	Fri 09/10/04	80 hrs
91	Iteration One Complete	1 wk	Mon 09/13/04	Fri 09/17/04	40 hrs
92	Data Cleansing, Verification, Validation	2 wks	Mon 09/20/04	Fri 10/01/04	80 hrs
93	Iteration Two Complete	1 wk	Mon 10/04/04	Fri 10/08/04	40 hrs
94	Modification of conversion routine as needed	2 wks	Mon 10/11/04	Fri 10/22/04	80 hrs
95	Iteration Three Complete	1 wk	Mon 10/25/04	Fri 10/29/04	40 hrs
96	Discovery/Fit Analysis	2 wks	Mon 08/23/04	Fri 09/03/04	80 hrs
97	System Design / Concept of Operations	4 wks	Mon 09/06/04	Fri 10/01/04	160 hrs
98	System Security	1 wk	Mon 09/06/04	Thu 09/30/04	40 hrs
99	System Development / Configuration: Emphasys In-house	2 wks	Fri 10/01/04	Thu 10/14/04	80 hrs
100	Reports Cross-Reference	1 wk	Fri 10/15/04	Thu 10/21/04	40 hrs
101	Development of Custom User Guides (Optional)	3 wks	Fri 10/15/04	Thu 11/04/04	120 hrs
102	System Development / Configuration - Client Site	2 wks	Fri 10/15/04	Thu 10/28/04	80 hrs
103	User Training	5 wks	Fri 10/29/04	Thu 12/02/04	400 hrs
104	Go Live Assistance	2 wks	Fri 12/03/04	Thu 12/16/04	160 hrs
105	Follow up Assistance/Acceptance and Closeout	1 wk	Fri 12/17/04	Thu 12/23/04	40 hrs
106	**Phase III - Executive Information System (SEMAP), Web Portal**	**45 days**	**Fri 12/24/04**	**Thu 02/24/05**	**400 hrs**
107	Discovery/Fit Analysis	1 wk	Fri 12/24/04	Thu 12/30/04	40 hrs
108	System Design / Concept of Operations	2 wks	Fri 12/31/04	Thu 01/13/05	80 hrs
109	System Design / Configuration: Emphasys In-house	1 wk	Fri 01/14/05	Thu 01/20/05	40 hrs
110	Reports Cross-Reference	1 wk	Fri 01/21/05	Thu 01/27/05	40 hrs
111	System Design / Configuration - Client Site	1 wk	Fri 01/28/05	Thu 02/03/05	40 hrs
112	User Training	1 wk	Fri 02/04/05	Thu 02/10/05	80 hrs
113	Go Live Assistance	1 wk	Fri 02/11/05	Thu 02/17/05	40 hrs
114	Follow up Assistance/Acceptance & Closeout	1 wk	Fri 02/18/05	Thu 02/24/05	40 hrs

Recommended Involvement by DIT/MSHDA Staff

As mentioned above, Emphasys will establish a steering committee to provide executive leadership to the implementation process. This steering committee, the Steering Team for Elite Project (S.T.E.P.), will involve leadership personnel from both MSHDA and Emphasys. We anticipate the participation of a representative from DIT as well.

For implementation assistance Emphasys anticipates that MSHDA will provide (a) one part-time, functional team member per application or respective functional area and (b) subject matter specialists who will be available on an ad hoc basis to advise and assist the Project Team. These resources should have sufficient knowledge, skills and abilities to perform the identified roles. A critical role to be filled by MSHDA is that of MSHDA Project Manager counterpart. This role will require a person with experience managing critical IT related projects. Excellent problem solving skills, organizational skills and management skills are required. This person must be authorized to make key decisions on behalf of MSHDA and to sign off on deliverables to MSHDA. Contract management and budgeting skills are also preferred. In addition, this person will be responsible for:

- Serving as the primary contact for both MSHDA and Emphasys
- Monitoring project progress
- Maintaining the project schedule
- Assisting in the development of work plans
- Tracking change and product/service orders
- Answering billing inquiries
- Resolving contract issues

Assuming MSHDA/DIT chooses to host the Elite application on-site, in addition to the role of Project Manager, the following anticipated responsibilities from MSHDA/DIT staff are identified below:

Database

- Provide Emphasys resources with timely access to the database.
- Conduct regularly scheduled backup and maintenance of MSHDA's database servers.

Web Development

- To work with Emphasys with development of any custom programming according to the State Technology Standards.

Data Conversion, Cleansing, Verification & Validation

Provide Emphasys with:

- Documentation of data mapping of MSDHA's current database
- Assessment of data condition
- Requirements and rules for data cleansing
- Requirements and technical details for design and development of extracts from legacy system
- Requirements and technical details for design and development of load programs
- Requirements and technical details for data reconciliation

Interfaces

Provide Emphasys with requirements and technical details in order to resolve issues related to:

- Identification of interface requirements
- Target system development plans
- Type of transfer required (export, import or both)
- Format and data structure
- Security
- Transfer timing (batch or real-time)
- Sizing each transfer
- Protocol

Application Security

- Development of security matrix and plans related to application and database
- Setup, Implementation and Test of security matrix
- On-going maintenance

Report Writing

- Identification of new reports gap analysis for current reporting requirements
- Development of ad-hoc reports needed for production

Documentation

- Validate and approve documentation in a timely manner

Acceptance Testing

- All areas requiring acceptance

Network Administrator for respective hardware, server and network infrastructure

- Incorporation of the new Elite application into MSHDA's standard network administrative regimen.

Training

- Rollout of training plans
- Classroom preparation, setup and testing
- Communications and scheduling

Help Desk and Support

In addition to the above roles, Emphasys anticipates that MSHDA/DIT will provide one desktop and one network support specialist for the project team, whose primary responsibilities will consist of establishing standards and assisting the project team.

For additional information related to overall project methodology, please see the following two sections, as well as Section 4.1.5 and 4.1.9; Transitions/Data Conversions, Project Management, respectively.

Implementation Process Details

The following outline provides a brief description of each of the major methodology steps that will be used in any phase of implementation.

This outline is based on extensive experience gained from implementations at over 290 public housing authorities, some of which have been for the largest and highest performing PHA's in the nation. However, we recognize that each housing authority has unique needs, goals, and objectives. As a result, MSHDA may choose to limit or expand the implementation process scope of work proposed to more closely meet specific needs.

Through detailed planning sessions with management and appropriate MSHDA staff, this Technical Methodology will be customized to more closely to follow the expressed needs of MSHDA.

We will begin the project with a Kick-off meeting. This meeting will accomplish the following items:

Kick-off (Discovery and Focus)

- Determine Staff Requirements
- Assembly of the project team
- Goals and objectives – finalize timelines
- Expectations and responsibilities
- Definition of project standards and controls
- Definition of the implementation approach

After the Kick-off the following steps will be initiated for each phase:

c. Initiation – Discovery/Fit Analysis
    a. Analysis of current systems
    b. Interface points
    c. Gather critical forms, reports, and letters
    d. Conduct interviews with System Knowledge Experts / Team Leaders
    e. Review current policy and procedures
    f. Overview of new Elite software
    g. Determine setup requirements
    h. Deliverables include Implementation Plan

d. System Design / Factory in-house data verification and testing
    i. System Setup
    j. Loading of control data tables
    k. Data conversion file definitions
    l. Data conversion verification process
    m. Deliverables include Acceptance Documentation & Process Documentation

e. System Development/Configuration (Processes and Procedures)
    n. Determine Staff Requirements
    o. System setup customizations
    p. Development of Procedural Guides with roles and procedures
    q. Deliverables include Procedural User Guides & workflow procedures along with master files populated based on MSHDA's requirements

f. Implementation and Production
    r. Installation and Conversion
    s. Elite, Operating System, and other required software installed
    t. Network Review
    u. Load setups and data from in-house factory testing
    v. Re-convert data (third iteration)
    w. Functional Testing
    x. Training – based on 10 participants to a class

i. User Training
ii. Security/System Administration Training

y. Go-Live Assistance
z. Deliverables include Acceptance documentation related to testing and converted data, software in a production environment

g. Post Production Support and Follow-Up Assistance

aa. Post-Implementation assistance and review
bb. User assistance
cc. Review adherence to implemented solution
dd. Final Fit/Gap
ee. Transition to Emphasys Help Desk
ff. Project Close and Final Acceptance

Dozens of Public Housing Authorities have already implemented Emphasys software using this methodology. Many more implementations are in progress. Our methodology focuses time and resources on value-added functions, to quickly deploy systems that deliver immediate business benefits and measurable improvements.

Training Plan and Methodology

Outlined below are the various types of training, as well as the training methodology we will follow. Given that MSHDA has upwards of 70 remote contractors, the logistics of scheduling training everyone just prior to go-live will be a complicated task. We recommend that we train everyone essentially at the same time, just prior to go-live. This will be accomplished by setting up training rooms as required. In addition, for those remote contractors located in Northern Michigan, Emphasys will make available its training facility in Petoskey, MI. We anticipate that MSHDA and Emphasys will mutually determine the logistics surrounding a training plan that will facilitate a smooth transition and go–live, as well as post-implementation support. This training methodology has worked very successfully at other large agencies with remote workers.

Data Management Seminar

Data Management Training will be provided to certain personnel that MSHDA determines. Typically this includes personnel from the IT Department, as well as department/project managers or other software specialists. Emphasys recommends that MSDHA personnel attend the Emphasys Seminar called *Introduction to Data Management.* This one-week course is offered regularly at Emphasys' Great Lakes office in Petoskey, MI. Topics covered include:

Emphasys Structure - This session covers directory structures and sub-structures, which assist users with trouble shooting and data maintenance.

System Utilities - This session is a hands-on introduction to the same tools that Emphasys support staff use for data cleanup and research. Users are prepared to communicate clearly with Emphasys support staff, resulting in more efficient assistance on an ongoing basis.

Data Dictionary - This session covers the structure and inter-relationships of Emphasys data files. Participants are provided with a Data Dictionary that can be used to locate data for reports, mail merges, etc.

Crystal Reports - This session covers the use of the Crystal Report Writer to create custom reports. Participants are provided with sample reports for use as models.

Security - This session provides training in how to place passwords within the system, how to limit access by using configuration numbers and how to create custom menus for users.

Training Environments - This session provides instructions on how to create and maintain a training environment.

Service Packs - This session provides an explanation of how Service Packs are created, as well as training on how they are installed and set to function properly.

Training Room

All on-site training classes should occur in a dedicated training room provided by MSHDA. Alternatively, Emphasys will work with MSHDA to identify a facility that will accommodate the volume of users needing to be trained, including the contractor agencies.

Recommended PC Configuration:

- Intel Pentium III 1000MHz/AMD Athlon™ 1200MHz Processor
- 128 MB RAM
- 32MB AGP Video Card
- 20GB IDE HDD
- Windows 2000 Professional
- Internet Explorer 5.5 or higher
- 100mb NIC
- 17” Color VGA Monitor
- 256 colors
- 800 x 600 resolution
- Small Fonts Desktop Display

On-line Training Environment

An exact replica of the system called the “Training Environment” will be provided to the MSHDA to be used for training and testing throughout the implementation and for future training and testing needs. The Training Environment will require a periodic refresh routine to maintain data and system changes. Emphasys will provide system refresh training as a part of the Database Management Course.

Staff Training

Staff training is the most critical and also the most challenging to arrange due to the number of personnel involved and their varying levels of experience. Each class, topic, and agenda must be carefully considered and arranged in a manner that allows staff to continue fulfilling duties in administering the program for MSHDA.

Emphasys has learned that thorough training for all staff performing project or operation activities is vitally important. Untrained users can negatively impact all areas of operation and can increase costs. Proper training will not only increase the capabilities of staff, but also will increase staff confidence and have a positive affect on customer relations.
The proposed management information system is a powerful tool. As with any automated system, its effectiveness will be dependent upon both a thorough understanding of the program rules and procedures as well as a mastery of the system’s operation. The Emphasys implementation team members have extensive experience with employee-specific training

programs that address an understanding both of the program and of the automated systems that support it.
Staff Training will be organized by functional areas/user groups and consists of the following four types of training:

1. **Module Specific Software Training**
   The first step for initial use of each application software module is the entry of information in the master files. These critical fields identified by the consultant during initial implementation meetings are used (along with other one-time data entry elements) to assist in developing customized selection lists for use within the Emphasys software.

2. **User Training**
   Each employee will be trained in a hands-on environment on the specific software programs in his/her functional area. For example, employees responsible for the waiting list will receive training in the modules that support the waiting list. There are two key elements in this training phase. The first key element is training on the operation of the automated system. The second key element is a thorough understanding of the rules, regulations and procedures that the system supports. It is critical that users understand what they are doing, why they are doing it and how it is done on the system. To achieve an understanding both of the program and of the system, training will be in small groups and will be conducted in classrooms with computer terminal installations. Training will be conducted using a software manual and/or specific process sheets (depending on services purchased). These documents may explain the purposes of the modules, input instructions, screen shots from the software, available reports, and other potential uses of available information. These powerful resources may be used on the job to answer questions and to assist employees in successful system operations. These documents can be easily updated should the rules and/or the system be modified.

3. **Go Live Assistance**
   Emphasys will provide on-site support to ensure that the cutover goes smoothly and that problems are resolved efficiently during the conversion to the Emphasys software.

4. **Follow-up Assistance**
   Follow-up assistance is crucial for supporting staff in their efforts to use the system in "the real world." Training staff will conduct hands-on assistance with each functional area to assure that employees are comfortable and confident with the system and with their ability to effectively utilize it. Follow-up assistance is conducted on-site and/or remotely; whichever is more practical and appropriate.

Procedural Documentation
Emphasys provides Process Sheets that are step-by-step procedural instruction for each task that may be performed using the Emphasys software. For instance, a Process Sheet for performing an Annual Certification will tell the user how to perform each step needed to complete a certification. Process Sheets are generic and contain none of MSDHA's policies concerning timing, individual responsibility or MSHDA rules.

Emphasys Process & Procedure Sheets are provided electronically, and are readily available online for download and printing. MSHDA may print as many copies as needed at no additional charge.

User Guides

In addition, Emphasys offers optional User Guides. Emphasys has proposed this service within our scope of work. Essentially, Process Sheets are used as the foundation for building User Guides. User Guides will be custom developed by Emphasys consultants, or as an option MSHDA may choose to develop them. These user-specific guides discuss not only how to complete processes on the computer, but also the various "how's" and "why's" mandated by MSDHA's specific policies. User Guides are based on MSDHA's unique Policies and Procedures and on the related system configuration. They are provided electronically and can be used as a valuable "desktop" reference manual for remote contractors.

Project Staffing

Because Emphasys' only business is to serve Public Housing and Community Development Agencies, every employee is dedicated solely to serving this industry. Industry knowledge is a requirement for our staff. In addition to internal education, many staff members are either former Housing Authority employees and/or are industry certified by the National Association of Housing and Redevelopment Officials, (NAHRO). Many staff members hold the following certifications: Public Housing Managers, Senior Public Housing Managers, Section 8 Housing Managers, Financial Managers, and Certified Inspectors. This translates into a breadth of industry knowledge unmatched by any other software provider.

The Emphasys Professional Services Team has many years of experience working with Public Housing Authorities. Team members will be assigned to MSHDA as dictated by scope of work requirements. With 90 employees, Emphasys has a wide pool of resources to draw from, depending on the technical expertise needed for management consulting. Specific implementation team members that may be involved are listed on the following pages.

This implementation project will receive institutional priority from Emphasys. As a result, we are recommending our Senior Project Manager, Dorthy Oldham, who has extensive Project Management experience as well as implementation experience with Elite, be dedicated to this initiative full time for the duration of this project. We will also conduct monthly Executive Management meetings with MSHDA where the President and/or COO of Emphasys will attend.

Larry Huckle – Director of Strategic Accounts (Petoskey, MI)

- Fifteen years of experience providing Account Management and customer services for Emphasys.
- Account Manager for large PHA implementations including City of New York, State of Virginia, St. Paul, Pittsburgh, Seattle, and many others.
- Certified Section 8 Manager

Michelle Schlueter - Director of Professional Services (Petoskey, MI)

- Ten years of experience providing implementation and data conversion services for Emphasys products
- Certified Section 8 Manager

Dorthy Oldham - Project Manager / Senior Management Consultant (Petoskey, MI)

- Extensive Project Management experience implementing Elite at large housing agencies
- Five years of experience providing management consulting, planning and implementing Emphasys products
- Member of Implementation Team for many Elite implementations, including:
  - i. San Diego Housing Commission
  - ii. Chattanooga Housing Authority
  - iii. New York Department of Housing Preservation and Development

Jean Treichel - Senior Management Consultant (Las Vegas, NV)

- Four years of experience providing management consulting, planning and implementing Emphasys products
- Public Housing Manager Certified
- Member of Implementation Team for many Elite implementations, including:
  i. Snohomish County Housing Authority
  ii. Clark County Housing Authority
  iii. Norfolk Redevelopment & Housing Authority

Lane Sanders - Senior Management Consultant (Petoskey, MI)

- Six years of experience providing management consulting, planning and implementing Emphasys products
- Public Housing Manger Certification
- Member of Implementation Team for many Elite implementations, including:
  i. Virginia Housing Development Authority
  ii. County of San Diego Housing and Community Development
  iii. Housing Authority of the City and County of Denver

Lula Barber - Senior Implementation Specialist (Coral Springs, Florida)

- Four years of experience implementing Emphasys products
- Member of Implementation Team for many Elite implementations, including:
  i. Augusta Housing Authority
  ii. Housing Authority of the City of Charleston
  iii. Lucas Metropolitan Housing Authority
  iv. Chattanooga Housing Authority

Lance Learning - Implementation Specialist (San Antonio, TX)

- Two years of experience implementing Emphasys products
- Public Housing Manager Certified
- Certified Apartment Manager
- Accredited Residential Manager
- Member of Implementation Team for many Elite implementations, including:
  i. New York Department of Housing Preservation and Development
  ii. Housing Authority of the City of New Haven
  iii. Peoria Housing Authority
  iv. Kern County California

Bonnie McLeod - Implementation Specialist (San Antonio, TX)

- Two years of experience implementing Emphasys products
- Member of Implementation Team for many Elite implementations, including:
  i. New York Department of Housing, Preservation and Development
  ii. Virginia Housing Development Authority
  iii. Kokomo Housing Authority
  iv. Bernalillo County Housing Department

Mark Sanders - Data Conversion Specialist (Petoskey, MI)

- Five years of experience in data conversion
- Data Conversion Specialist for:
  i. West Palm Beach Housing Authority
  ii. Joliet Housing Authority
  iii. Newark Housing Authority

Shirley Baker - Director of Client Management (Petoskey, MI)

- Ten years of Customer Service experience
- Managed numerous Emphasys implementations including New York Housing Preservation and Development's Elite implementation
- Director of Project Management, Software Implementation and Communications for three years

Response To Selection Criteria

Provider Capability & Qualifications

Experience and Qualifications

RFP Requirement

a. Describe Experience as a Technology and Systems Outsourcing Service Provider in the Multifamily Housing Industry, separately noting any specific experience with the Public Housing Industry Segment

Emphasys Response

As described earlier in this proposal, for over 26 years the core competency and sole focus of Emphasys has been the Multifamily and Subsidized Public Housing market, including Section 8 agencies. With over 240 housing agency clients, some of whom are the nation's largest, Emphasys is clearly an established leader in meeting the technology needs of large housing agencies—a group of users unique in terms of demands for system functionality and meeting HUD requirements. We derive 100% of our revenues from our public housing client base. One hundred Percent of our Research & Development budget is dedicated to technology products specifically for this market. Emphasys was formed as a result of an acquisition and merger in June 2000 between two of the nation's leading Public Housing software vendors: Creative Computer Solutions, Inc., founded in 1976, and Memory Lane Systems, Inc., founded in 1983. With more than 90 employees, Emphasys is the nation's largest full-service technology solutions provider that exclusively serves Public Housing and Community Development Agencies. We require our staff to continuously improve on their knowledge and expertise, not only with the software we develop but also with HUD programs and regulations. A majority of our staff are certified Public Housing Managers or Section 8 Housing Managers. In addition, many of our staff previously worked at a public housing agency. As a result, we offer a complete suite of enterprise software applications with optimal service and support that automate business processes efficiently and effectively. Our clients have dramatically improved SEMAP scores, improved voucher utilization rates, and have experienced other operational improvements and efficiencies by using Emphasys' automated solutions and methodologies.

Additionally, the following statistics speak to our relevant experience and past performance:

- Emphasys has more than 240 PHA clients in North America managing their operations with our software products.
- Those 240 PHA clients use technology from Emphasys to help manage approximately 40 percent of all HUD subsidized Public Housing and Section 8 units in the nation.
- Emphasys software is used by approximately two-thirds of all PHA's that manage more than 10,000 units.

This extensive experience gives Emphasys the insight of the complexities of large-scale implementations. Since we are strictly dedicated to Public Housing Authority software development, implementation, and on-going support, this translates into a staff that is typically much more experienced than other vendors, with products that reflect a functional maturity level that can only come from that level of experience. Our software and solutions have evolved to meet the special needs of large housing authorities—often driven by input from user groups and specific clientele.

In addition to application software and hardware, Emphasys provides a full range of integration services from the initial requirements definition and workflow analysis through data conversion, training, go-live, and post-implementation phases. We have the technical expertise and experience necessary to help Public Housing Authorities migrate to complete, integration-oriented application infrastructures, including the design of best practices, through installation and implementation, to data conversion, interfaces to other business systems, and ongoing support.

Our professional services group assembles complete project teams to support the entire implementation of the application software and infrastructures for even the most demanding projects. Our flexible service programs provide either temporary or long-term services, available on a part-time or full-time basis. We work closely with our clients to put together a project team that matches appropriate qualifications and skills to a specific project. Our major professional services focus areas include:

- Best Practices: Planning and Implementation
- Implementation of Application Software based on business workflows
- Data Conversion: Planning and Implementation
- Custom Reports, Forms, and Documentation
- Security: Planning and Implementation
- Network Engineering: Planning and Implementation

Facilities

Emphasys has two offices to serve its clients: the Great Lakes office located in Petoskey, Michigan, and the Bay Area office located in Livermore, California. The offices include departments for Project Management, Training, Consulting, Support, Programming, Data Conversion, Network Engineering, Sales, and Administration. They are connected via a wide area network and are supported by a state-of-the-art network infrastructure. The server platforms deployed at both offices consist of Novell Netware, Microsoft 200x, Microsoft Exchange, CITRIX Metaframe, and SCO & SUN UNIX Server. All support, training, programming, and hardware personnel have dedicated Internet connectivity. The company has two dedicated T-1 lines for Internet traffic.

For additional information related to references and experience, please see Section 3.5 of this proposal.

Total number of Clients/Specific client installations

RFP Requirement

1) Describe technology and systems outsourcing clientele (include only those from the last 3 years):

i) Total number of clients
ii) Average duration of client relationships
iii) List of specific client installations for the software applications (described in Appendices A- B)

Emphasys Response

As mentioned earlier, Emphasys currently has over 240 clients, which are all Public Housing Agencies. Most of the nation's largest PHA's utilize technology from Emphasys. Nearly all of our clients administer the Section 8 Housing Choice Voucher program.

Some of our strategic public housing agency clients that have either implemented or are in the process of implementing Emphasys Elite software within the last three years include:

- Virginia Housing Development
- Snohomish County Housing

Authority

- New York City Dep't of Housing Preservation and Development
- Housing Authority of the City of Pittsburgh
- Housing Authority of the City of Seattle, WA
- City of San Diego Housing Authority
- St. Paul Housing Authority
- Long Beach Housing Authority, CA
- Charleston Housing Authority, SC
- Denver Housing Authority, CO

Authority, WA

- New Haven Housing Authority, CT
- Kern County Housing Authority, CA
- Lucas Metro, OH
- Augusta Housing Authority, GA
- County of San Diego Housing Authority, CA
- City of Elkhart, IN
- Kokomo Housing Authority, IN
- Housing Authority of Bernalillo County, CA
- Pinnelas County, FL

Average Duration of Client Relationships

All Emphasys clients maintain an annual support maintenance agreement. From that perspective our relationships with our clients is on-going. Contracts that cover initial implementation usually average between 12 – 24 months in duration. However, most contracts contain a provision for on-going support after initial implementation.

Specific Experience with Housing Programs

RFP Requirement

2) Describe specific Experience with Housing Programs

i) HCV program
ii) HCV waiting list criteria
iii) Moderate rehabilitation program
iv) Project based vouchers
v) Public Information Center (Multi-Tenant Characteristic System)
vi) Family Self-Sufficiency program
vii) Welfare to Work program
viii) Homeownership vouchers
ix) Maintaining current knowledge of HCV regulations
x) Participating in HUD system testing of new HCV regulations

Emphasys Response

Public Housing Authorities have used Emphasys' Section 8 housing management software for over 27 years. During that time, Emphasys successfully implemented Section 8 programs ranging from under 500 units to over 27,000. Over 240 authorities, some of the nation's largest, use Emphasys' Section 8 software. The housing programs automated by the Emphasys' Section 8 Suite are:

- Housing Choice Vouchers
- Enhanced Vouchers
- Project Based Vouchers (Certificates)
- Certificates (as needed)
- Homeownership
- Mod Rehab
- Family Self Sufficiency
- HQS Inspections
- Rent Reasonableness
- Housing Eligibility and Waiting Lists

- Welfare to Work

Emphasys implemented Section 8 housing programs for the New York Department of Housing Preservation (NYHPD) and the Virginia Housing and Development Authority (VHDA). Both agencies run large Section 8 Housing Choice Voucher programs. Virginia is structured as a state agency and has several local agencies throughout the state. Emphasys committed to significant Section 8 software modifications for VHDA's state operational requirements. VHDA has approximately 47 remote agencies managing portions of VHDA's increments. The programming modifications allow VHDA to have a central database management system for all remote offices. The VHDA central office Elite system allows the central VHDA office the ability to maintain all increment, resident, and unit information. VHDA can limit the data to each remote agency's requirements.

Emphasys has over 20 Section 8 housing managers certified from either Quadel Consulting or NAHRO. The senior consulting staff has over 30 years of combined housing software implementation experience. The consultants review the authority's best practices and customize the Elite Section 8 software to fit the authority's business.

The Elite software enables authorities to manage the unique requirements for each of the Section 8 housing programs. The Elite system allows users the ability to manage the different requirements between HVC, Enhanced Vouchers, Project Based, Certificates, Homeownership, and Mod Rehab programs. The system maintains the increments, funding and HUD 50058 reporting requirements. In addition, users have the ability to track unit month and program utilization for each of the programs as well.

Family Self Sufficiency and Welfare to Work complement the Section 8 program. Users can track and manage residents that are participating in these programs as well. Family Self Sufficiency is an additional module that allows the user the ability to track the Contract of Participation and escrow accounts.

The Product Management department has a dedicated staff member to track HUD regulations. The Program Compliance Manager is responsible for:

- Tracking all of the HUD Regulations
- Defining the product requirements of Regulatory Changes
- Reviewing HUD websites and forums daily for information relevant to HUD and Emphasys software.
- Reviewing daily information provided by HUD specific subscription services
- Company liaison with HUD

The Program Compliance Manager works directly with Bob Harmon at PIC. Emphasys remains actively involved with PIC and its issues. Emphasys participates in the PIC vendor conference calls, vendor forum, and calls directly from PIC or one of the remote PIC offices. Emphasys uses the PIC testing site to test software changes and support clients. Also, the Program Compliance Manager works with PIC on new requirements such as the UIV (Up-front Income Verification) system.

RFP Requirement

b. Describe other Experience as Technology and Systems Outsourcing Provider

The Provider must:

1) Describe briefly their background as a technology and systems service provider, including number of years in this business, and the number of years servicing unaffiliated clients.

Emphasys Response

Please refer to Section 4.1 above. Emphasys has been in business over 26 years, dedicated strictly to the Public Housing market. Our focus has always been developing and delivering proven technology and services.

Performance measures/scorecards

RFP Requirement

2) Describe experience in and issues related to implementing outsourcing with new clients:

i) Performance measures/scorecards
ii) Transitions/data conversions
iii) Help desk implementations
iv) Disaster recovery plans
v) Decision rights sharing
vi) Project management for in/out of scope services
vii) Specialty connection arrangements
viii) On-site solutions (hardware/software remains on client site)

Emphasys Response

Aside from contractual requirements for performance, Emphasys maintains a website that allows clients secure access to certain performance reports related to their implementation and ongoing support. These reports can be generated real-time from our CRM application. Once a service call is placed with Emphasys, clients can generate the following reports in both summary and drill-down detail:

iv. Time Entered to Assigned
v. Time Entered to Client Callback
vi. Time Entered to Closed (remedied)
vii. Support Events by Type (Fix, Training, Support, Enhancement, etc.)

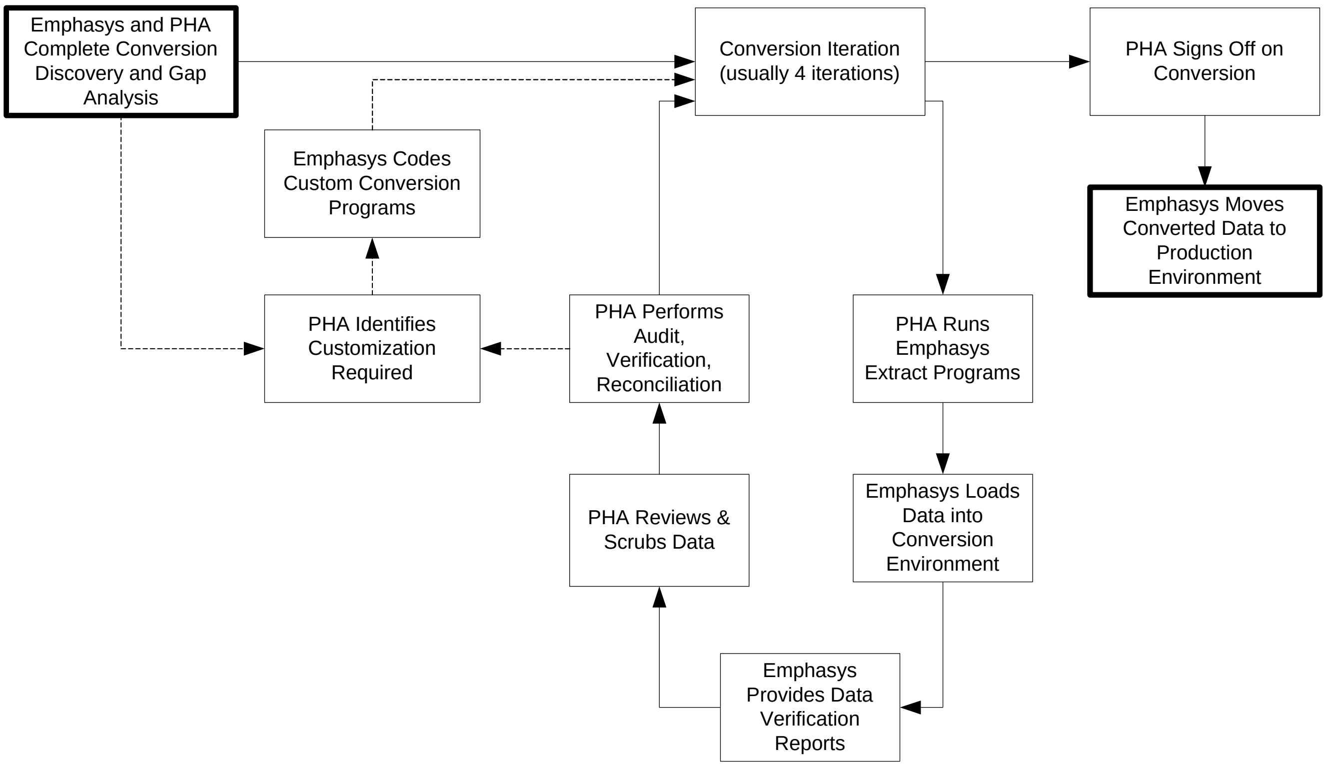
In addition, Emphasys is committed to meeting the support requirements of MSHDA. Our Project Manager acts as the executive for large client engagements and is responsible for overall conduct, technical quality, client satisfaction and contract performance. In general, Emphasys hires an independent third party company to conduct client satisfaction surveys on an annual basis. The results of these surveys are published to our clients and are used internally for management decision-making purposes.

Transitions/data conversions

For additional information related to our implementation methodology, please see Section 3.4, Technical Work Plan. Every implementation that Emphasys has conducted has included data conversion services. Much of the conversion process is automated, but also may require customization. The conversion process is iterative, and provides the opportunity to identify and address data problems prior to production rollout. Because Elite is a highly integrated system, with strong data quality controls, data must be scrubbed during the conversion process. Outdated and incomplete information must be removed; 50058 information must be cleansed to ensure HUD compliance; unused and obsolete information must be removed; inconsistencies must be resolved; and information must be modified to conform to business policies enforced through new database tables.

During the conversion process, Emphasys will maintain an Elite conversion environment. This environment is accessible by MSHDA for purposes of reviewing the converted data through the Elite system, running reports for verification and validation purposes, and identifying data problems that must be addressed.

The following figure depicts the Emphasys conversion process:



The conversion process kicks off with a discovery meeting. The standard conversion plan is reviewed, known data problems are identified, and custom conversion requirements (history conversion, for example) are identified. We will determine what history, if any, will be converted at that discovery meeting. Converting extensive history may require custom conversion services.

If custom programming is required, Emphasys completes the programs, and the first conversion iteration begins. Emphasys then normalizes and loads the data into the conversion environment and runs data verification reports that identify data problems. The Housing Authority reviews and scrubs its data in the source system, and performs audit, verification, and reconciliation, using the Elite system and its reports. At this point, additional customization requirements may be identified (possibly to address data problems).

This process is repeated, usually three more times, until a satisfactory level of data quality is reached, and the Housing Authority signs off on the conversion. Once signoff is obtained, Emphasys moves the converted data to the Housing Authority's production environment and the Elite system is live.

Note that some information required by Elite may not be obtained from the Housing Authority's current system. Additional information (policy settings and static information) will be entered directly into Elite by the Housing Authority.

As mentioned, each conversion consists of multiple iterations, which are explained in more detail below:

First Iteration

- MSHDA provides Emphasys data in flat ASCII format per file definitions
- Emphasys codes conversion
- Emphasys provides MSHDA with cleanup issues
- Emphasys performs preliminary verification

Second Iteration

- Emphasys provides converted data to MSHDA
- Emphasys revises conversion code based on issues raised during verification
- Emphasys provides verification training to MSHDA
- Emphasys provides verification reports to MSHDA
- MSHDA provides Emphasys verification issues

Third Iteration

- Emphasys revises conversion code based on issues raised during verification
- MSHDA provides Emphasys refreshed data
- Emphasys reruns conversion and provides MSHDA with refreshed data
- MSHDA provides Emphasys verification issues

Fourth Iteration- Go-Live

- Emphasys revises conversion code
- MSHDA/Emphasys develop contingency plan for cut-over
- MSHDA provides Emphasys refreshed data
- Emphasys runs final conversion
- MSHDA completes final verification
- MSHDA provides Emphasys sign-off
- Emphasys moves converted data from test to production environment

For each module requiring data conversion, the following tasks will be performed:

- Complete Technical requirement documentation
- Map legacy data to Emphasys Elite database and tables
- Develop data conversion test plan
- Build and test data conversion programs
- Deploy data conversion programs
- Perform final production data conversions

The conversion methodology will also automate as much of the master table update as possible, but certain manual updates will be necessary to achieve the business objectives of MSHDA. Elements of the conversion design will be constructed and incrementally tested. Initial subsets of the data are extracted and loaded into the test environment. Ultimately, testing will include data loads that will confirm conversion duration and database sizing. The conversion of data concentrates on extracting, reformatting and loading MSHDA's data into the Elite applications. The Emphasys Consulting team will provide guidelines to MSHDA personnel for data extracts from their legacy systems and techniques for validating the data loads. The data load programs will utilize data conversion tools where applicable to reduce risk and speed implementation times.

A typical conversion for the operational system would include converting current waiting list and eligibility records, beginning balances, 1099 balances for Section 8 landlords, etc. The following table outlines the proposed data to be converted:

Application Module	Conversion
Waiting List	Current applicants and pre-applicants
Section 8	Current 50058 data, Tenant, Unit, Landlord Records, 1099 beginning balances
Family Self-Sufficiency	FSS Participants, Escrow balances
Fixed Assets	Current fixed asset records
General Ledger	Beginning balances and chart of accounts
Section 8 Inspections	Current inspections, open inspections, re-inspections

The drivers for data migration are based on the project objectives and strategy for Implementation and Production. Process, organizational, and legacy system considerations are evaluated to minimize the potential impact to MSHDA operations. Throughout the implementation steps, conversion assumptions and strategies are rechecked as the data migration picture becomes clearer and the appropriate risk mitigation activity or change in strategy is implemented.

One of the keys to managing the data migration process is setting and communicating the appropriate expectations to the user community. This is facilitated during the preparation to “Go Live” by using as much actual converted data as possible during training exercises. When actual data is not available the conversion team will input simulated data. Systems users can visualize the context and appearance of their data in the system.

Emphasys Consulting has estimated its support for conversion based on these assumptions. During the Focus and Discovery Phase these assumptions will need to be reviewed and analyzed to determine if any gaps exist.

Based on Legacy system and conversion requirements, Emphasys will bring the appropriate team members to the effort. Working as an integrated team with MSHDA, we will develop strategies, plans, and processes for the data migration. The Emphasys will rely on their MSHDA counterparts to assist with data extracts from the legacy systems, assist in mapping data into the Elite system, and verify and validate the results of the data migration process.

Benefits to the data conversion approach provided by Emphasys Computer Solutions include:

- Little or No “Parallel” processing. Emphasys tightly coordinates training to coincide with a final data conversion deadline. A final data conversion is performed just prior to “go-live”. At “go-live”, all staff will have been thoroughly trained not only on the software and work processes, but any additional data that may have to be entered during routine daily processes.
- The MSHDA staff and property managers will not have to enter data into both the old and the new system, thus saving time.
- Minimal number of resources from MSHDA staff will be involved with data conversion – only those people who can help with data extraction, verification, and validation.
- Accurate and cleaned data. Data will be converted several times to ensure its accuracy prior to going live.

- Additional data entry that may be needed will be entered during normal daily processes, such as routine tenant re-certifications. No need to hire and/or train temporary work staff.

Help Desk Implementations

Emphasys is proud to offer what we believe to be the most comprehensive Help Desk services for its clients. Our customer "bill-of-rights" outline many aspects to help guarantee the quality of service you can expect from Emphasys. The following are highlights of our maintenance program.

Software Support
Emphasys' comprehensive SMA includes the following services necessary for the PHA:

- Software Updates related to HUD regulations that relate to existing software functionality
- Toll free support hot-line
- Emphasys Help Desk Support
- Dial-In support
- Dedicated personnel to research and design HUD requirements
- Email notifications to clients of HUD updates and final rulings
- Comprehensive status of all HUD mandated changes
- Federal and state mandated changes provided within our software (according to terms of SMA)
- Optional emergency services (after hours support)
- Priority Response Time for emergencies (within 4 hours)
- Emphasys maintenance released enhancements (non-custom programming enhancements that are made available to entire client base)

Additional Support Services provided:

- Dedicated version control to ensure timely upgrades
- Quarterly call usage reports
- Dedicated FAX server for streamlining communication
- Published annual client survey results by a third party
- Automatic email notification on closed events
- Routine courtesy follow up calls to ensure customer satisfaction
- Quarterly Newsletter including support tips
- No cost product training limited to procedural questions

Emphasys provides service availability during normal business hours (Monday through Friday excluding Holidays, from 8:30 a.m. to 5:00 p.m., EST). Issues may be reported Monday-Friday from 8:30 a.m. to 8:00 p.m. EST; however, there may not be a Customer Care Representative available to address your issue until the following business day.

Support Procedures
The Emphasys Customer Care Department has implemented procedures for handling each type of support call whether for routine service, training, or custom programming. Support assistance can be requested in one of four ways:

Fax
A dedicated PC has been put into place to handle fax requests. Once a fax has been received it can be electronically sent to the support personnel calling the client. The goal is to provide specific data related to the request, which will improve communications between Emphasys departments and our customers.

Phone
There is a toll free phone number that can be used to request support.

Voice Mail
For lesser priority support requests, a voice mail may be left which will be responded to within 24 hours.

Internet
Support requests can be entered via the Internet into Emphasys' secured Web Server.

Support calls are prioritized by level of urgency. An "Emergency Request" will take precedence over all other calls.

Account Representative
The Client Management Department of Emphasys is dedicated to understanding clients' needs, working with clients to develop long term plans, educating clients on Emphasys offerings, working with R&D to ensure client requests for as yet undeveloped products are attended, and ensuring customer satisfaction. Being a preferred client, the Director of Client Management would oversee MSHDA's account.

Emphasys Website
Emphasys maintains a website, www.emphasysworld.com, that contains a Technical Notes Section. This is a great source for information and allows our clients to find information in a fast and efficient manner. Using the website, clients can download service packs, check on support event statuses, and review upcoming HUD regulatory changes, all on-line.

Client Help Desks
In addition to maintaining our own Help Desk for clients, Emphasys also offers training classes at our corporate office in Petoskey, MI. As part of the curriculum for this class, we train clients on how to properly organize and manage their own internal help desk.

Support Options
The options listed below are offered after the implementation is completed. Emphasys recommends an on-going effort to ensure the maximum benefit of using the Emphasys software. The PHA should budget accordingly.

Optional Pager Service
To provide comprehensive services to the PHA for non-business hours, Emphasys can provide a response system that consists of a telephone number linked to a digital pager carried by an assigned Emphasys technician. A qualified Emphasys technician shall then call the PHA back within 2-4 hours of the page to assess the scope and nature of the situation.

Optional System Review
This service is typically performed after the Emphasys software has been implemented for quite awhile. Emphasys will provide high level consulting to review and analyze the overall configuration and implementation of the Emphasys software. As a deliverable, Emphasys will provide recommendations that will result in improved business functions. These recommendations will consist of one or more of the following:

- Recommended changes in Software Setup and Configuration files.
- Recommended changes in business workflow processes and procedures.
- Recommended implementation of new software products, product updates, enhancements or upgrades, and processes and procedures.

- Recommended reporting for accountability and audit purposes.

Optional Operating System Administration

This optional service is valuable for those clients who do not have an IT Department and/or need assistance managing the network operating system. Emphasys will provide services directly related to the network operating system. This service includes, but is not limited to, the setup of new users, network security, and printer setup and configuration. It does not include hardware or PC workstation related services. It also does not include the responsibility of routine system backups. However, Emphasys will use reasonable efforts to assist end user with the restoration of data from previously made tape backups.

Disaster Recovery Plans

Disaster Recovery and Business Resumption Planning

A disaster is an occurrence that disrupts the functioning of the organization resulting in loss of data, loss of personnel, loss of business, or loss of time. Emphasys can optionally provide Disaster Recovery (DR) planning services for its customers. At a high level, this service consists of the following steps:

1. **Risk Assessment** – identify threats to the normal functioning of the organization, including everything from fire or bomb threat to theft of data to loss of Internet access to simple disk drive crash. Determine which threats are most likely to occur.
2. **Business Impact Analysis** – identify the critical functions of the organization, and rank them in order of importance. For example, continuing to meet financial obligations to program participants may be seen as more critical than management reporting. Determine which systems and what information is required to maintain business continuity for the most critical functions. Determine cost impacts of service disruption. Define the required recovery windows for each system.
3. **Risk Mitigation --** where necessary and cost feasible, mitigate risk. For example, use RAID 5 disk arrays so that loss of a disk drive (a fairly common type of equipment failure) does not result in loss of data or disruption of service. Perform nightly backups of data and store them off-site so that loss of a server results in loss of at most one day's worth of work. Some mitigation strategies (maintaining redundant electrical systems or Internet service providers, or mirroring data in a separate location) may be appropriate, but their cost must be weighed against the cost and likelihood of each threat, and the housing authority's budget.
4. **Disaster Recovery Planning –** develop a plan encompassing emergency response procedures and recovery activities. The plan must cover how and when it will be invoked, how people will be notified, how decisions are to be made, and all of the details of recovery – who will be involved, how, where, and doing what in what order. The team should walk through the various threat scenarios identified in step 1 to ensure that the plan provides step-by-step instructions for the recovery team.
5. **Disaster Recovery Test** – depending upon the resources available to the housing authority, it may choose to perform one or more tests of the disaster plan or parts of the plan.
6. **Plan Maintenance –** identify the people responsible for keeping the plan up to date (for example, when new equipment is purchased, the organization changes, or facilities are renovated). Maintain copies of the plan in several places (if the plan is destroyed in a fire, it can't provide much guidance).

Emphasys can provide standard checklists and forms to assist its customers in gathering the information required for the disaster recovery plan, and can assist them in defining facilities, hardware, and network configurations that provide the level of service availability they require.

Should the customer prefer that Emphasys host the application in an ASP environment, Emphasys will ensure that the Internet hosting provider with whom it partners meets the disaster recovery standards set by the American Institute of Certified Public Accountants under its Statement of Auditing Standards Number 70, *Service Organizations.*

Project Management for In/Out of Scope Services

Emphasys will follow MSHDA's requirements for Project Management. In summary, our approach in conducting work for its clients is characterized by:

- Disciplined project planning and control. The project management approach described in the following section demonstrates our commitment to meeting the project objectives within established timeframes and budget. Progress against milestones will be tracked throughout the life of the project using proven and proprietary management tools and techniques.

- Close coordination of work performed by a multi-disciplinary project team. Emphasys has assembled a team of professionals with a diverse range of skills in order to meet the various needs of all our PHA clients. It is the responsibility of the Project Manager to coordinate the efforts of these individuals on a day-to-day basis so that they work together as a cohesive team to achieve the agreed upon objectives.

- Ongoing, open communication and feedback. Through regularly scheduled project meetings as well as more informal communication such as ongoing narrative reports, Emphasys will help ensure that MSHDA is kept up-to-date on the project status and that there are a number of established channels for the Authority to provide ongoing feed back to the project team.

- Knowledge transfer. A key to the success of any project is effective knowledge transfer of revised procedures, systems and processes to relevant MSHDA staff and potential impacted external parties (e.g., vendors). Without adequate training, communication and acceptance the project will fall short of its objectives. To this end, Emphasys will provide within the project plan a program of knowledge transfer focused on those most impacted by proposed changes.

Project Management Methodology

Our Project Manager, following MSHDA's standards for Project Management, will work with Senior Implementation Consultants to provide a basic, disciplined, and structured methodology to managing projects. It reflects our integrated approach for conducting project management services. The ultimate purpose of this methodology is to define, plan, and control the project, but also to assure control over quality and manage related risk.

Our Project Management Methodology addresses all phases of project management from inception to completion. It provides comprehensive guidelines for planning, organizing, directing/managing, and controlling of organizational resources to complete specific project goals and objectives. It is designed to help support the effective management and administration of projects, while providing sufficient flexibility to meet the needs of individual projects and project managers.

Our Project Management Methodology has four basic elements, as shown in the diagram below.

1. Project Definition. Through Project Definition, a Senior Consultant will analyze and confirm the work required to accomplish a project by defining and agreeing on the objectives, scope, and benefits. These are documented in the Implementation Plan that includes resource allocation, timelines, and infrastructure required to conduct the project.

2. Project Planning. Project Planning defines, in detail, how specific project phases will be conducted. It covers the tasks that need to be accomplished, the time frame in which they will be performed, and the team members who will perform them.

3. Project Management and Control. Project Management and Control manages the daily activities of the project against the overall Work Plan. This is achieved through both iterative processes (e.g., regular status reporting) and continuous processes that require attention in a non-scheduled manner.

4. Project Audit and Close. The Project Close covers the following main areas: transition of project deliverables to operations, auditing the project for contractual compliance, final acceptance, and post-implementation reviews.

Project Management Tools and Techniques
Our project management approach will use a series of automated tools, techniques, and procedures. Microsoft Project will be the primary tool used to collect and report detail and summary data. In addition, key tasks and milestones (events) will be entered into our proprietary tracking database called Client Information Tracking Interface (CITI). CITI allows events to be assigned to the various team members at Emphasys and MSHDA. These events are posted real-time to out secure website while MSHDA will have access to in order to see the status of any given event. Again, Emphasys team members maintain these events real-time. This proprietary tracking system closes any potential communication gaps that are often otherwise experienced. The reports from this tool can be produced at a summary or detailed level. This will facilitate distribution of information to the appropriate level of management and avoid maintaining redundant databases. Some of the tools/approaches that will be used to manage the project are described below.

- **Baseline Project Plans.** As a plan is reviewed and finalized, we will capture planned start dates, planned finish dates and planned hours for each task. The baseline plan is similar to an architect's final drawings for a building. After construction gets underway, change orders are penciled in and some features are deleted. If changes are significant, new plans are drawn and these drawings become the new baseline. As tasks and deliverables change within the project, we will assess the need to "re-baseline" component project plans. This should only be done when significant variances render meaningless the comparison of the original baseline to actual results.

- **Tracking Actual Hours and Completion of Tasks.** We will track and report actual work events and completion of tasks and deliverables. For each reporting period, all project team members will update their respective events in CITI. This event tracking will capture work performed by task and resource. This detail information will be loaded into Microsoft Project to enable project management to assess progress and to see immediately any implications for the rest of the project if the actual work is not in accordance with the plan. This will allow proactive corrective measures to help ensure adherence to established timelines.

- **Estimating Remaining Work.** One of the keys to understanding the true status of the project is a complete realization of the work remaining. The work effort for each project plan is initially estimated with the best information available at the time in terms of project scope and approach. As the work proceeds, new information is learned and the scope is further refined. This invariably affects hours and task estimates. This new information is used to update the project plan as appropriate. Each week, the Project Coordinator will review the schedule to re-estimate tasks, reassign resources, add new tasks, and cancel tasks that are no longer necessary. This will provide project management with data to assist in identifying potential problems and will allow them to take proactive measures.

- **Progress/Status Reporting.** Emphasys will meet with MSHDA Project Manager counterpart on a weekly basis to review the overall project status, key issues, and upcoming tasks. Weekly status meetings tend to keep all project participants informed on a timely basis and help to reduce surprises down the road.

- **Deliverable Review Process.** Emphasys has established a deliverable review procedure to control the quality and timeliness of deliverables produced during any project. Deliverable reviews will occur on a regular basis in order to obtain signature on Acceptance Documents. At Emphasys, Acceptance Documents are key to mitigating risk, ensuring quality control, and triggering invoicing.

- **Timely and Thorough Review of Deliverables.** Timely review of all project deliverables by key MSHDA staff is critical. Emphasys will work with MSHDA's counterpart to assure the acceptance process is being followed, and that Emphasys is receiving comments for each deliverable, and rejection or acceptance thereof.

- **Expectations.** The Project Management Methodology will assist the project manager in meeting project-related challenges by providing guidance on the application of project management techniques within a framework that recognizes the interactions between a project and the related organizational environment.

Our Project Management Methodology minimizes risks and uncertainties by:

- Defining standard processes and techniques that can be applied to all types of projects
- Following a consistent, structured approach
- Facilitating continuous stakeholder involvement and reviews
- Establishing effective management controls and procedures
- Assuring knowledge transfer takes place
- Following a pre-established forum and process for acceptance

On-Site Solutions (Hardware/Software remains on client site)

Currently, all implementations of Elite have been installed at the client site. Most of the clients with remote sites deploy the Elite application in a thin client environment over an Internet or VPN connection. .

How the Elite Application will be Deployed

The Elite application can be deployed either as a traditional "thick" client, or as a "thin" client using Citrix Metaframe and the Nfuse Portal technology. This solution is proven to be highly reliable, scaleable, fast, and secure. If deployed in a "thick" client environment, the software is installed on a main fileserver computer located on the State/MSHDA network and the application is "served" through the network to the desktop. The application is not installed at the desktop level, though there are certain settings required to properly run Elite in a thick client environment. Thick client deployment may be desirable for those "power" users of the system. The remote contractors of MSHDA will need to run a thin client of the Elite application whereby the software is run over the Internet using the Citrix ICA client and connecting to the application through the Citrix NFuse Portal technology. Simply double clicking an icon on the desktop and logging into the secured system from a remote location accomplishes this. Remote MSHDA contractors will need to have their own Internet connection. Standard dial-up Internet connections should perform satisfactorily for single remote users.

Client Web Pages

In keeping with our tradition of providing innovative, user-friendly support mechanisms, Emphasys provides clients the ability to view support and implementation events online and in real time. Features include history of support events, special reports, and all client specifics. The client enters their client ID and password, and then can immediately access all support, and non-support events and reports.

Type of Events viewed online

- Support Calls
- Implementation Events
- Programming Events
- Network Engineering Events
- Project Management Events
- All Events except Support
- User Group Events
- Summary of Events

The PHA has the ability to search all events, by event number, online.

Database Administration

Emphasys can provide database administration services to support MSHDA's SQL relational database management system (RDBMS); however, typically the client handles this. Optional DBA services include:

- Reorganizing and tuning the database to operate efficiently
- Monitoring database logs to identify and repair database inconsistencies
- Capacity planning, particularly in the areas of system memory, disk storage and network throughput
- Application of service packs released by the RDBMS vendor (service packs need to be qualified by Emphasys prior to application)
- Performing backups
- Performing restores
- Keeping SQL Server available for client connectivity

National User Group

An independent Emphasys Software Large Users Group is established and administered by certain housing agency staff using Emphasys software. Housing Authorities from across the country participate in annual User Group meetings to discuss company direction, attend training sessions on existing software, and learn more about upcoming products.

Membership in the User Group includes the following benefits:

- On-site user group participation.
- Coordinate and share activities and progress from the National Users Group.
- Group training sessions as mutually agreed upon.

The user group is routinely in touch with Emphasys regarding the content of the enhancement updates. Together, we mutually establish a prioritized list of what shall be released.

RFP Requirement

3) Summarize their technology and systems outsourcing clientele (include only those from the last 3 years) other than in the HCV program industry clients identified above:

i) Total number of clients
ii) Average duration of client relationships
iii) Markets (industries) in which Provider has clients
iv) Number of clients in each market

Emphasys Response

As mentioned earlier, Emphasys is strictly dedicated to the Public Housing Market. We have no other clients other than those approximately 240 involved in Public Housing and the HCV program.

RFP Requirement

4) Describe their experience and the issues related to implementing:

i) Software applications developed by the Provider
ii) Off the shelf software applications

Emphasys Response

One could consider that Emphasys Elite is "off-the-shelf" software, since it is considered an industry standard and benchmark among other large public housing agencies. Most of the problem issues we encounter when implementing our software have to do with delays related to data conversion and related logistics. Often times the level of effort and time needed to cleanse and validate the data is not accurately determined until the data can actually be reviewed and compared to Elite. Elite has extensive checks and balances and validations built into the system that often will identify data discrepancies otherwise unknown to the client. This may result in additional areas where data will have to be cleansed, which translates into additional time. Other issues that can impact the schedule pertain to custom development and rollout. If extensive custom development work is identified it may cause related implementation efforts to be delayed. After reviewing MSHDA's ITB, Emphasys is confident Elite will meet a significant majority of the functional specifications out of the box. Our goal is to keep the level of customization to a minimum in order to ensure we stay on schedule.

Experience working with Subcontractors

RFP Requirement

5) Describe their experience and the issues related to:

i) Working with alliance Providers to provide this service

ii) Working with subcontractor Providers to provide this service

Emphasys Response

Emphasys typically acts entirely as prime contractor and sole provider of services related to implementing its proprietary software. This is primarily for two main reasons; quality control and expertise. The Public Housing market with all the HUD regulations can be very complex. Software designed to meet those regulations can be very sophisticated as well. Most often, third party subcontractors do not have the level of experience and expertise that public housing agencies have come to expect. As a result, Emphasys relies on internal staff that has extensive experience in the public housing market to implement our proprietary software. However, Emphasys will often team with other companies as needed to fulfill specific client requirements. Our goal is to ensure a comprehensive value-added solution is delivered to the client. Some of the companies we have teamed with in the past include Oracle, Ciber, Solbourne, and Bearing Point (KPMG). In addition, we will often work with a subcontractor to provide hardware, network, or infrastructure related products and services. That is why we are teaming with Electronic Data Systems for this initiative in the event MSHDA prefers to implement Elite in an off-site ASP environment.

Current/Future Technology Environment

RFP Requirement

6) Describe their:

i) Current technology environment

ii) Current help desk environment

iii) Expectations for future technology developments in the next 5 years

iv) Manner in which the technology strategy is developed and documented

Emphasys Response

The Elite application is a client/server application, with a rich user interface. Over time, the application will transition to a layered, services-based architecture, which will support web delivery, multiple database management systems, and application servers for our largest clients. Details of how the layers are implemented today and how they will be implemented in the future are as follows:

1. The Presentation layer's main responsibilities are: (a) formatting and presenting information to the user; and (b) capturing and validating information from the user.

The Presentation Layer is currently written in Delphi and provides the graphical user interface, as well as most of the business logic. It runs in a Microsoft Windows environment.

The new presentation layer will consist of web server pages that are built using Java and/or C#. It will run within a browser environment, but also support integrated voice response (IVR), hand-held devices, and other channels.

h. The Business Layer does the real work of the system. All of the programs that control processing, enforce business rules, validate complex data, communicate with other systems, handle errors, ensure that security is enforced, and perform other core functions of the system reside in this layer.

Today, the Business Layer is implemented in two locations. Much of the business logic is coupled with the presentation layer for fast performance and simplicity of installation, and is written in Delphi. Data-intensive processes are written in PL/SQL, the scripting language of Microsoft SQL Server, and reside within the database, again for optimal performance and to minimize network impact.

In the future, the business layer will be built upon a foundation of middleware services, including a portal, rules engine, and document management/work flow system. Standard data access adapters will ensure that all standard database management systems can be used, and that communication with other systems via XML/SOAP is possible. The core business processes will be written within the .Net and/or J2EE frameworks, using C# or Java for superior performance.

i. The Data Layer provides the storage platform. It contains the data that is used throughout the system, both user data and system data.

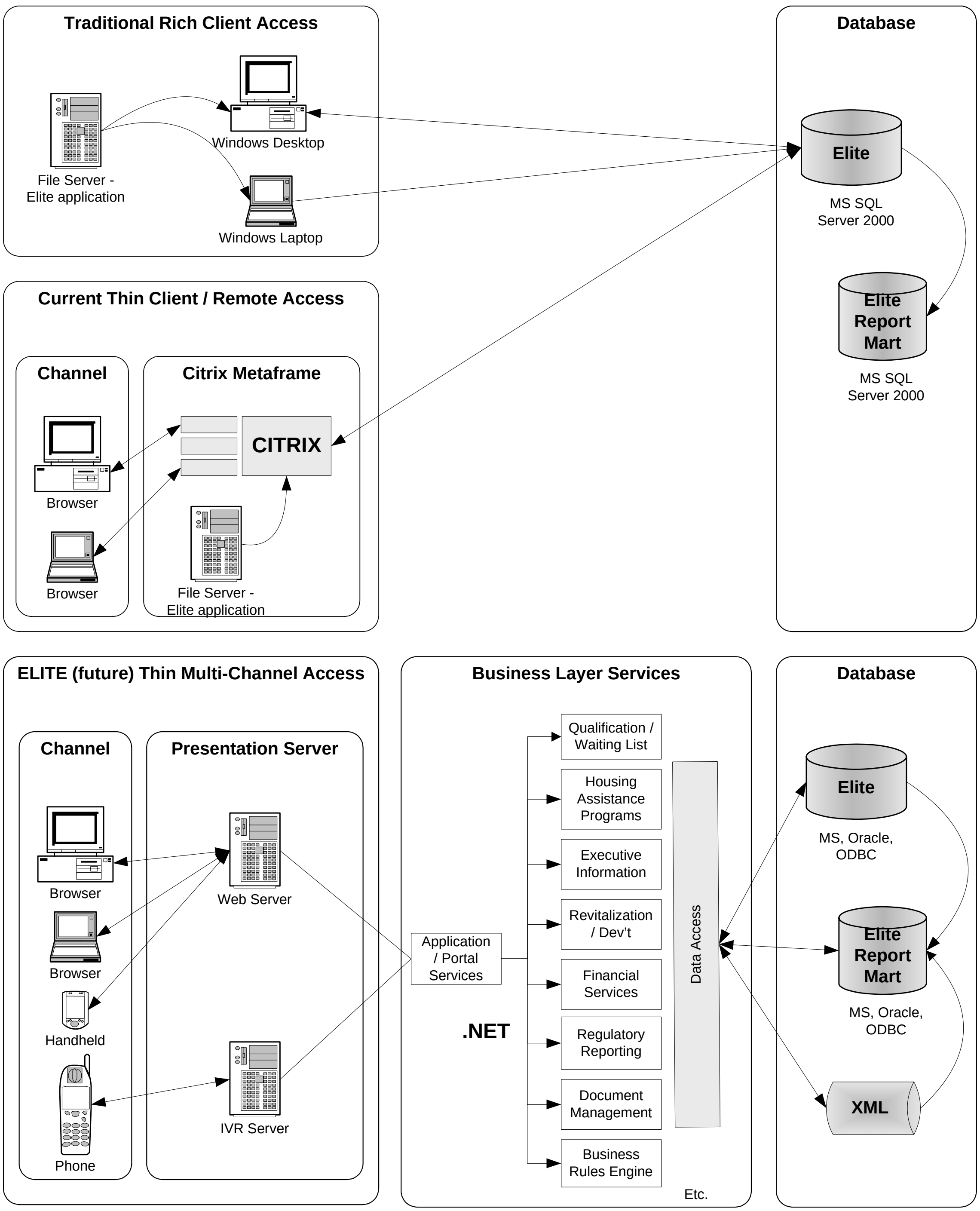
Today, Elite supports the Microsoft SQLServer 2000 database platform, running in a Windows server environment. There are separate databases, which could reside on separate database hardware, for the Elite operational system, and the Elite Reporting Mart. In the future, Elite will support Oracle, running on Unix or Windows, and other major database vendors, as well as MySQL and at least one open-source alternative. It will also support XML/SOAP so that queries ordinarily resolved by reading information from the system's database can access external systems instead (for example, to validate a vendor's address).

Logical layers offer the greatest flexibility in deployment, as the tiers can physically reside on hardware ranging from a single desktop to multiple servers and clients. The flexibility in physical implementation enables the application to readily scale from the desktop or workgroup application level to the enterprise level. Different services can be placed on different server hardware platforms in order to optimize performance and ensure strong security. Web servers can be responsible for delivering the presentation layer, application servers for creating the pages that are presented, and the database server for handling the large amount of information the Housing Authority needs to conduct its business.

Multiple logical layers also offer the benefit of being able to support a browser-based thin-client implementation, and other channels, all from within the same application. Only the presentation layer must be "swapped out" to support a new channel. Because the presentation layer is "thin," it does not depend upon a specific operating environment. That means the application will run on a Linux workstation if desired.

Finally, the services-based architecture allows the Housing Authority to leverage some of its legacy applications. There is greater flexibility in choice of database management system, financials (ERP) system, document management system, and server hardware. The HA is better able to conform to its application and network security standards.

The following diagram represents the client/server architecture for Emphasys Elite, the Citrix-based deployments, and the future for Elite:



The current version of the Emphasys Elite uses the following technologies:

- Development Tools: Delphi, MS SQL Server 2000
- Database Technologies: Microsoft SQL Server (Oracle 9i can be priced as an option)
- Hardware Platforms: File/print (any) and database (any certified to work with the database management system selected) servers
- Database Server Operating System: Windows NT, Windows 2000, UNIX (Oracle only)
- Client Operating System: Windows 98, Windows 2000, Windows XP
- Reporting Tool: Crystal Report Writer (Other ODBC compliant reporting tools may be used, but Crystal is used as the report writer engine for Emphasys Elite)

Responsiveness to Software Changes/Ad-Hoc Service Requests

RFP Requirement

c. Describe their responsiveness to Software Changes

1) Describe how corrections of software errors would be made, including specifically:
    i) Who is responsible for correcting software errors
    ii) The quality control procedures for minimizing software errors
    iii) How such error corrections would be communicated to users and how users would be trained, if necessary

2) Describe how enhancements to software would be made, including specifically:
    i) How frequently software would be upgraded to the manufacturers new releases
    ii) How current these upgrades would be relative to the newest release
    iii) How such enhancements would be communicated to users and how users would be trained in their use

d. Describe their responsiveness to Customers for Day-to-Day Problem Solving and Ad Hoc Service Requests
    1) Describe the help desk resources, availability, and specifically, how MSHDA communications using Telephone and E-mail would be handled.
    2) Identify the Provider's web site.
    3) Describe how the Provider's users meet to discuss common user issues (e.g., user groups) and frequency of such meetings.
    4) Describe the Provider's training resources (personnel, certifications, training center, on-site, on-line, training mediums, etc.)
    5) Describe the Provider's resources and procedures for handling ad hoc services requests.

Emphasys Response

Who is responsible for correcting errors

Emphasys will be responsible for correcting all software errors related to its own-developed software, interfaces that are developed by Emphasys, as well as any custom developed software that MSHDA may hire Emphasys to provide.

Quality Control Procedures

Software Quality Assurance (SQA) is a separate department with Emphasys. SQA is concerned with the evaluation and quality of, and adherence to, software-related standards and procedures. SQA activities are performed during each phase of the software life cycle.

The SQA process ensures that:

- Standards and procedures for management, engineering, and assurance activities are specified.
- Management, engineering, and assurance adhere to specified standards and procedures.
- All documentation and report formats and content descriptions are defined.
- All plans (configuration management, risk management, assurance plan, management plan, etc.) are completed and implemented according to specified standards and procedures.
- The configuration management process functions according to approved procedures and that all baseline items are maintained under Configuration Management.
- Baseline control, configuration identification, configuration control, configuration status accounting, and configuration authentication activities are carried out.

The SQA process includes the following activities:

- Evaluation of specified standards and procedures.
- Audits of all management, engineering, and assurance processes, for example, Configuration Management.
- Reviews of all project documentation including reports, schedules, and records. Monitoring of formal inspections and formal reviews.
- Monitoring/witnessing of formal and acceptance-level software testing.

When software errors are detected that affect current client implementations or production environments, Emphasys immediately broadcasts an e-mail to those respective clients informing them of the nature of the error, along with interim remedial actions to take until a fix is released. All fixes are released in Service Packs that are posted to the Emphasys website.

Technology Strategy Planning

The Director of Research and Development sets technology strategy. Emphasys solicits customer feedback frequently both formally and informally, and monitors industry trends closely, and weighs various factors including total cost of ownership, ease of use, time to market, performance, and longevity in making technology decisions. We employ industry standard rather than “bleeding edge” technologies, and consider first and foremost the impact of any decision on customers’ ability to conduct their business effectively. Product Architects and Product Management work closely with the Director of Research and Development to ensure our technology strategy is aligned with e-government direction and HUD strategy. Because technology is evolving so quickly, technology strategy is documented, but not as formally as it was in the past, and the planning horizon is only one year rather than three or five years.

HUD Regulatory Software Changes

All Emphasys software has been designed using database procedures that make it simple to keep up with new HUD Requirements and other enhancements that are submitted by the PHA. Emphasys stays abreast of all HUD regulatory mandates and potential changes. We have dedicated resources whereby their sole responsibility is to ensure our software remains HUD compliant. Other resources we use to facilitate HUD changes include:

- Regular meetings with HUD officials in charge of PIC
- Member of NAHRO and associated publications

- NAHIM (National Association of Housing Information Managers)
- Federal Register
- Emphasys Advisory Group and User Group
- Other end-users
- Attendance at various HUD conferences

Emphasys strives to complete all HUD required software changes prior to their effective date. However, in cases where the effective date is in the past, or where it is unrealistic, every attempt is made to deliver the changes as soon as possible. HUD required software changes are covered under an executed Software Maintenance Agreement, which specifies the timeliness required for such changes and the corresponding penalties to Emphasys for non-compliance.

Software Customization, Development, and Release Process

Emphasys understands that each client has different needs. Therefore, the Emphasys Elite software was created with the capability of being highly customizable through the use of business policies by the client without the costly fees and delays in upgrades related to custom programming. In addition, Housing Authorities may add user definable fields quickly and easily, add or modify reports, and even change their set-ups to alter function and workflow processes in just a few simple steps. No additional hardware or software is necessary to perform these functions. Authorized users, generally System Administrators, are trained on how to implement such changes as part of the initial training. Best of all, future updates, service packs, etc from Emphasys will not disturb the changes made by the PHA, nor will they delay the release of the service pack for clients who have made numerous modifications. However, Emphasys realizes that some Housing Authorities may have customization needs beyond the ability of user-defined fields and existing policy settings. Such needs may be accommodated by custom programming and will be reviewed on a case-by-case basis.

Specific processes we follow for software development are outlined below:

Development Methodology

In terms of development, Emphasys has adapted the “agile” approach, based on a streamlined Rational Unified Process. For complex projects, Emphasys begins by identifying requirements in list format, then in use cases. Intensive collaboration with clients provides not only a statement of requirements, but also an understanding of how the customers do their work.

We then develop more detailed specifications in narrative documents and other deliverables such as database diagrams, concept models, operation contracts, and sequence diagrams. In parallel, we develop GUI prototypes to elicit user feedback early in the design process, and to clarify requirements.

Our process is iterative and collaborative, with what we think is the amount of formality and detail required to demonstrate that we understand the requirements and can deliver the right products, but not so much formality or paper that maintaining documentation becomes a major focus of the project. Our methodology is proven and industry-standard.

Product Release Process

As mentioned earlier, Emphasys delivers updates to Elite through the use of service packs, including both software fixes and enhancements. Note that Emphasys applies the term “fix” rather liberally. The new functionality is often classified as a “fix” because it provides a core capability the system should have. Service Packs are typically delivered on a monthly basis when the product is young in its lifecycle, then less frequently as the product matures. Because service packs are delivered so frequently, interim “hot patches” are less necessary, but they are delivered to customers over the Emphasys website when critical problems are identified. Typically upgrades can be downloaded by clients and installed by themselves. Major version upgrades may require media to be sent for a full installation. Emphasys recommends that clients install service packs in a test environment for evaluation prior to installation in their production environment.

The service pack release process consists of the following steps:

2. Review of software fix and enhancement requests submitted through Product Management, Client Care, or Implementations on a weekly basis. An assignment of an initial priority / severity and an estimate of effort required to complete the request.
3. Track change events in the change management system
4. Schedule events into monthly service packs according to priority and severity
5. Publish the service pack schedule to clients
6. Make commitments one service pack in advance
7. Track progress (analysis, programming, quality assurance, etc.) of each change event
8. Clients can access the change management system over the Emphasys website and track the progress of the change events they're interested in
9. With each service pack, Emphasys delivers a read-me, which describes in detail what has been changed. Customers use this information to assess impact to any reports or correspondence they have created. In addition, the service pack installation process includes a detailed report, which can be used to identify database, system data, and module changes. Specific code changes are tracked in our version control system, Rational Clear Case.

j. When columns are added to the database, the database models are updated and the data dictionary is updated. Database models are published on our website, and are available to customers.

k. Reports in the base Elite system are generally based on complex stored procedures, which should not be modified by the customer. Customers can create their own reports, however, and can add data provided by the stored procedure to standard reports. Specifications for Elite's more than 400 reports are available on the website.

l. In the report mart, customers can add their own tables and can add any columns to those tables that they wish. Since customers can create their own reports with calculations, they can modify those calculations to use whatever information they wish.

m. User-defined fields in Elite can be exported or shown on reports. The ability to include the field in batch processing depends upon the specific situation.

n. All calculation routines, batch processes and most validations are performed on the database server through the use of stored procedures, triggers and constraints. Most business logic can be easily maintained by executing an SQL script on the DB server. This reduces the need to recompile and distribute updated application components. Any calculation or validation routines not maintained on the DB server are implemented as their own DLL. Function calls can be made into these DLL's by multiple processes.

It is understood that in some cases it is impossible for clients to install the currently released service pack. Therefore, Emphasys will support the current release plus one previous release level in order to provide clients the flexibility in installing their service packs.

Emphasys Single Version Approach

Emphasys provides an unparalleled approach to maintaining our software with HUD regulatory changes and enhancements. With over 240 PHAs nationwide using our software, maintaining and upgrading that software for the entire client base can be a monumental task. One key strategy that allows Emphasys to maintain our software in a timely manner is what we have termed a "single-version approach". This single-version approach is based on the goal that all clients will be on the same version of software. With this approach, when HUD releases new regulations that require software changes, or there are general enhancements to the software, Emphasys is able to release the updates equally to all clients. This is accomplished through the use of Emphasys' proprietary methodology that utilizes the Internet to release software "Service Packs". Many clients have custom programming. Emphasys will include all custom modifications done for one client in future releases. Emphasys controls whether or not other clients see that custom programming through the use of system policies within the software.

Response to Software Customization and Enhancements

RFP Requirement

Describe their responsiveness to Customized Enhancements

Emphasys Response

Emphasys makes custom modifications to its software to accommodate the specific needs of individual clients. When a custom enhancement is performed, it is made available to all clients. In this way, clients are able to take advantage of these enhancements and a desired single version is achieved.

Following are the steps that are taken so that product customization requests are handled in an efficient manner.

STEP 1 Programming requests can originate from the Client, Project Manager, Client Care, Website, Consultants, or Training groups. Customization requests require Emphasys management approval. If the request is not approved, it is either closed or considered for future product action by Product Management, which is responsible for overall product evolution.

STEP 2 A custom programming request is logged, along with the following information, into our tracking systems:

- Client Name and Contact
- Module and Menu Item
- Target Date
- Priority
- Detailed Notes describing the request in sufficient detail to create a high-level estimate of cost

STEP 3 Within one week, the Product Architect will review the request and provide a high level estimate of cost. The product architect will prepare a Custom Programming quote based on this estimate, and provide it to the client for approval.

STEP 4 Once the client approves the initial description of the request and the high-level estimate, the request is scheduled.

STEP 5 Eight to ten weeks before the customization is scheduled to be delivered to the client, the Product Architect will begin work on the Product Requirements Document (PRD). The PRD contains detailed requirements for the customization, including screen or report layouts, new data fields, or processing requirements. The Product Architect will continue to work with the client on the PRD until they approve the final estimate and the requirements definition.

STEP 6 Once the PRD has been approved by the client and 50% payment (based on the quote in the PRD) has been received, work begins on the customization. Programmers, database designers, quality assurance testers, and technical documentation specialists are assigned as needed according to the technical skills required.

STEP 7 Once the work has been completed, the customization and all associated documentation are delivered to the client as part of a regularly scheduled service pack.

STEP 8 The Product Architect will schedule a meeting with the client to review the functionality of the custom request after the client installs it on their system. The product architect will verify with the client that the program is functioning as detailed within the PRD. Additional training may be scheduled at that time.

STEP 9 Final billing will occur when the custom request has been delivered to the client; however, Emphasys will work with the client to resolve any issues as outlined within the PRD as indicated per step 8 above.

Other Ad-Hoc Requests

Emphasys also provides many other services to meet certain ad-hoc requests by its clients. These services include:

- Custom Report Writing
- Database Administration
- Ad-Hoc Training
- Best Practice Consulting
- Network Engineering Services

All ad-hoc requests are channeled through the Account or Client Manager. Emphasys has internal procedures to follow for each type of request that ensures timely response and deliverable to its clients.

Qualified Personnel

MSHDA can rest assured that this project will receive institutional priority from the executive level on down to individual resources within Emphasys that will be involved in this project. Specific highlights of the level of experience, and the level of priority Emphasys has placed on this project, includes:

- Our Senior Project Manager, Dorthy Oldham, will be assigned full-time to this initiative for the duration of this project. Dorthy also has extensive experience as an Implementation Consultant with the Elite software and will be filling that role as well.
- All Senior Consultants and Implementation Specialists (Trainers) have extensive previous experience either working directly for a housing agency or implementing Elite Section 8 software at other large client sites.
- All implementation staff will be Certified Section 8 Housing Managers
- We will hold executive level management meetings on a monthly basis. The President and/or COO of Emphasys will personally attend.

Functionality and Quality of Software Applications – questionnaire

Affirmative Statement of Applications and Database

After reviewing the functional requirements outlined in Appendix B of the ITB, Emphasys Elite software will meet a significant majority of the functional requirements “out-of-the-box”. Emphasys Elite is highly scalable and robust to handle not only current functional requirements, but is also built around system policies which can be configured to meet the policies and procedures of MSHDA. As a result, the system is highly flexible. All modules are fully integrated with one another. The database system provides the data elements necessary to meet MSHDA’s requirements. It is anticipated that, given the size and scope of this project, that some degree of custom modifications may be needed. As a result, Emphasys has made allowance in the cost proposal for certain custom modifications to be performed.

Demo System

Note: The ITB requested a demo version of the software. Emphasys will provide a demo environment specifically for MSHDA. MSHDA will be able to access this system through an Internet connection. This environment will be provided upon request.

User Manuals

Excerpts from a User Guide can be found in Section 8.2 of this proposal. In addition, Emphasys will make available for on-line review any of the User Manuals upon request.

Appendix B - Details And Desirable Functionality Of The Voucher Management Applications

Please answer all requirement questions under each of the following sections:

i. Waiting List Specifications
ii. Voucher and Financial
iii. HQS Inspections
iv. Rent Reasonableness
v. Family Self-Sufficiency
vi. SEMAP Criteria
vii. Security and Control
viii. Contractor Payment

Each section has a series of questions broken down into topics. After each topic an explanation box provides the opportunity to expand the simplified yes/no answers under each topic. Vendor should provide the necessary details to describe how the vendor provided software meets the desirable system requirements when necessary.

WAITING LIST SPECIFICATIONS

Pre-application Basic Eligibility Determination

Needed once MSHDA begins receiving applications via the Internet. This is also the basic information needed for full waiting list entry. Within the pre-application and application process, the system should track the following information.

1. ENTRY DATE AND TIME.	☒ Y	☐ N
2. Head of House Social Security number	☒ Y	☐ N
3. Head of House Name-First name, Middle Name, Last Name, Suffix.	☒ Y	☐ N
4. Address	☒ Y	☐ N
5. Months at this address.	☒ Y	☐ N
6. County of Residence Code.	☒ Y	☐ N
a. Driver's License Number	☒ Y	☐ N
7. E-mail address	☒ Y	☐ N
8. Head of house date of birth.	☒ Y	☐ N
9. If under 18, is Head a formally emancipated minor?	☒ Y	☐ N
10. Number in family.	☒ Y	☐ N
a. Number of disabled family members, including the head of household	☒ Y	☐ N
11. Total family gross income.	☒ Y	☐ N
a. Verify family is income eligible within the state. Only allow applicant to apply to county waiting lists for which they are income eligible	☒ Y	☐ N
b. If ineligible in the county applicant applied for, provide a notification message identifying which counties the applicant is eligible to apply. Allow this feature to be on or off	☒ Y	☐ N
12. HUD Household Type (family type – family w/dependents, family w/o dependents, elderly, disabled).	☒ Y	☐ N
13. Convicted of a crime within a user-defined time period.	☒ Y	☐ N
a. Date of crime	☒ Y	☐ N
b. Type of crime	☒ Y	☐ N
14. Evicted from Assisted Housing within a user-defined time period.	☒ Y	☐ N
a. Date	☒ Y	☐ N
b. Agency	☒ Y	☐ N
c. City and state	☒ Y	☐ N
15. Does applicant owe any PHA money?	☒ Y	☐ N
16. Waiting List(s) applicant has applied for. (MM/YYYY)	☒ Y	☐ N
17. Prevent user from saving if required information has not been entered.	☒ Y	☐ N
18. Family Information (each family member including Head of Household).	☒ Y	☐ N
a. Name (First name, Middle Name, Last Name, Suffix)	☒ Y	☐ N
b. Social Security Number	☒ Y	☐ N
c. AKA Any previous names this individual has used.	☒ Y	☐ N
d. Birth date	☒ Y	☐ N
e. Gender	☒ Y	☐ N
f. Disability	☒ Y	☐ N
g. Race	☒ Y	☐ N
h. Ethnicity	☒ Y	☐ N
i. Citizenship status	☒ Y	☐ N
j. Alien registration number	☒ Y	☐ N
k. Pregnancy due date, if applicable	☒ Y	☐ N
l. Convicted of a crime	☒ Y	☐ N
1. Date of Crime	☒ Y	☐ N
2. Type of Crime	☒ Y	☐ N
m. Evicted from assisted housing	☒ Y	☐ N

1. Date of Eviction	☒ Y	☐ N
2. Agency	☒ Y	☐ N
3. City and State of eviction	☒ Y	☐ N
n. Allow for user defined fields	☒ Y	☐ N
o. Notes on family member	☒ Y	☐ N
19. Phone numbers (home, work & alternate)	☒ Y	☐ N
a. Provide contact name, address, and phone number fields. This may be needed if a tenant requires assistance for program related contacts.	☒ Y	☐ N
20. WORKING WITH A CONTINUUM OF CARE – ELIGIBLE FOR HOMELESS PREFERENCE.	☒ Y	☐ N
21. Notes on case.	☒ Y	☐ N
22. Unlimited User Definable Fields which can be easily added by the HA.	☒ Y	☐ N
23. Ability to make HA defined information required information.	☒ Y	☐ N
24. Allow entry user's to attach documents to pre-app (e.g. scanned image of Driver's License or State I.D. card).	☒ Y	☐ N
25. Verify applicant does not reside on another Housing Choice Voucher (HCV) county waiting list. Applicants can reside on HCV and multiple Mod-rehab and project-based waiting lists.	☒ Y	☐ N
26. If applicant applies for a second HCV waiting list, provide applicant with the choice of which HCV county waiting list they wish to maintain their application.	☒ Y	☐ N
27. System provides a separate HCV waiting list for each of the 83 counties in Michigan.	☒ Y	☐ N
28. Provide for collection of applicant's desire to apply for multiple programs (tenant applies for PBC, MRP, WTW, FSS, etc.)	☒ Y	☐ N

EXPLANATION:

6a. The driver's license number can be entered as a user-defined field in the Elite pre-application module. All user-defined fields can be included in reports.

11a. The pre-application can be verified against the housing authority defined income limits. The income limits are specific to each waiting list. The system will determine if the applicant is eligible for a list based on income. If the applicant is not eligible for the list, the system will indicate it.

18. Elite's pre-application process does not require or ask for detailed family information. If MSHDA would like to capture that information, it can be done in the full application program, or Emphasys can modify the pre-app process for additional custom programming. No additional customization has been quoted for this until a needs assessment can be conducted.

20. Working with a continuum of care can be tracked by user-defined fields.

26. Waiting Lists can be established for each County and applicants can apply to multiple lists. Custom modifications may be required depending on MSHDA's requirements in this area. Costs related to this item are not proposed until we can determine if it is needed and MSHDA's exact requirements.

FULL APPLICATION ENTRY

WITHIN THE FULL APPLICATION PROCESS, THE SYSTEM SHOULD TRACK THE FOLLOWING INFORMATION

1. Full application will contain all the fields and functionality included in pre-application.	☒ Y	☐ N
2. Application date.	☒ Y	☐ N
3. Preference	☒ Y	☐ N
4. AKA - Any previous names used by this individual.	☒ Y	☐ N

5. Special program interest (FSS, FUP, WTW, Project Zero, etc.)	☒ Y	☐ N
6. Bedroom size eligibility.	☒ Y	☐ N
7. Special user-definable fields.	☒ Y	☐ N
8. The following fields are mandatory to determining basic eligibility:		
a. Head of House DOB	☒ Y	☐ N
b. Number in family	☒ Y	☐ N
c. Number of disabled family members, including Head of House	☒ Y	☐ N
d. Total family gross income	☒ Y	☐ N
e. HUD household type	☒ Y	☐ N
f. Type of crime	☒ Y	☐ N
g. Evicted from Assisted Housing within a given number of years	☒ Y	☐ N
h. Date of eviction	☒ Y	☐ N
1. Agency	☒ Y	☐ N
2. City and State	☒ Y	☐ N
i. Does applicant owe any PHA Money?	☒ Y	☐ N
9. Allow ongoing maintenance and updating of applicant data by users.	☒ Y	☐ N
10. Provide on-line capture of address and contact, family member and income changes.	☒ Y	☐ N
a. Allow for review and approval before changes take effect within the system	☒ Y	☐ N
11. Provide record retrieval by special program types or preference.	☒ Y	☐ N
12. Allow incoming portability entry of tenants without requiring entry of data within the waiting list.	☒ Y	☐ N

EXPLANATION:

10. & 10a. Emphasys proposes that the functionality be included in the web module planned for Waiting List. Emphasys will develop this web component to include MSHDA's requirements as part of the license fee for this module.

11. Custom reports can be written that allow parameter driven lookups by special program types or preference. Standard record retrieval within Waiting List allows lookup by: File Name As, Full Name (or portions thereof), Entity ID, Tax ID, Address, City, and Assigned Workers. Custom programming may be needed if this does not meet the requirements of MSHDA.

PLACING AN APPLICANT ON A WAITING LIST

When placing an applicant on a Waiting List, the system will have the following functionality:

1. Application Status – The user-defined status which indicates the application's processing stage.	☒ Y	☐ N
2. Sequence date and time – The date used by the sorting routines when date and time are considered.	☒ Y	☐ N
3. Original application date – The date the applicant first applied for housing assistance.	☒ Y	☐ N
4. Preference- Preference(s) claimed by the applicant for each waiting list.	☒ Y	☐ N
5. Bedroom size – Number of bedrooms for which the applicant qualifies.	☒ Y	☐ N
6. Position – Numeric position held by an applicant on a given waiting list.	☒ Y	☐ N
7. Verify applicant is not in an ineligible status; not listed within system's ineligible persons file.	☒ Y	☐ N
8. Verify the applicant's social security number is not active within the system. Provide a status of the social security number if found to exist elsewhere within the system.	☒ Y	☐ N
9. Verify applicant does not have an outstanding debt with MSHDA. Provide a warning message when an outstanding debt exists.	☒ Y	☐ N

EXPLANATION:

7. Elite offers and integration entity file. Elite stores all of the individuals in one file for inactive reference. When a person becomes inactive in Elite, they are automatically marked as

inactive. If users attempt to re-enter the same individual, the system will notify the user and allow them to view the inactive record.

9. Elite will allow users the ability to enter an alert message on an individual. If the individual is accessed again, the system will notify the user. Outstanding balances can be tracked in the AR system, or relevant housing system. Users can look up the financial detail in those modules.

SORTING PROCESS

The system allows for date to be sorted by the following functions:

1.	Preference – Preference(s) claimed by the applicant for each waiting list.	☒ Y	☐ N
2.	Sequence date and time – That date used by the sorting routines when date and time are considered.	☒ Y	☐ N
3.	Bedroom size – Number of bedrooms for which the applicant qualifies.	☒ Y	☐ N
4.	HUD Household Type – The HUD defined type of household	☒ Y	☐ N
5.	One time random assignment from pre-app to waiting list placement (lottery assignment when large county waiting lists open)	☒ Y	☐ N
6.	Provide a sort type – A code identifying the type of sort being performed.	☒ Y	☐ N
7.	System must re-rank waiting list applicants in real time as new date is entered into the system unless being held for random assignment of rankings.	☐ Y	☒ N see note

EXPLANATION:

6. Elite tracks when and how (what sort criteria) a waiting list is sorted. When users draw applicants, the system notifies the user of the last time it was sorted, how it was sorted, and if the list needs to be re-sequenced prior to drawing applicants.

7. The system does not automatically re-sequence the list with the addition of new data. Users can run the re-sequence program on demand. Any time you create a report the system will indicate whether or not the WL should be re-sequenced. The system will prompt the user to re-sequence the list before drawing applicants from the list.

DRAW PROCESS

The following fields can be used to run different queries for a draw:

1.	Last update – Date the applicant information was last updated.	☒ Y	☐ N
2.	Position – Numeric position held by an applicant on a given waiting list.	☒ Y	☐ N
3.	Sort type – A code identifying the type of sort for draw.	☒ Y	☐ N
4.	Number to draw – The number of applicants to draw from a waiting list.	☒ Y	☐ N
5.	Bedroom size – The number of bedrooms for which applicant qualifies.	☒ Y	☐ N
6.	Income limits – Upper and lower limits of applicant income for draws by income category.	☒ Y	☐ N
7.	Provide the ability to skip applicants over the 30% income limit when over 25 percent of programs new admissions exceed the 30% limit factor.	☒ Y	☐ N
8.	Sort based on special program (WTW, Mainstream, Family Unification).	☒ Y	☐ N

EXPLANATION:

1,2,3. The Waiting List draw process utilizes software requirement items 1, 2, and 3. Users sort the waiting list based on bedroom size, HUD household type, Income, Preferences, and Sequence Date and Time. The users can use all or some of the sort criteria (except Sequence Date and Time, it is always used) to sort a waiting list. The user can determine whether the sort criteria can be ascending or descending as well (except Sequence Date and Time, it is always ascending). Users sort the list in the order needed to meet any particular draw requirements. When the draw is performed, applicants are drawn in position order. Users can filter applicants drawn by development, bedroom size, or income targeting. Of the applicants drawn, the system will notify the user if the information is up to date or not. The housing authority sets a policy to determine when applicant data is considered out-of-date.

7. The Elite software currently has a policy that regarding what is the allowable eligibility over income percentage. This may require custom modification. Cost estimates have been outlined in the in the Cost Proposal for this line item.

8. This may require custom modification. Cost estimates have been outlined in the Cost Proposal for this line item.

VERIFICATION

1. Allow entry of each Household Member's Financial Information:	☒ Y	☐ N
a. Income	☒ Y	☐ N
b. Assets	☒ Y	☐ N
c. Expenses	☒ Y	☐ N
2. Ability to set Eligibility Determination Sequence to automate system? (e.g. Is head of household under 18?, if yes, is head an emancipated minor?, etc).	☒ Y see note	☐ N
3. Ability to prevent user from saving if required information has not been entered. Provide system setup to check if all required fields are entered before allowing user to continue to the next step. Also, allow an override process to allow continuation of cases without required fields when exceptions arise.	☒ Y see note	☐ N
4. Ability to attach system files, scanned documents, etc. to entity without using a 3rd party application. For collection of Social Security cards and Birth Certificates within the system (documents needed for every household member).	☒ Y	☐ N
5. Ability to make HA defined information required information.	☒ Y see note	☐ N
6. Ability to prevent users from skipping information required on the HUD 50058 form.	☒ Y	☐ N
7. Provide Application Verification process approval of pre-application submissions. System should provide basic entry verification while capturing data.	☒ Y	☐ N
8. Store the sent date of letter identifying the PHA has sent the verified pre-application entry.	☒ Y see note	☐ N
9. Verify applicant's Social Security Number is not active on another tenant file. Provide information regarding applicant status within the system.	☒ Y	☐ N
10. Provide seamless integration with tenant processing (move, pre- application from Waiting List to tenant processing).	☒ Y	☐ N
11. Provide the ability to attach scanned documents to a verification record.	☒ Y	☐ N

EXPLANATION:

2. This ability is available in the Pre-application process. This will require custom modification if MSHDA requires it in Full Application process. Cost for this line item is outlined in the Cost Proposal.

3. The Elite system requires the user to enter all required fields. If the housing authority defines user-defined fields, the information can be required or not. There are certain fields that are required without exception, and therefore cannot be over-ridden. No additional custom programming proposed, but may be required depending on MSDHA's requirements.

5. Users can create user-defined fields in Elite. The user-defined fields can be set to required or not. If the housing authority marks the field as required, the system will create a user-defined record for an applicant and set the default data setting. The housing authority can update the user-defined information at the same time they are entering Elite required information.

8. Elite offers document tracking capability on select documents in the system. Users

have the ability to identify what documents will be included in document tracking. When a user prints a document that is included in document tracking, a row will be created that captures the date and time of the printing. Users can also keep notes and track responses to the document.

PRE-APPLICATION PROCESSES

1.	Ability to attach system files, scanned documents, etc. to entity without using a 3rd party application.	☒ Y	☐ N
2.	The system will determine basic waiting list eligibility – Determines if applicant is within 80% of median income limits unless the 30% limit is in effect, then the 75% of new admissions quota below the 30% limit must be met. This feature may be turned off.	☒ Y see note	☐ N
3.	The system will validate all Social Security Numbers against those existing in all programs and offer to print a listing of any matches found. System will validate all Social Security Numbers against valid Social Security Numbers parameters from the Social Security Office.	☒ Y see note	☐ N
4.	The system will validate whether an applicant has an "Ineligibility" Status.	☒ Y	☐ N
5.	Identify Waiting List(s) applicant has applied for.	☒ Y	☐ N
6.	Provide the ability to capture and store the original application data, so that upon update the original application data can always be retrieved.	☒ Y	☐ N
7.	The system has a flag which will prevent new applications from ineligible applicants. User defines an applicant's ineligibility. (Misses a set number of appointments, receives excessive housing offer rejection, etc).	☒ Y	☐ N
8.	The system automatically displays a list of previous applications for an applicant.	☒ Y	☐ N
9.	The system has the ability to declare applicants eligible who are a user-defined percentage over normal income limits. This feature may be turned off.	☒ Y	☐ N
10.	Once declared eligible at an over-income percentage, the system will indicate the applicant is over income if the applicant's income exceeds the permitted over-percentage amount (75% of new admissions must not exceed the 30% median income limit).	☒ Y see note	☐ N
a.	Once declared eligible at an over-income percentage, the system will continue to indicate the applicant is over income if the applicant's income exceeds the permitted over-percentage amount.	☒ Y see note	☐ N
11.	In determining eligibility the system will compare applicant income with limits established for each Waiting List.	☒ Y	☐ N
12.	The system will determine the number of years an applicant is ineligible due to having been convicted of a crime.	☒ Y	☐ N
13.	The system will determine the number of years an applicant is ineligible due to having been evicted from Assisted Housing.	☒ Y	☐ N
14.	If the Head of House is under 18, the system will ask if Head of House is a formally emancipated minor.	☒ Y	☐ N
15.	The system will allow the PHA to add fields, other than those required by the system for eligibility. The PHA will be able to designate these as mandatory data or not.	☒ Y	☐ N
16.	System will have a flag to determine if Basic Eligibility fields must be met in order to continue processing an applicant's record.	☒ Y	☐ N
17.	If an applicant is ineligible, the system will ask if the user wants to override ineligibility. This feature may be turned off.	☒ Y	☐ N
18.	If the applicant is not eligible, the system will change the application status and generate a denial letter.	☒ Y	☐ N
19.	If the applicant is not eligible and a user overrides, the system will track the user, date and time of approval.	☒ Y	☐ N
20.	If the applicant is determined to eligible the system will display which waiting lists they qualify for out of those they applied for.	☒ Y	☐ N
21.	If the applicant is determined to be eligible, the system will then proceed to full application entry.	☒ Y	☐ N

EXPLANATION:

2. 10. 10a. The pre-application eligibility determination checks the applicant's income against established income limits. The system does not track 30% limit (know if it is in effect). Additional custom programming may be needed to meet this item. No cost has been identified until Emphasys can determine MSDHA's requirements.

3. When Elite encounters a duplicate social security number, the system provides an on-screen display of the matches. Users can directly access the duplicate SSN individual. The on-screen functionality negates the need for a printed report.

FULL APPLICATION ENTRY PROCESSES

The system supports the following ways to enter an applicant:

1. AUTOMATIC ENTRY.	☒ Y	☐ N
a. The system has the ability to upload applications from an external file.	☒ Y see note	☐ N
b. Manual entry.	☒ Y	☐ N
2. The system has the capability to enter unlimited notes for the applicant.	☒ Y	☐ N
3. Each entry will be automatically tagged with date, time and user ID.	☒ Y	☐ N
4. The system will be able to search notes by date range.	☒ Y	☐ N
5. The system will allow the user to select preferences for which applicant qualifies.	☒ Y	☐ N
6. The system will monitor waiting list income changes and warn if applicant becomes over-income.	☒ Y	☐ N
7. The system has the ability to add an applicant to multiple waiting lists.	☒ Y	☐ N
8. Only allow entry on one HCV waiting list, but may reside on HCV waiting list and one or multiple project based or mod-rehab lists.	☐ Y	☒ N see note
9. The system has the ability to add and track, from one screen, an applicant who may be on waiting lists for separate programs. (i.e. both Section 8 and mod-rehab waiting lists).	☒ Y	☐ N
10. The system is designed to accommodate site-based waiting lists.	☒ Y	☐ N
11. The system will allow input of an original application date.	☒ Y	☐ N
12. The system will allow input of a sequence date and time.	☒ Y	☐ N
13. The system will sort any waiting list based on predefined preferences.	☒ Y	☐ N
14. The system will sort any waiting list based on sequence date and time only.	☒ Y	☐ N
15. The system will sort any waiting list randomly.	☒ Y	☐ N
16. The system will sort by income category for income targeting.	☒ Y	☐ N
17. The system will sort any waiting list based on an unlimited number of user-defined custom criteria.	☒ Y see note	☐ N
18. The system will re-sequence any or all waiting lists in real-time or at least on predefined days and/or at predefined times. This feature may be turned off.	☒ Y see note	☐ N

EXPLANATION:

1a. Elite offers an import function of WL data. Custom modification may be required depending on the housing authority's import requirements.

8. Custom modification will be required to limit an applicant to one HVC list at a time. Earlier in the Questionnaire it has a requirement to allow applicant to apply to a second list. We did not propose additional cost for this line item until we can better determine MSHDA's requirements.

17. The sort criteria is not unlimited. Custom modification may be required but is not proposed until we can better understand MSHDA's requirements.
18. Because of how our waiting list draw process is designed, this requirement may not be necessary since the underlying requirement is met in another way.

DRAW PROCESS

1. The system will, at the time of a draw, ask the user if they want to re- sequence the waiting list before continuing with the draw. This feature may be turned off.	☒ Y	☐ N

2. The system should provide a warning when applicant data has not been updated within a user-defined period.	☒ Y	☐ N
3. The system has the ability to withdraw an applicant at any point in the process and walk the user through the withdrawal process.	☒ Y	☐ N
4. The system has the ability to capture and archive a historical snapshot of all applicant data at the time of the draw from the waiting list.	☒ Y	☐ N
5. The system will perform multiple draw types based upon the sorting processes. The system has the ability to draw a user-defined percentage from each income category for income targeting.	☒ Y see note	☐ N
6. The system has the ability to draw under terms of the Deconcentration Rule as denied by HUD in its SEMAP criteria. (CFR 985.3)	☒ Y	☐ N
7. The system will perform all draw types by waiting list, by bedroom size, if applicable.	☒ Y	☐ N
8. The system will draw by income range.	☒ Y	☐ N
9. The system will give users the ability to enter the waiting list, draw type, and number of applicants to draw.	☒ Y	☐ N
10. The system will allow the PHA to perform a special draw of a family, who can be anywhere on the waiting list.	☒ Y see note	☐ N
11. The system allows for removal of applicants, who do not respond to the waiting list pulls or briefings.	☒ Y	☐ N
12. The system can generate a completed application designed by the PHA for applicant signature.	☒ Y see note	☐ N
13. The system generates termination letters by the Michigan State Housing Authority (MSHDA).	☒ Y see note	☐ N

EXPLANATION:
5. Elite offers two types of draws, a preliminary draw for applicant program eligibility determination, and an active draw for housing offers.

10. Elite can meet the requirement. A unique user-defined status would need to be created in order to draw a single family from anywhere on the waiting list.

12. All reports and forms are developed in Crystal Reports.

13 The authority can create custom termination letters using Crystal Reports.

VERIFICATION PROCESS

1. The system will automatically generate user-defined income/asset verification letters.	☒ Y	☐ N
2. The system will automatically generate user-defined employment Verification letters.	☒ Y	☐ N
3. The system will automatically generate user-defined expenses Verification letters.	☒ Y	☐ N
4. The system will track that the date verifications were sent and received.	☒ Y	☐ N
5. The system has a user-defined verification section where the PHA can check off all items for which they require verification, whether by letter or by viewing a physical document.	☒ Y see note	☐ N
6. Provide the ability to issue an application denial letter (and track issuance).	☒ Y	☐ N

EXPLANATION:
5. Users indicate at the time of entry whether income, asset, employment, or expenses require verification.

OTHER SYSTEM PROCESSES

1. Provide for record **retrieval** throughout the database based on name, social security number, address, or voucher.	☒ Y see note	☐ N
2. The system will prevent the possibility of having a family receive assistance in two	☒ Y	☐ N

	programs, but it will allow an overlap period when moving from one program to another or from unit to unit within a program.		
3.	The system will archive removed applicants by the waiting list, date and status.	☒ Y	☐ N
4.	The system can retrieve archived applicants, if removed in error or applicant reapplies for a waiting list again.	☒ Y	☐ N
5.	The system will automatically change an applicant's user defined application status, based upon the stage of the eligibility process.	☒ Y	☐ N
6.	The system will track all family members by Social Security number and provide the ability to look up any family member by Social Security number.	☒ Y	☐ N
7.	The system has the ability to globally deactivate applicants based upon user-defined criteria and generate a listing of those deactivated.	☒ Y	☐ N
8.	The system has the capability to reactivate or deactivate applicants.	☒ Y	☐ N
9.	The system has a user-defined point where the applicant passes from the waiting list process to a housing program and the ability to assign a new caseworker to the applicant.	☒ Y	☐ N
10.	Whenever an applicant is assigned to a new caseworker, the system will alert the new caseworker of the assignment.	☒ Y see note	☐ N
11.	After an applicant has been housed, if they are still active on any waiting lists, the system will display an advisory when the working certification has been changed. The user has the option to update the waiting list information.	☒ Y see note	☐ N
12.	System has an option to set a waiting list into an open or closed status – mainly to lock status of internet entry of pre-apps for closed waiting lists.	☒ Y see note	☐ N
13.	Provide management of Waiting List applicants' status (update and purging of list, removal of applicants from list, and printing of letter to applicant).	☒ Y	☐ N
14.	Allow preference ranking to be user-defined.	☒ Y	☐ N

EXPLANATION:

1. Elite does not offer the ability to look up applicants/residents by voucher; however does offer File Name As, Full Name, Entity ID (unique person identifier), Tax Identification Number, and Address.

10. The user can run a report showing caseworker assignments.

11. Elite automatically updates the Waiting List applicant information if it is updated in a housing program.

12. Elite has the ability to open and close waiting lists. The status limits the ability of users to add applicants to a waiting list. In regards to the web requirement, Emphasys proposes that the functionality be included in the web module planned for Waiting List. This functionality will be provided as part of the license fee for this module.

WAITING LIST REPORTING

The system allow reports to be run on the following items:

1.	Pre-Application Basic Eligibility Determination.	☒ Y	☐ N
2.	Denial letter.	☒ Y	☐ N
3.	Full application.	☒ Y	☐ N
4.	Placing an applicant on a waiting list – who and when?	☒ Y	☐ N
5.	Waiting list report – for all counties or only a single county.	☒ Y	☐ N
6.	List of available units for applicant review as they search for a unit.	☒ Y	☐ N
7.	Letter of continued interest, based upon the "last updated" date.	☒ Y	☐ N
8.	Income/assets verification letters designed by MSHDA.	☒ Y	☐ N
9.	Employment verification letter designed by MSHDA.	☒ Y	☐ N
10.	Expenses verification letter designed by MSHDA.	☒ Y	☐ N
11.	Ability to generate ad-hoc reports from the waiting list data.	☒ Y	☐ N
12.	Ability to generate any waiting list report as a data file.	☒ Y	☐ N
13.	Report identifying the ratio of applicant below the 30 percent income limit.	☒ Y	☐ N

14. Ability to print labels from waiting list data.	☒ Y	☐ N
15. Ability to generate a report of applicants across all the waiting lists for statistical purposes.	☒ Y	☐ N
16. Ability to merge waiting list data into user-defined letters.	☒ Y	☐ N
EXPLANATION: 1 – 16. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. 12. Users can export data from reports in any format the Crystal reports allows.		
OTHER REPORTING		
1. The system has the ability to generate letters for groups of applicants, based on user-defined criteria, or to generate the same letters from a list for individual applicants.	☒ Y	☐ N
2. Print a blank waiting list application form.	☒ Y	☐ N
3. Provide the ability to create and print labels based on user-defined criteria	☒ Y	☐ N
4. List of applicant withdrawn, for a specific time period, broken out by program and reason for withdrawal.	☒ Y	☐ N
5. List of applicants housed in each program during a user-defined time period.	☒ Y	☐ N
6. Report of the number of applications processed, number of applicants housed or withdrawn, for a user-defined time period with totals by program.	☒ Y	☐ N
7. A chart showing the average times for each process from the time a new applicant contacts the PHA to the day they are housed for a user specified period.	☒ Y	☐ N
8. Provide date filled HAP contract (HUD 52641) with the ability to print the whole contract or just the pages where parties to contract must fill in data or data has been printed on the form.	☒ Y	☐ N
EXPLANATION: 1 – 7. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. 8. Elite provides the HUD 52641 Adobe Acrobat form as a standard report. Elite data merges onto the form at the time of printing. The Acrobat form is the actual PDF form provided by HUD. When a user prints, the form, it is displayed on-screen first. Users can select specific pages to print at that time.		
SECURITY		
1. The system has the ability to limit editing the original application date.	☒ Y	☐ N
2. The system has the ability to limit editing the sequence date and time.	☒ Y	☐ N
3. The system has the ability to limit who can view the waiting list position number on the screen and, optionally, on a printed report.	☒ Y see note	☐ N
4. Override of basic eligibility determination will be controlled by security to the user level.	☒ Y	☐ N
5. Notes may be locked to prevent changes after entry except by selected users.	☒ Y	☐ N
6. Based on security settings, users will be able to view all notes, only notes entered for a program, or only the notes entered by a user.	☒ Y	☐ N
7. The system has the ability to control who can create an overlap condition when a resident transfers from one unit to another or from one program to another.	☒ Y	☐ N
8. The system has the ability to limit what applicants each user can edit or view.	☒ Y	☐ N
EXPLANATION: 3. We are assuming this is pertaining to the Web Component. This line item will be included in the Web component as part of the License fee for that module. No additional custom modification quoted.		

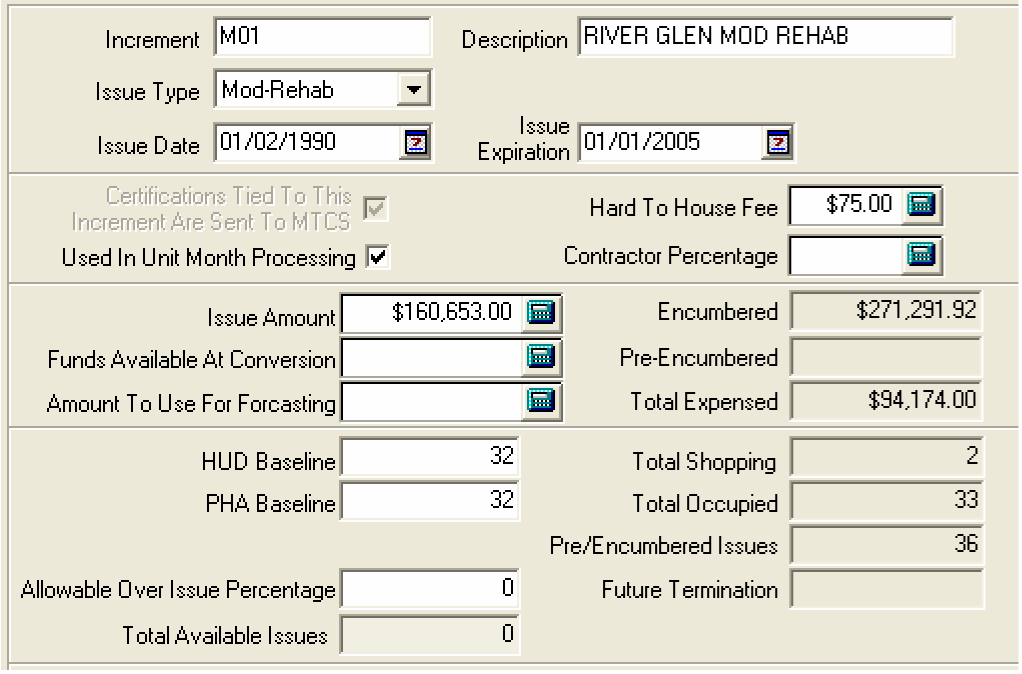
VOUCHERS ALLOCATION CONTROLS AND OFFERS

Please recognize whether the functionality identified exists within your company's software. An opportunity to explain identified criteria follows each Section.

20. Provide tracking and monitoring of allocation usage.	☒ Y	☐ N
21. Provide tracking of voucher allocations by Field Representative assigned.	☒ Y	☐ N
22. Provide tracking of voucher allocations to specific counties.	☒ Y	☐ N
23. Provide tracking of voucher allocation by funding type (i.e. Welfare to Work (WTW), CMH, AAH - Medicaid Waivers, etc)	☒ Y	☐ N
24. Provide seamless transfer of participant information from one allocated voucher to another allocated voucher.	☒ Y	☐ N
25. Provides easy portability of participants throughout the state and from contractor (Field Representative) to contractor (Field Representative).	☒ Y	☐ N
26. Provide tracking of voucher allocations to their specified funding increments.	☒ Y	☐ N
27. Maintain controls on voucher allocations so an overlap in subsidy does not occur when a participant leaves the voucher and a new participant is assigned to the voucher.	☒ Y see note	☐ N
28. MSHDA Existing Housing's current software provides a six-digit voucher number; will your software accept/provide a six-digit voucher number?	☒ Y see note	☐ N
10. Provide the ability to setup criteria for different program funding types (e.g. Mainstream participants must be under 62 years old and permanently disabled in order to qualify for a mainstream voucher).	☒ Y see note	☐ N

EXPLANATION:
27, 28. Elite does not require individual voucher numbers to track allocation performance. Elite's design negates the need to have "pre-identified" vouchers and a specific voucher number. The Elite Increment screen (shown below) has the following information: Issue Date, Issue Expiration Date, Issue Amount, HUD Baseline, and PHA Baseline. These key fields are used to determine the number of available issues a housing authority has at any one time. Vouchers issued to individuals stay with that individual. In the case of an applicant, a voucher (unique to the individual) is created and assigned. The status of the voucher is a new shopping voucher. The issue reduces the number of available issues from the HUD and PHA baselines. When the applicant leases-up, the voucher becomes an occupied voucher. If the resident moves out, but does not leave the program, the voucher becomes an active shopping voucher. When the resident leaves the program, the voucher becomes a terminated voucher. When the voucher becomes inactive, Elite checks the increment issue date, expiration date, HUD Baseline and PHA Baseline to see if there are any vouchers "available" for issue (re-issue).

Elite's automated voucher tracking makes issuing and track vouchers simple and intuitive for the end user. Elite's design and functionality eliminate the need for a 6-digit voucher number.



10. Based on the requirement definition, Elite should be able to meet the authority's requirement without program modification. The authority can establish Waiting Lists that meet the criteria, or set up increments as well. A review by the ECS system consultant will need to be done during the discovery phase of the project.

SECTION 8 VOUCHER OFFERS		
1. Provide the ability to assign applicants and participants to a Field Representative.	☒ Y	☐ N
2. Provide the ability to reassign a Field Representative's allocation in total or by individual voucher/participant.	☒ Y	☐ N
3. Provide the ability to notify applicants of a scheduled briefing session.	☒ Y	☐ N
4. Provide a quick calculation screen for HAP calculation and Maximum Gross Rent worksheet.	☒ Y	☐ N
5. Provide calculations for the following subsidy types	☒ Y see note	☐ N
A. HOUSING CHOICE VOUCHERS	☒ Y	☐ N
b. Enhanced vouchers	☒ Y	☐ N
c. Moderate Rehabilitation Certificates	☒ Y	☐ N
d. Single Room Occupancy Certificates	☒ Y	☐ N
e. Project based Certificates	☒ Y	☐ N
6. Provide the following issuance variations for Housing Choice vouchers	☒ Y	☐ N
a. Regular	☒ Y	☐ N
b. Incoming administered portable vouchers	☒ Y	☐ N
c. Incoming absorbed portable vouchers	☒ Y	☐ N
d. Out-going administered vouchers	☒ Y	☐ N
e. Out-going absorbed portable vouchers	☒ Y	☐ N
f. Welfare-to-Work vouchers	☒ Y	☐ N
g. Enhanced vouchers (Preservation/Opt-outs)	☒ Y	☐ N
7. Provide voucher issuance where the user has the following fields displayed and can filter on the fields:	☒ Y see	☐ N

	note	
a. Available vouchers for issuance	☒ Y	☐ N
b. Date vouchers became available (previous expiration/termination date)	☒ Y	☐ N
c. Status of vouchers in Field Representative's voucher allocation	☒ Y	☐ N
d. Bedroom size (for MRP)	☒ Y	☐ N
e. Field Representative's total number of units issued	☒ Y	☐ N
f. Field Representative's total number of contracted vouchers	☒ Y	☐ N
g. Field Representative's total number of available vouchers.	☒ Y	☐ N
8. Provide the ability to warn a Field Representative when they exceed a user-defined percentage of over-issuing. This feature may be turned off.	☒ Y see note	☐ N
9. Provide a MTCS voucher issuance record (transaction type '10') either:	☒ Y	☐ N
a. Automatically upon issuance of a voucher allocation to an applicant (allow automatic issuance only after verification data has been entered), or	☒ Y	☐ N
b. Automatically upon other change of unit, or	☒ Y	☐ N
c. Manually for MTCS corrections.	☒ Y	☐ N
29. Reporting: Provide a Report of expiring vouchers for a specified date range.	☒ Y see note	☐ N
30. Provide automatic calculation of a voucher's extended expiration date for a user-defined number of days. Allow type over of automatic calculation. This feature may be turned off.	☒ Y	☐ N
31. Provide the ability to capture voucher expiration extension requests from participants. When this attachment exists automatically extend the expiration date by a user-defined number of days. This feature may be turned off.	☒ Y	☐ N
32. Provide the ability to print a briefing packet to applicant who will potentially receive assistance. The packet will include:	☒ Y see note	☐ N
a. Voucher Information (MSHDA -146)	☒ Y	☐ N
b. Tenant & Landlord/Owner Information (MSHDA 57)	☒ Y	☐ N
c. Request for Lease Approval with Participant information filled in but not requiring any unit or HAP Payee information (Rental Unit Information Form – MSHDA 51b)	☒ Y	☐ N
d. Tenancy addendum (HUD52641A)	☒ Y	☐ N
e. Voucher form (HUD 52646)	☒ Y	☐ N
f. If portable voucher, HUD 52665 Portability Form	☒ Y	☐ N
g. An unlimited number of user-defined documents.	☒ Y	☐ N
33. Provide the ability to print a briefing packet for Section 8 Mod-Rehab and Project-based certificates containing the following:		
a. Tenant Information (MSDHA 57)	☒ Y see note	☐ N
b. An unlimited number of user-defined documents.	☒ Y	☐ N
34. Provides the ability to set the number of days an applicant has to find a unit under a time-based housing offer.	☒ Y	☐ N

35. Provides the number of allowable extensions for a time-based housing offer.	☒ Y	☐ N
36. Provides a standardized letter identifying when an applicants voucher extension request has been approved.	☒ Y see note	☐ N
37. On expiration of the voucher:		
a. Seek user approval to automatically generate a voucher offer expiration letter and change application status.	☒ Y	☐ N
b. Seek user approval to automatically generate and end a HUD50058 record transaction type 11 (Expiration of Voucher) to MTCS	☒ Y	☐ N

EXPLANATION:

5. Elite performs all of the HUD 50058 required voucher calculations.

7. Please refer to the Explanation section of Voucher Allocation Controls and Offers (requirements 27 and 28). Elite allows the user the ability to identify issues available for user and meets users issuing needs, and increment monitoring needs. If not, the authority can develop reports to get the required information.

8. Elite does not allow a user to exceed the user-defined over issue limit. The user will be able to see when they are reaching the limit real-time. If the user needs to exceed the limit, the user can, though security, adjust the user-defined over issue limit.

29. Please refer to the Explanation section of Voucher Allocation Controls and Offers (requirements 27 and 28). Users will have the ability to see future terminations of residents.

32,33. Elite Voucher Offers allows for the creation of a briefing packet. A review by the ECS system consultant will need to be done during the discovery phase of the project to insure all requirements are (can be) met.

36. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

UNIT DATA

1. Provide file attachment and entry of Request for Tenant Approval (RFTA) form. MSHDA uses its own version of the RFTA called the Rental Unit Information form (MSHDA 51b).	☒ Y see note	☐ N
2. Provide an inspection request letter when a RFTA form is attached to a record. This feature should be optional based on the user.	☒ Y	☐ N
3. Provide verification of new entries against properties previously entered to prevent duplicates.	☒ Y	☐ N
4. Provide verification that the unit entered did not previously receive a sub-standard inspection rating. Warn users when a sub-standard rating exists on the prior use of the unit.	☒ Y see note	☐ N
5. During the unit search process, allow for suspension of the issuance period.	☒ Y	☐ N
6. Provide the option of stopping the issuance clock once a RFTA has been received.	☒ Y	☐ N
7. Provide the ability to reset the issuance period.	☒ Y	☐ N

	System must automatically issue an MTCS expiration record for the previous issuance and resend a new voucher issuance.	see note	
8.	Provide the ability to select which utilities and services the participant should pay for in the unit. Utility amounts should be based on a user-defined table of utilities.	☒ Y	☐ N
9.	Provide the ability to adjust the entry for utility total.	☒ Y	☐ N
10.	Provide automatic determination of possible rent reasonableness based on entries from comparables entered into the system.	☒ Y	☐ N
11.	Provide a link from the unit to the landlord file.	☒ Y	☐ N
12.	Provide historical data linked to the unit (e.g. previous participant, landlord, and inspection data).	☒ Y	☐ N

EXPLANATION:

1. The authority will have to create a user-defined version of the Request for Tenant Approval. Elite provides the standard HUD form. ECS can also provide the service to customize this form.

4. Users can review a unit's inspections (within the Unit Entry Screen) to determine if a unit is sub-standard. Users can also flag a unit as sub-standard as well (if the Inspections module is not used).

7. The authority can close the RFTA Voucher Process and open a new RFTA Voucher Process to meet the functional requirement.

UNIT PROCESSING

1.	Provide rent reasonableness tracking using table driven data.	☒ Y	☐ N
2.	Provide unit lease/occupancy history.	☒ Y	☐ N
3.	Enable maintenance of some unit information at the owner property level (e.g., update MRP and SRO units – current base rent information for each unit type and bedroom size in a large complex building, control the address of each unit in these buildings. Allow override at the unit level if needed).	☒ Y	☐ N
4.	Provide table driven utility allowance calculations.	☒ Y	☐ N
5.	Provide annual analysis of utility schedules required by guidelines.	☒ Y	☐ N
6.	Identify units as inside/outside 'Deconcentration areas' by linking with Deconcentration data.	☒ Y see note	☐ N

EXPLANATION:

6. Elite offers user-defined fields that can be used to accommodate this requirement. The authority can also use a characteristic field (such as zone) and define that as the deconcentration area.

OWNER/PAYEE PROCESSING

1.	Support multiple check addresses for each payees TIN/Identification number.	☒ Y	☐ N

2. Ability to interface with 3rd party system (Michigan Administrative Information Network – MAIN).	☒ Y see note	☐ N
3. Provide entry of a three-digit 'Mail Code' field. MAIN requires the mail code to properly interface payment data within MAIN for issuance of HAP/URP checks.	☒ Y see note	☐ N
4. Owner data must accurately reflect all financial transactions that affect the owner's account.	☒ Y	☐ N
5. Track overpayments to owners and tenants based on HUD50058 transactions effective dates and last payment date.	☒ Y	☐ N
6. Provide receipt entry, tracking, and proper crediting to outstanding accounts receivables. If an outstanding account doesn't exist, track check receipts for deposit only.	☒ Y	☐ N
7. Provide a searching function on payment receipts by tax ID, name, or check number.	☒ Y	☐ N
EXPLANATION: 2, 3. Elite offers export capability for check processing. A review of the requirements will be done during the implementation process to insure MSHDA's export requirements are met.		
LEASE - UP		
1. Provide the ability to remove the applicant from selected waiting list(s) when housed.	☒ Y	☐ N
2. Provide the ability to assign the participant to a Field Representative .	☒ Y	☐ N
3. Provide the ability to move a participant into a unit.	☒ Y	☐ N
4. Provide rejection of Lease Up if affordability of rent is not met. (i.e.40%)	☒ Y	☐ N
5. Provide the ability to divide the UAP between multiple utility companies based upon what percent of the total calculated utility allowance each utility company's product represents.	☒ Y	☐ N
6. Provide automatic pro-ration of HAP and UAP on partial-month move-ins.	☒ Y	☐ N
7. Provide the ability of users to review and change pro-ration amounts based on user security access.	☒ Y	☐ N
8. Upon new move in, the system automatically generates a Type 1 (New Admission) certification for MTCS transmission.	☒ Y	☐ N
9. Upon move-in, for every family with three or more minors or a disabled family member, the system asks if the family qualifies the PHA to receive a Hard-to-House Fee.	☒ Y	☐ N
10. If a record is eligible to receive a Hard-to-House fee, the user must select a special action the PHA has taken on behalf of the family.	☒ Y	☐ N
11. provide the following Hard-to-House special action:	☒ Y	☐ N
a. Conducted special outreach to owners of large units.	☒ Y	☐ N
b. Took family application at home.	☒ Y	☐ N
c. Provided childcare an/or transportation during application and unit search.	☒ Y	☐ N
d. Provided special follow-up for the family during the search period.	☒ Y	☐ N
e. Other special actions may be user-defined.	☒ Y	☐ N
12. Provide data on current and past lease start and stop dates, and user-defined lease term (e.g. one year renewable, one year non-renewable, continuous modifiable, continuous non-modifiable).	☒ Y	☐ N

13. System asks if participant is being admitted and housed as under-housed or over-housed.	☒ Y	☐ N
EXPLANATION:		
RE-EXAMINATION PROCESS		
1. Provide table-driven entry of Fair Market Rent's, Payment Standards, Income Limits, Utilities, etc. – for standardization of this data by the MSHDA central office. Also, provide a 'copy' function within the table entry to assist with duplication of data (many times multiple counties have similar FMR's and Payment Standards, etc).	☒ Y	☐ N
2. Provide table driven entries for other normalized data within the database, such as family type, waiting list preferences, special programs, etc.	☒ Y	☐ N
3. Process all required HUD-50058 and associated worksheets and addendums (e.g., FSS, WTW, portability, and enhanced vouchers).	☒ Y	☐ N
4. Provide an expired annual re-exam report based on user-defined criteria and identify the number of days past due. Provide warning to users of expired re-examinations.	☒ Y	☐ N
5. Provide the ability to indicate that a participant requires re-examination more often than annually.	☒ Y	☐ N
6. Provide a user-defined re-examination checklist that must be completed before the system should attempt to validate the certification.	☒ Y	☐ N
7. Provide a pending re-examination Report with choices to generate by date, by program, and by Field Representative. The report should include name and address information for Participants and HAP Payees.	☒ Y see note	☐ N
8. Provide the ability for users to perform all HUD transaction types listed below:	☒ Y see note	☐ N
a. New Admission (1)	☒ Y	☐ N
b. Annual Re-examination (2)	☒ Y	☐ N
c. Interim Re-examination (3)	☒ Y	☐ N
d. Portability Move-in (4)	☒ Y	☐ N
e. Portability Move-out (5)	☒ Y	☐ N
f. End Participation (6) – **secure users only**	☒ Y	☐ N
g. Other Change of Unit (7)	☒ Y	☐ N
h. FSS/WTW Addendum Only (8)	☒ Y	☐ N
i. Annual Re-examination Searching (9)	☒ Y	☐ N
j. Issuance of Voucher (10)	☒ Y	☐ N
k. Expiration of Voucher (11)	☒ Y	☐ N
l. Annual HQS Inspection Only (12)	☒ Y	☐ N
m. Historical Adjustment (13) – **secure users only**	☒ Y	☐ N
n. Void (15) – **secure users only**	☒ Y	☐ N
9. Display and maintain the date of admission	☒ Y	☐ N
10. Provide the ability to tag a participant as an FSS participant.	☒ Y	☐ N
11. Provide the ability to tag a participant as a WTW participant; this function should occur in conjunction with a special allocation of vouchers setup for WTW use only.	☒ Y	☐ N

12. Provide the ability to generate the FSS/Welfare to Work Addendum	☒ Y	☐ N
13. Provide a user defined document set for Annual Reviews to issue to the participant.	☒ Y	☐ N
14. Provide the ability to generate a Verification letter for each household members' assets, income source and allowances entered on the previous transaction where income verification occurred.	☒ Y	☐ N
15. Provide the ability to generate an unlimited number of user-defined Verification letters for purposes other than assets, income or allowances.	☒ Y	☐ N
16. Provide an Over-income letter for participant's who's TTP exceeds the gross rent.	☒ Y see note	☐ N
17. Provide the ability to generate a Rent Change Notification form/letter for both Participant and HAP Payee.	☒ Y see note	☐ N
18. Provide the ability to generate various user-defined notifications based on data stored within the system. (Adjustment notification, change in ownership, unauthorized household members, portability form (HUD52665), etc.)	☒ Y see note	☐ N
19. Provide automatic calculation of retroactive TTP changes for transactions completed in-arrears:	☒ Y	☐ N
a. Account for and pay back HAP/UAP payments.	☒ Y	☐ N
b. Generate outstanding balances due and print overpayment notification.	☒ Y	☐ N
20. Provide a manual override of the calculated HAP and/or UAP payment.	☒ Y	☐ N
a. Only allow override with secured access users.	☒ Y	☐ N
b. Manual override can be one time or for a set period	☒ Y	☐ N
c. System requires a reason for HAP and/or UAP override and identifies the user creating the override.	☒ Y	☐ N
d. If a user completes a transaction on a record with a manual override require re-verification of the override.	☒ Y	☐ N
21. Provide the ability to validate every 50058 based upon MTCS criteria. (Refer to: Form HUD 50058 Technical Reference Guide).	☒ Y	☐ N
22. On failure to validate 50058, the system should automatically take the user to the screen(s) needed to correct the error(s) and should highlight the offending field(s).	☒ Y see note	☐ N
23. Prevent HUD50058's from being sent to MTCS until they pass validation per the HUD50058 Technical Reference Guide.	☒ Y	☐ N
24. Provide a transaction audit Report.	☒ Y	☐ N
25. System must provide access to all historical transactions until transactions are purged from the system.	☒ Y	☐ N
26. Provide a Rep ort of HUD-50058 new admission transactions in order to identify a report of the new admission income levels of participants. Seventy-five percent (75%) of a PHA's new admissions must have a household income below the 30% median income level. Reports should be able to be broken down by county.	☒ Y see note	☐ N
27. Provide a cut off day and time for monthly HAP/UAP payments, mid-month payments, and weekly payments.	☒ Y	☐ N

28. Displays a countdown clock beginning 24 hours before any cutoff. Change clock to a user-defined color at a user-defined number of hours before cutoff.	☒ Y see note	☐ N
29. Once the cutoff has passed, the system should allow all work in the system to continue but prevent any change to data effecting current payment processing.	☒ Y	☐ N
30. If a HAP payee owes the PHA money, the system should have the ability to reduce a payable, prepare an invoice to the HAP payee or do both if the payable amount is insufficient to cover the amount the HAP payee owes.	☒ Y	☐ N
31. Provide the ability to prorate HAP for mixed citizen families per HUD rules.	☒ Y	☐ N
32. If the HUD Type of Action is 6 (end Participation), the system should prevent HAP or UAP payments beyond the end of participation date.	☒ Y	☐ N
33. Provide the ability to display and/or print a list of all payments made to or on behalf of each participant, by a date range.	☒ Y	☐ N
34. Provide the ability to create annual adjustments to contract rent either manually prompted, or automatically based upon a user-defined annual adjustment factor. (i.e. rent increases for MRP)	☒ Y see note	☐ N
35. Provide the ability to display all pending transactions by field representatives and by county.	☒ Y	☐ N
36. Track annual re-examinations and last date of payment.	☒ Y	☐ N
37. Participant occupancy information maintained by tenant head of household SSN with required validation. Provide inquiry by a variety of keys.	☒ Y	☐ N
38. Ability to change existing tenant head of household SSN to new head of household, as well as, maintain changing family member information. Also changes need to update any FSS participant.	☒ Y	☐ N
39. Provide database security of confidential tenant family profile and owner/property unit information and enforce database integrity.	☒ Y	☐ N
40. Provide a warning when a household's tenant rent exceeds the contract rent.	☒ Y	☐ N
41. Electronically date stamp major applicant/participant milestones (initial eligibility, waiting list, briefing date, RFLA, etc.)	☒ Y	☐ N
42. Case files should provide direct access to all information for each household including all data items but not limited to: preferences, waiting lists, verification status, household member personal information, income, assets, expenses, program participation, date family member passed criminal screening, and status management, etc.	☒ Y	☐ N
43. Provide FSS escrow calculation worksheet and interface to accounting.	☒ Y	☐ N

EXPLANATION:

7, 16 – 18, 26. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

8. Elite only offers the ability to secure the type 6 50058 function. The approval levels limit one user's ability to validate and approve a certification. Multiple users will have the ability to approve the certification before it can become effective. If this does not meet MSHDA's requirements for security, then additional custom modifications may be needed.

22. Elite will notify the user of the fields that need correcting. All of the Fields in Elite have a status bar and mouse over hint to aid the user in correcting the 50058. It does not automatically take the user to the error field because there may be multiple fields involved in any one error. In other words, one error may cause a cascading of other errors and it would be very difficult to identify all the possible combinations and make it a user-friendly process within the software.

28. Elite does not allow for the modification of the color of the countdown clock text.

34. Elite allows the authority to perform unit rent reasonableness. The users can update the contract rent. Users will have to create a new 50058 for the new contract rent to take effect. The system does not automatically update the contract rent based on a user-defined adjustment factor.

HUD50058 FAMILY CERTIFICATION RECORDS

1. Vendor software must capture all data required on HUD50058 for reporting to the Public Information Center (PIC) website and stay complaint with all changes or update in HUD regulations. Vendor software must send timely upgrades to any changes in HUD regulations that affect the HUD50058 transmissions.	☒ Y	☐ N
2. Provide an explanation field to identify discrepancies between HUD Upfront Income Verification (UIV) data and Income entered in the database. HUD will require identification of discrepancies in the future.	☒ Y see note	☐ N

EXPLANATION:

2. All Elite Income, Asset, Expense, Employment information has note fields associated to it. The authority can track UIV discrepancies in that field. The authority can also use user-defined fields to track the discrepancies as well.

HUD50058 MTCS TRANSMISSION

1. Provide data to HUD as dictated by MTCS including internal error	☒ Y	☐ N

report and correction mechanisms.		
2. Provide action code "14" – Historical Adjustment for Housing Choice Voucher. Per HUD Section 8 may use this code.	☒ Y	☐ N
3. Provide the ability to transmit MTCS file daily, as needed.	☒ Y	☐ N
4. Provide electronic solution to process errors returned by MTCS.	☒ Y see note	☐ N
5. MTCS transmissions and HUD 50058 data captured meet the specifications identified in the HUD "Form HUD-50058 Technical Reference Guide"	☒ Y	☐ N
EXPLANATION: 4. Users can review the error files via Excel, the Web, or a comma-separated-variable file. All of these options are provided by PIC. Users can access Elite's 50058 program to make corrections.		
FINANCIALS		
1. Provide the ability to track multiple ACC's and PHA Codes.	☒ Y	☐ N
2. Provide the ability to track multiple increments under each ACC.	☒ Y	☐ N
3. Provide the ability to transfer multiple funding increments simultaneously to a new increment and summarize the total number of vouchers transferred to the new funding increment.	☒ Y	☐ N
4. Provide the ability to enter administrative fees for each county.	☒ Y	☐ N
5. Provide calculations for outgoing, payable portable (80% of administrative fees).	☒ Y	☐ N
6. The system must stamp every financial transaction for this module with the PHA code and an increment number.	☒ Y	☐ N
7. The system automatically calculates, based upon HUD payment standards, the participant rent, utility allowance, standard deductions, medical, handicapped, minors, elderly allowances, child care, rent to owner, total tenant payment, tenant rent, HAP and UAP (calculate correctly for Enhanced vouchers and Subsidized complexes)	☒ Y	☐ N
8. Provide the ability to track earned income exclusion for each qualified member with a disability (i.e. 100% exclusion for 12 months, 50% exclusion for next 12 months not to exceed 48 months).	☒ Y see note	☐ N
9. Provide the ability to enter earnings deduction for each member.	☒ Y	☐ N
10. Provide the ability to exclude selected asset income from the rent calculation.	☒ Y	☐ N
11. Provide the ability to charge a user-defined minimum rent.	☒ Y	☐ N
12. Provide the ability to calculate manufactured housing rent (space rent).	☒ Y	☐ N
13. Provide the ability to calculate rent for non-citizen mixed families.	☒ Y	☐ N
14. Provide the ability to create payments to receiving PHAs for outgoing portables, including:	☒ Y	☐ N
a. auto calculation and payment of HAPs	☒ Y	☐ N
b. Auto pay administrative fees	☒ Y	☐ N

c. Auto pay utility reimbursements	☒ Y	☐ N
d. Auto pay Hard-to-House fees	☒ Y	☐ N
e. Ability to adjust any of the automatic payments to portables.	☒ Y	☐ N
15. Provide auto invoices initiated to PHA's for incoming portables. This includes:	☒ Y	☐ N
a. Auto invoice initial PHAs for HAPs	☒ Y	☐ N
b. Auto invoice initial PHAs for admin fees	☒ Y	☐ N
c. Auto invoice initial PHAs for utility reimbursements	☒ Y	☐ N
d. Auto invoice initial PHAs for Hard-to-House fees	☒ Y	☐ N
e. Ability to adjust any of the automatic invoices	☒ Y	☐ N
16. Provide a Pre-check report showing last month's HAP and UAP payments, this month's HAP and UAP payments and exceptions for each with an indicator is the HAP or UAP has been manually overridden.	☒ Y see note	☐ N
17. The system generates monthly HAP payments through the Accounts Payable module.	☒ Y	☐ N
18. The system generates monthly UAP payments through the Account Payable module.	☒ Y	☐ N
a. UAP amount may be paid directly to participant.	☒ Y	☐ N
b. UAP amount may be paid directly to one or more utility companies.	☒ Y	☐ N
19. Provide the ability to generate Adjustment checks through the Accounts Payable Module.	☒ Y	☐ N
20. Provide payment processing with minimal (one hour or less) interruption to system users work.	☒ Y see note	☐ N
21. Provide seamless posting and maintenance of A/P and A/R transactions in own accounting system.	☒ Y	☐ N
22. Provide check aging and notification letters to payees with outstanding A/R.	☒ Y	☐ N
23. Provide payment history information via query and Rep ort capabilities.	☒ Y	☐ N
24. Provide an FSS administration and escrow accounting module (parameters listed in FSS section of system requirements).	☒ Y	☐ N
25. Provide A/R accounting for owners, tenants and PHA's to include statements, aged debt balance listings and management reporting (debt collection)	☒ Y	☐ N
26. Enable withholding of an owner/tenant/PHA payment as a fixed amount or as a percentage of payments due.	☒ Y	☐ N
27. Provide portable billing invoice data and tracking.	☒ Y	☐ N
28. Provide the ability to maintain an electronic log of returned checks; log will identify the check status from receipt through final disposition. (Address corrected and returned to customer; applied to an outstanding debt; void and not replaced; void and replaced; limited the ability to establish a debt if the check has been returned).	☒ Y see note	☐ N
29. Provide the ability to generate initial accounts receivable notification. Allow for manual switches to control the electronic tracking and	☒ Y	☐ N

collection of accounts receivable money.		
30. Provide the ability to generate adjustment checks individually or in batches.	☒ Y	☐ N
31. Provide the ability to receive HAP Payee's return of payments and record the return in the HAP Payee's payment history records.	☒ Y	☐ N
32. Provide the ability to transfer HAPs to a new increment.	☒ Y see note	☐ N
33. Provide the ability to generate an interface file to transmit HAP/UAP information to the State of Michigan's accounting software (MAIN).	☒ Y	☐ N
34. Provide the ability to attach a 3-digit mail code to HAP payee tax ID number in order to identify payees within the payment file interface.	☒ Y	☐ N
35. Provide the ability to set up payment groups for cases when a HAP Payee requires multiple payments (e.g. a HAP Payee requires separate checks for each property).	☒ Y	☐ N
36. Provide a summary Rep ort of the number of unit months paid at the close of each month.	☒ Y	☐ N
37. Provide a tracking and monitoring the number of units paid and amount paid for the fiscal year.	☒ Y	☐ N
38. Provide the ability to put HAP checks on abatement.	☒ Y	☐ N
39. Provide automatic calculation of HAP when HAP or abatement ends and HAP resumes. Without user intervention, create a HAP adjustment to identify the abatement period adjustment to account for HAP to be deducted from the next HAP due for the participant.	☒ Y	☐ N
40. If a participant re-examination takes effect during the time of abatement, the new HAP or UAP amount should be used for all days after the re-examination effective date to show abated amount and/or create adjustments.	☒ Y	☐ N
41. Provide the ability to put HAP or UAP checks on exclusion (hold).	☒ Y	☐ N
42. Provide the ability to approve a hold separate from the user entering the hold.	☒ Y see note	☐ N
43. Provide the ability to retrieve an overpayment to a payee.	☒ Y	☐ N
44. When a HAP exclusion ends and HAP resumes, the system should offer the user a choice between creating an adjustment to cover the period from the first day payment was excluded through the end of the current calendar month (if no HAP payment was generated for the current month) **or** creating a HAP adjustment only for the period from the date the HAP resumed through the end of that calendar month.	☒ Y	☐ N
45. When a UAP exclusion ends and UAP resumes, the system offers the user a choice between creating an adjustment to cover the period from the first day payment was abated or excluded through the end of the current calendar month (if no UAP payment was generated for the current month) **or** creating a UAP adjustment only for the period from the date the UAP resumed through the end of that calendar month.	☒ Y	☐ N
46. If a participant re-examination takes effect during the time of exclusion, the new HAP or UAP amount is used for all days after the re-examination effective date to show the exclusion amount and/or to	☒ Y	☐ N

create adjustments.		
47. The system generates an abatement/exclusion report for a date range by increments, or by field representative, or by HAP Payee or by unit. This report should include cause of abatements/exclusions.	☒ Y see note	☐ N
48. Provide the ability to generate an allocation report by project increment and in total showing budgeted amount versus actual amount spent.	☒ Y see note	☐ N
49. Provide a batching of overpayments, which allows one staff person to generate letters on overpayments created within a specified period.	☒ Y see note	☐ N

EXPLANATION:

8. Custom modification may be needed to meet MSHDA's requirements. Cost estimate is outlined in the Cost Proposal.

16. If a HAP or UAP is overridden, the system will generate the "calculated" amount along with an adjusted difference. Both the user and payee see the detail effect of an adjustment.

20. Performance of the check process depends on the network, hardware, and software. A review of the authority infrastructure will need to be done to verify this requirement. The software is not only Elite, but all of the systems running on the server, such as anti-virus, that can affect performance.

28. Custom modification may be required and is outlined in the Cost Proposal.

32. Users can transfer issues to new increments. Once a payment is processed in Elite, it would have to be adjusted to in order to move the HAP/UAP to a new increment.

42. Custom modification may be required and is outlined in the Cost Proposal.

48. Elite allows the user to see the funded and actual amounts for an increment.

47, 49 Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

PROJECT/ACC/LOCALITY AND ADMINISTRATIVE FEES PROCESSING

1. Provide reports of administrative fees earned broken down by county activity and field representative.	☒ Y	☐ N
2. Ability to generate reports in HUD prescribed format for both active and historical administrative fee data.	☒ Y see note	☐ N
3. Provide the ability to forecast revenues based on current and historical earnings.	☒ Y	☐ N
4. Provide basic functionality to monitor use of funding and unit allocations with aggregate views of the data at the ACC, project, and/or locality level(s). This module will use actual occupancy and cost data to project funding requirements and assist in managing resources.	☒ Y	☐ N
5. Provide the ability to transfer funding increments upon renewal.	☒ Y	☐ N
6. Calculate fees to contractors based on their base per voucher pay rate.	☒ Y see note	☐ N
7. Provide the ability to adjust contractor invoices based on performance and other corrections, which may arise.	☒ Y see note	☐ N
8. Provide the ability to transfer multiple funding increments simultaneously to a new increment and summarize the total number of vouchers transferred to the new funding increment.	☒ Y	☐ N

EXPLANATION:

2. Elite tracks and reports administrative fee data. A review by the ECS system consultant will need to be done during the discovery phase of the project to insure all requirements are (can be) met. Additional custom programming may be needed for this, but is not quoted at this time.

6. A review by the ECS system consultant will need to be done during the discovery phase of the project to insure all requirements are (can be) met. Elite tracks contractor payments today. The review needs to insure the currently functionality matches MSHDA's requirements.

7. The authority can adjusted the contractor percentage when processing agency admin fees. Elite also offers the ability to make adjustment corrections to admin fees for agencies as well.

UNIT TRANSFER

1. Provide the ability to transfer participants from unit to unit within a housing program and from one housing program to another.	☒ Y	☐ N
2. Allow all fields to have a one-time data transfer population for system conversion purposes.	☒ Y	☐ N
3. When transferring, the system offers to prorate HAP/UAP/Rent based upon:		
a. Under HCV rules: previous HAP payee keeps the full rent for the month of termination (regardless of the effective date of the	☒ Y	☐ N

termination) from the unit and new HAP payee receives a pro-rated amount based on the new contract effective date.		
b. Under Mod-Rehab rules: previous HAP payee must reimburse PHA for days in the month past the termination effective date. The new HAP payee receives a prorated amount as of the effective date of the new contract.	☒ Y	☐ N
4. Maintain historical data on unit transfers and generate a Rep ort of transfers for all participants within a specified date range, or for a field representative within a specified date range or for a single participant.	☒ Y	☐ N
5. If the participant's annual re-examination comes due during the transfer search period, the system should notify the user that a Type 9 (Annual Re-examination Searching) is required.	☒ Y	☐ N
6. Upon move-in during a unit transfer, the system should automatically generate and send a Type 7 (Other Change of Unit) certification to MTCS.	☒ Y	☐ N
EXPLANATION:		
END OF PARTICIPATION		
1. System allows for termination of HAP or Participant eligibility with the ability to reverse the termination.	☒ Y	☐ N
2. System allows field representative to put hold on HAP/UAP and secure user will approve End of Participation.	☒ Y	☐ N
3. System should have the ability to pro-rate HAP/UAP at move-out based on the current or a future date. Feature should be able to be turned on or off for each of the programs.	☒ Y see note	☐ N
4. The systems tracks a user-defined number of calendar days after HAP termination during which the participant may ask for a hearing. Tracks whether or not a termination may be rescinded.	☒ Y	☐ N
5. After an end participation move-out, the system automatically generates a Type 6 (End Participation) 50058 and transmits information to MTCS.	☒ Y	☐ N
6. Provide the ability to capture information (i.e. items of concern) for all family members with a lookup by Social Security number.	☒ Y	☐ N
7. The system captures a user-defined reason for termination of assistance and provides a report by date range.	☒ Y see note	☐ N
EXPLANATION: 3. The feature is always on for the Elite system. 7. A review by the ECS system consultant will need to be done during the discovery phase of the project to insure all requirements are (can be) met.		

OTHER SYSTEM PROCESSES		
1. Provide web-interface to allow contractors access to system components applicable to field work (i.e. waiting list, voucher issuance, certification/re-examination, etc.)	☒ Y see note	☐ N
2. The system generates a report of participants grouped by field representative with options to list names and addresses of participants currently served by each field representative or a summary report showing totals only. This report may be generated for all or selected field representatives.	☒ Y see note	☐ N
3. Provide the ability to generate all reports as a data file for storage or data compilation.	☒ Y see note	☐ N
4. Provide the ability to globally change a project increment number.	☒ Y	☐ N
5. Provide the ability to combine renewed increments into a single increment.	☒ Y	☐ N
6. Allow for the purging of participant archive records.	☒ Y	☐ N
7. Provide the ability to produce reports for all SEMAP indicators. The SEMAP Criteria Tracking Requirements section of the specifications provides a description of the types of reports needed.	☒ Y see note	☐ N
8. Provide the ability to generate a report to compare new published Fair Market Rents (FMR) with previous year's FMR and identify any county that has a decrease in amounts. Especially note where rent decreased by 5% or more. (i.e. affects rent comps, contract rent, etc.)	☒ Y	☐ N
9. The system has an end-of-month, high security level cut-off switch to prevent any user from making any change that would affect a HAP or UAP check.	☒ Y	☐ N
10. Provide the ability to enter unlimited notes for an applicant.	☒ Y	☐ N
a. Each entry automatically is tagged with a date, time and user ID.	☒ Y	☐ N
b. Each entry should have the ability to select a member for the note.	☒ Y	☐ N
c. Allow notes to be searched by date range.	☒ Y	☐ N
11. Allows generation of a demographic report for new move-ins and move outs. The report should be broken down by race, age, and family size.	☒ Y see note	☐ N
12. Hand-held HQS interface module.	☒ Y see note	☐ N
13. Provide an entry field for each verification document and tract if dates are within 120 days of transactions effective date.	☒ Y see note	☐ N
14. Provide annual analysis of utility schedules required by guidelines.	☒ Y	☐ N
15. Provide HUD specified calculations regarding how to determine the annual rent limitations for MRP, SRO, and Project based units.	☒ Y	☐ N
16. Provide a method to issue surveys to ex-participants 6 to 12 months after they leave the program in order to track their status.	☒ Y see note	☐ N
17. Allows generation of demographic reports for any request of data within the system.	☒ Y see note	☐ N

EXPLANATION:

1. This will be met by the Web component under development, as part of the base functionality.

2, 11, 13, 16, 17. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

3. Users can export data from reports in any format the Crystal reports allows.

7. The SEMAP reports are part of the proposed Executive Portal and Report Mart. Elite will initially produce the indicators that are not tracked by PIC (7/8 of the 14).

12. Emphasys offers a handheld inspection product. If the module is purchased by the HA, the handheld software will be available to use.

SECTION 8 POLICIES

1. The system has an option to allow user-definition of the number of months a new participant must stay in a unit before they are allowed to transfer.	☒ Y	☐ N
2. The system has an option to determine if, when the family being certified is an FSS participant, the 50059 FSS addendum can be updated only from the FSS module, only from the Section 8 module, or from either Section 8 or FSS.	☒ Y see note	☐ N

EXPLANATION:

2. Elite allows the user the ability to control where the 50058 information is updated.

SECTION 8 REPORTING

The system should generate the following reports and forms:

1. Program Management Report showing units authorized, number of vouchers outstanding, number of units under lease, average contract rent, and number of vouchers the PHA can issue based on remaining funds. Units authorized should come from a setup field in each increment.	☒ Y	☐ N
2. Section 8 HAP and Maximum Gross Rent Worksheet.	☒ Y	☐ N
3. Section 8 Housing Voucher.	☒ Y	☐ N
4. Form HUD-50058, Type 10, Voucher Issuance.	☒ Y	☐ N

5. Partially completed Rental Unit Information form (MSHDA 51b – Rep laces HUD Request for Lease Approval). Form should have participant information completed, but leave unit and HAP Payee information blank.	☒ Y	☐ N
6. Section 8 vouchers HUD lease addendum.	☒ Y	☐ N
7. Section 8 vouchers HAP contract with appliance and utility information completed.	☒ Y	☐ N
8. Section 8 Mod-rehab Housing Certificate.	☒ Y	☐ N
9. Section 8 Mod-rehab HUD lease Addendum.	☒ Y	☐ N
10. Section 8 Mod-rehab HAP contract.	☒ Y	☐ N
11. Section 8 Project-based Housing Certificate.	☒ Y	☐ N
12. Section 8 Project-based HUD Lease Addendum.	☒ Y	☐ N
13. Section 8 Project-based HAP contract.	☒ Y	☐ N
14. Section 8 voucher Expiration letter.	☒ Y	☐ N
15. Section 8 voucher extension of expiration date letter.	☒ Y	☐ N
16. Form HUD-50058, all transaction types (e.g. 1-15).	☒ Y	☐ N
17. Expiring Vouchers Report for a specified period.	☒ Y	☐ N
18. Unlimited user defined forms.	☒ Y	☐ N

EXPLANATION:

1 – 18. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. The Mod-rehab reports will have to be reviewed during implementation to clarify if Elite provides the reports, or they will be user created.

LEASE-UP REPORTS

The system should generate the following Lease-up Reports:

1. Monthly Leasing Report by field representative.	☒ Y	☐ N
2. Monthly Leasing Report summary.	☒ Y	☐ N
3. Hard-to-House Report.	☒ Y	☐ N
4. Admission income targeting Report for HUD-50085 Type of Action 1, new admission and breaking out detail or summary by median income for low, very low and extremely low. This should include a calculation showing the percentage for each income category for the current fiscal year.	☒ Y	☐ N

EXPLANATION:

1 – 4. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. The Mod-rehab

reports will have to be reviewed during implementation to clarify if Elite provides the reports, or they will be user created.		
VOUCHER STATISTICS REPORTS		
1. **DISABILITY REPORT**:		
a. Allows user to run report on all action types or initials, moves and portabilities	☒ Y	☐ N
b. Report contains – Voucher number, project number, ACC number, tenant name, unit address, unit address 2 (if applicable "Apt. No."), unit city, unit state, unit zip, family type, member 1 Social Security number, Member 1 age, and member 1 disability indicator (Y or N).	☒ Y	☐ N
c. ** **Must have SS number, age, and disability indicator for all members, one through twenty if applicable****	☒ Y	☐ N
2. **TRANSACTION VERIFICATION REPORT:**		
a. Allows user to run report for three selections:	☒ Y	☐ N
1. If HAP approval is not OK or has not been authorized in EH system	☒ Y	☐ N
2. If HAP approval date if AFTER financial approval date in EH system	☒ Y	☐ N
3. Or both selection types	☒ Y	☐ N
b. Report Contains – Field Representative name, voucher number, effective date, action code, HAP approval for authorization (Y or N), HAP Authorization (Financial authorization) (Y or N), approval date, and financial/authorization date	☒ Y	☐ N
3. **MTCS ERROR REPORT:**		
a. Allows user to run report by selecting financial approval dates	☒ Y	☐ N
b. Report contains – Tenant Social Security number (WITHOUT dashes), voucher, effective date, approval date, financial approval date, action code, Field Representative, Welfare to Work flag (if active in WTW), and FSS flag (if active in FSS)	☒ Y	☐ N
4. **ACTIVE VOUCHERS REPORT:**		
a. Allows user to run a report on all active (contracted) vouchers on the system	☒ Y	☐ N
b. Report contains – social security number (WITHOUT dashes), voucher, tenant name (last name, first name), county, action code, effective date	☒ Y	☐ N
5. **VOUCHER CANCELLATION REPORT:**		
a. Review End of Participation (EOP) for a specified period	☒ Y	☐ N
b. Report contains – voucher, field representative, county tenant	☒ Y	☐ N

	name, Social Security, landlord tax ID, landlord name, last HAP payment date, stop date, stop reason code, stop description, reissue code (Y or N)		
6.	**DELINQUENCY DATA REPORT**		
a.	Data pulled from Accounts Receivable File	☒ Y	☐ N
b.	Report contains – Receipt type (T “Tenant” or L “Landlord”), ID type (F “FEI number” or S “Social Security number), ID extension (for FEI number), voucher, transaction year, landlord name, last name (tenant), first name (tenant), middle name (tenant), Social Security number (tenant), address, apt. number, city, state, zip code, Field Representative, county, reason code, reason code description.	☒ Y	☐ N
7.	**RECERT REPORT**:		
a.	Provide a report of pending re-examinations	☒ Y	☐ N
b.	Allows user to chose a Recert Month date	☒ Y	☐ N
c.	Recert Report contains – voucher number, Social Security number (WITHOUT dashes), tenant name (last, first), county number, Field Representative, next recert date	☒ Y	☐ N
	EXPLANATION: 1 – 7c. A review by the Emphasys Consultant on all of the reports in this section will be required. Elite has many of the required reports listed; however, may not be in the exact requirements stated. A gap analysis will determine if the Authority (or ECS) will need to modify or create additional reports to meet the requirements.		
	RE-EXAMINATION REPORTS The system should generate the following letters, reports, and certifications:		
1.	Aged annual re-examination report with user-defined periods for number of days past due.	☒ Y see note	☐ N
2.	Future re-examination report with a choice to generate an individual field representative’s load or all field representatives and sort by date and program type.	☒ Y	☐ N
a.	Report includes name and address information for participant and HAP payee, TTP, lease end date and current HAP/UAP. Portables should be broken out separately and should show administrative fees Incoming and outgoing portables should be in separate groupings.	☒ Y see note	☐ N
b.	Mailing labels for participants and HAP payee.	☒ Y	☐ N
3.	Participant annual re-examination packet.	☒ Y	☐ N

4. Participant and HAP Payee Rent (TTP) Change Notification from (MSHDA 34).	☒ Y	☐ N
5. Form HUD-52665 Family Portability Information	☒ Y	☐ N
6. Unlimited user-defined notification forms (e.g. mutual lease termination form, contract termination notice, participant change of ownership notification, participant termination form, participant over-income notification, participant unauthorized household members, etc.).	☒ Y	☐ N
7. Income verification letters for every asset, income source, and medical/handicapped expense entered for the household.	☒ Y	☐ N
8. Certification Audit Report including date the certification was started and ended, the type of certification, participant field representative, new rent amounts, effective date, and terminations.	☒ Y	☐ N
9. Historical Certifications Report for a date range to review past transactions.	☒ Y	☐ N

EXPLANATION:

1. The aged annual re-examination Elite standard report does not allow for user defined aging criteria. The authority can modify the report as desired.

2a. Portables are not broken out separately in the Elite standard report. The authority can modify the report is desired.

2b, 3, 4, 6, 7, 9. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

FINANCIAL REPORTS

The system should generate the following financial reports (All financial reports should have an option of secured access users only):

2. Pre-check Balance Report shows last month's HAP and UAP payments, this month's HAP and UAP payments and exceptions for both. The report should also show TTP. There should be an obvious indicator for HAP or UAP overrides, abatements and exclusions. The report should show adjustments and liens. Report should also flag any payment being made on behalf of a participant with and expired certification as well as participants who have a certification with a due date on or before the first of the next month, but the certification has not been completed.	☒ Y	☐ N
3. Report of all HAP/UAP that field representatives have put a hold on pending End of Participation.	☒ Y	☐ N
4. Section 8 Earned Administrative Fees with actual versus budgeted and broken out by increment.	☒ Y see note	☐ N

5. Allocation Report by increment showing budgeted amount versus actual amount spent.	☒ Y see note	☐ N
6. Increment Status Report showing increment issue date, expiration date, number of units authorized, number of units issued, contract authority and remaining amount per increment as the moment the report is run.	☒ Y	☐ N
7. Unit-Month Report.	☒ Y	☐ N
8. Abatement and Exclusion Report for a date range by increment, or by field representative, or by HAP Payee or by unit. This report includes cause of abatements/exclusions.	☒ Y	☐ N
9. Pre-check register for review before interface.	☒ Y	☐ N
10. Payments Listing Report shows all payments made to or on behalf of each participant for specified period.	☒ Y	☐ N

EXPLANATION:

3. The Elite standard report does not show budgeted admin fees.

4. The Elite standard Program Management report shows funded and expensed. It does not show budgeted.

OTHER SYSTEMS PROCESSES REPORTS

This system should generate the following miscellaneous reports:

1. Field Representative caseload report with options to list names and addresses of participants currently served by each field representative or a summary report showing totals only. This report may be printed for selected field representatives.	☒ Y	☐ N
2. Over-housed/Under-housed report by field representative or for the program in total.	☒ Y	☐ N
3. Allocation Report by increment showing budgeted amount versus actual amount spent.	☒ Y see note	☐ N
4. Leased-up Report by location, by bedroom size, with funds used versus funds available.	☒ Y see note	☐ N
5. Demographic Report by program, showing breakdown by race, by census tract, zip code, locality or political subdivision such as wards or supervisory districts.	☒ Y	☐ N
6. Move-in, Move-out Demographic Report for new move-ins and move outs. Report should be broken down by race, age, and family size.	☒ Y	☐ N
7. System must include, (in PDF format), and auto populate to the greatest extent possible the following HUD forms:	☒ Y	☐ N
a. 52641 HAP Contract	☒ Y	☐ N
b. Annual HAP Contract	☒ Y	☐ N
c. Month to month HAP contract	☒ Y	☐ N

d. EPA HUD Lead fact sheet	☒ Y	☐ N
e. EPA Protect Your Family From Lead fact pamphlet	☒ Y	☐ N
f. Housing Discrimination Complaint form	☒ Y	☐ N
g. Housing Discrimination pamphlet	☒ Y	☐ N
h. 52517d S8 Mod rehab Addendum to Lease	☒ Y	☐ N
i. 52641a Tenancy Instructions Addendum	☒ Y	☐ N
j. 52663 Request for Payment of Contributions	☒ Y	☐ N
k. 52665 Family Portability Information	☒ Y	☐ N
l. 52681 Year End Settlement Statement	☒ Y	☐ N
m. 52681a Voucher for payment of Annual Contribution	☒ Y	☐ N
n. 9886 Release of Information/Privacy Act Notice	☒ Y	☐ N
o. 52539b Part II HAP Contract Mod Rehab	☒ Y	☐ N
p. 52642 HAP Contract Manufactured Home Space	☒ Y	☐ N
q. 52642a Tenancy addendum – Manufactured Home	☒ Y	☐ N
r. 52578a S8 Mod Rehab Family Responsibility Statement	☒ Y	☐ N
s. 52578b Family Responsibility Project Based Statement	☒ Y	☐ N
t. Lead Based Paint Disclosure	☒ Y	☐ N
8. System must include ability to conduct random quality control based upon HUD 5% rule and HUD SEMAP selection criteria.	☒ Y	☐ N
9. Ability to compile a field representative's caseload of all participant and HAP Payee name and mailing address to send mass mailings. (i.e. new field representative, etc.)	☒ Y	☐ N
10. Ability to compile a county waiting list of all applicant name and address to send mass mailings. (i.e. new field representative, updates, etc.)	☒ Y	☐ N
11. Provide stock, "canned" reports, inquiry screens and database ad-hoc query capabilities (i.e., leasing status, occupancy statistics, ad-hoc query tools/capability to monitor housing program performance of localities).	☒ Y	☐ N
12. Provide the ability to access data and documentation to facilitate the use of third party query and report tools such as, Crystal Reports.	☒ Y	☐ N
a. Participant transfer report for a date range for all participants, for one participant, or for participants assigned to a specific field representative, showing previous address, new address and months in residence at each address.	☒ Y	☐ N
b. Report of End of Participations, which occurred during a specified period. Report should include termination reason.	☒ Y	☐ N

EXPLANATION:

3. The Elite standard Program Management report shows funded and expensed. It does not show budgeted.

4. The Elite standard Lease-up report does not show funds used vs. funds available. Other reports with Elite (i.e. Program Management) show that information.

5, 6, 7a, 9, 10, 11. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed.

VM DOCUMENT PROCESSING LOG

1. Provide tracking of documents received from Field Representatives into the central office.	☒ Y	☐ N
2. Enter all new cases by data source (in process or history) and by special action (cancellation [off program]), cancellation [move/transfer], Abatement, WTW Enrollment, MTCS Correction, FSS Enrollment, FSS Exit, and FSS Extension. Entry also includes voucher number and effective date.	☒ Y	☐ N
3. Screen displays tenant info, and entry date defaults to date you are logging. Screen displays audit and approval status and dates, field representative name and logger name.	☒ Y	☐ N
4. Allows current user to report all pending entries for the next month to reflect the unapproved entries (pending).	☒ Y	☐ N
5. Provide the ability to view entries sorted by unapproved entries and approved entries and by current user or by all users.	☒ Y	☐ N
6. Ability to search all entries by current user or all users.	☒ Y	☐ N
7. Can only delete entry for current user if you are current user – defaults to window user name or current user.	☒ Y	☐ N
8. Allow review of transaction entries in conjunction with received documents.	☒ Y	☐ N
9. Allow tracking of the following fields: Date received, audit/approval, status/dates, comment section, type of action, effective date, logger, and voucher number.	☒ Y	☐ N
11. Allow tracking of errors in documents received such as MTCS error, income error, missing form, incorrect/incomplete forms, policy and other non-income error, documentation does not match EHS, FSS error [no Field Representative pay], case returned, and FSS error.	☒ Y	☐ N
12. Allow tracking of the date the Error Notice was sent and date the correction was received.	☒ Y	☐ N

EXPLANATION:

1. Elite provides the ability to do extensive document tracking as it relates to applicants and participants in the system. Emphasys assumes the proposal requests replacement of the EH Log system (VM Document Processing Log). Emphasys will consider developing a system to meet MSHDA's requirements. During implementation, a project scope will be developed. Emphasys and MSHDA can evaluate the cost and determine the course of action at that time. No additional cost proposed at this time

until we can better understand MSDHA's requirements.		
DOCUMENT PROCESSING REPORTS		
1. Allow user to run reports by current user or by all users for a selected period	☒ Y	☐ N
2. Allow user to view report, print report, and print to file	☒ Y	☐ N
3. Provide reports which includes the following details (listing all entries for every Field Representative by logger, action, effective date, county, tenant name, voucher number, entry date, received date, audit/approval status/dates, number of days pending, and gives total by Field Representative total number of cases, average number of days it takes to process the cases, number of approved cases, and number of pending cases).	☒ Y	☐ N
4. Provide a summary error report (listing all entries for every Field Representative by logger, shows voucher number, effective date, type of error, date e-mail notice sent, and correction date)	☒ Y	☐ N
5. Provide a summary transaction report (listing all entries for every Field Representative by logger, gives totals for every case type [annual re-examination], end of participation, initial certification, interim re-examination)	☒ Y	☐ N
6. Provide a summary of transactions by reviewer/logger (listing all entries for every Field Representative by logger, give totals for every case type [annual recertification], end of participation, initial certification, interim recertification, move/transfer, recertification/new address, etc], audit status [pending, financial review, SEMAP review], number of cases, and percentage. This report shows each logger the percentage of each type of audit that was done for the Field Representative for the time period selected. (Every Field Representative must have a certain percentage of audit reviews done). Gives total by each case type and total cases for agent.	☒ Y	☐ N
7. Allows reports regarding agent performance in conjunction with document delivery and timeliness of EOP Reports.	☒ Y	☐ N
EXPLANATION:		
INTERFACES		
1. The system links to leased housing inspections module.	☒ Y	☐ N
2. Based on a system control option, when an inspection fails due to unit deficiencies, the system should either automatically abate or exclude the HAP payment for the unit or flag the pre-payment report and the participant's main screen that the inspection failed for unit deficiencies.	☒ Y	☐ N
EXPLANATION:		
REMOTE SITE/CENTRAL OFFICE		

1. Provide for access to participant and financial data via a combination of remote access solutions.	☒ Y	☐ N
2. Provide tools to allow for verification of data accuracy.	☒ Y	☐ N
3. Provide seamless Internet access connection from HUD50058 application to upload HUD50058 MTCS transmission file to the Public Information Center (PIC) website using the format defined in the HUD Technical Reference Guide.	☒ Y	☐ N
4. Provide for access to match the monthly download Tenant Employee Verification System (TEVS) from HUD regarding Social Security verifications with our database for county/field representative data for distribution via e-mail.	☒ Y see note	☐ N

EXPLANATION:

4. Users can extract current participant data with SSN from the Report Mart to match to the SSA's file. We assume this reporting function will be done by MSHDA. Otherwise, Emphasys can provide this service for additional cost.

PORTABILITY

1. Provide entry fields for all HUD50058 requirements regarding Portability records.	☒ Y	☐ N
2. Provide payment tracking of portability-administered vouchers in order to document money due by other PHA's.	☒ Y	☐ N
3. Provide receipt entry and breakdown (HAP versus administrative fees) of payments received from other PHA's. Link with account receivable receipt for semi-monthly deposit of checks received.	☒ Y	☐ N
4. Provide the ability to setup a reoccurring payment to PHA's administering MSHDA vouchers. Track money back to the proper funding increment.	☒ Y	☐ N
5. Provide the ability to make adjustments to the system-generated data regarding portability records.	☒ Y	☐ N
6. Provide the ability to update administrative fees for administered records as a group.	☒ Y	☐ N

EXPLANATION:

HQS INSPECTIONS

HOUSING QUALITY INSPECTIONS		
1. Maintain inspection results and outstanding items to ensure that the property meets Housing Quality Standards (HQS)	☒ Y	☐ N
2. Capability to download from a hand-held computer and import into system an inspection form for each household to be used during the inspection process.	☒ Y	☐ N
3. CAPABILITY TO IDENTIFY UNIT, INSPECTION DATE, STATUS AND RE-INSPECTION DATE ON INSPECTION ENTRY.	☒ Y	☐ N
4. Capability to have built-in security for the hand held device for each inspector.	☒ Y	☐ N

5. Capability to display total/completed/open on the hand held device.	☒ Y	☐ N
6. Capability to generate a missed and failed inspection report.	☒ Y	☐ N
7. Ability to add comments in the unit address window (E.g. directions)	☒ Y	☐ N
8. Ability to download inspections into the hand-held device via new batch of inspections, existing batch of inspections or single inspection.	☒ Y	☐ N
9. Ability to select scheduled inspections by new batch number, by inspector code, range of dates and maximum number of inspections to batch.	☒ Y	☐ N
10. Maintains inspection history by unit and client.	☒ Y	☐ N
11. Ability to maintain user definable phases to be attached to each Inspection item as pass/fail reasons.	☒ Y	☐ N
12. Ability to track plan vs. actual inspections.	☒ Y	☐ N
13. Ability to store digital images.	☒ Y	☐ N
14. Provide user-defined room types (Living Room, Kitchen, Bathroom, Building Exterior, etc.) and location of rooms.	☒ Y	☐ N
15. Provide drop down menus defining requirements of each room in accordance with a good place to live. (HUD Booklet).	☒ Y	☐ N
16. Ability to maintain the location of the deficiencies in the unit. Floor Level 1st-2nd-3rd-basement, Left/Right/Center of the Room, Rear/Front/Center of the Room.	☒ Y	☐ N
17. Ability to request inspections on-line.	☒ Y see note	☐ N
18. Print inspection work sheet forms.	☒ Y see note	☐ N
19. Assign due date to inspections.	☒ Y	☐ N
20. Schedule follow-up inspections when necessary.	☒ Y	☐ N
21. Allow Tenant and/or owner deficiencies.	☒ Y	☐ N
22. Allow for delayed exterior repairs.	☒ Y	☐ N
23. Stop HAP payment to owners when abatement letters are issued.	☒ Y see note	☐ N
24. Schedule re-inspection days with the hand held device for each deficiency and include the cause.	☒ Y	☐ N
25. Identify the room and the area the failed item is in the unit.	☒ Y	☐ N
26. If unit is pre-1978, prompts user to enter lead-based paint information.	☒ Y	☐ N
27. Provide a list of qualified lead-based paint inspectors for risk assessments or clearance exams in the area where an inspection is required.	☒ Y	☐ N
28. Assign inspector to inspection request.	☒ Y	☐ N
29. Flag inspection when abatement occurs.	☒ Y	☐ N

EXPLANATION:

17. This will have to be added to the Web component. Associated cost is outlined in the Cost Proposal.

18. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. A blank 52580 can be produced from Elite.

23. Elite automatically abates the rent when a final fail inspection is closed. Notification can be generated any time after the inspection is updated in Elite (manually or handheld import).

SYSTEM PROCESSES		
1. MAINTAIN THE FOLLOWING DATA ELEMENTS FOR EACH INSPECTION:		
a. Inspection Number	☒ Y	☐ N
b. Inspection Type (Preferably User Definable)	☒ Y	☐ N
c. Inspection Status (Pass, Pass with Comment, Fail, Inconclusive, etc.)	☒ Y	☐ N

d. Annual/Initial/Special/Quality	☒ Y	☐ N
e. Move In	☒ Y	☐ N
f. Move out/damage	☒ Y	☐ N
g. Follow-up (first or final)	☒ Y	☐ N
h. Special (complaint)	☒ Y	☐ N
i. Inspector assigned	☒ Y	☐ N
j. Due Date	☒ Y	☐ N
k. Resident name & phone number	☒ Y	☐ N
l. Address	☒ Y	☐ N
m. Actual date and time of inspection	☒ Y	☐ N
n. Owner name and phone	☒ Y	☐ N
o. Owner address, city, state, & zip	☒ Y	☐ N
p. Current rent	☒ Y	☐ N
q. Fair Market Rent	☒ Y	☐ N
r. Unit features (Rent Reasonableness Information, Amenities, Accessibility, Services, etc.)	☒ Y see note	☐ N
s. Unit utility information.	☒ Y see note	☐ N
t. Household composition (Relation to head of household, first name, last name, SSN, Age, Elevated Lead Blood level).	☒ Y	☐ N
u. Deficiencies.	☒ Y	☐ N
v. Resident number and name.	☒ Y	☐ N
w. Schedule date and time of inspection.	☒ Y	☐ N
x. Initials of reviewer.	☒ Y see notes	☐ N
y. Property Type 1 (Family, Elderly, Disabled)	☒ Y	☐ N
z. Property Type 2 (Section 8, Moderate rental rehab, special)	☒ Y	☐ N
aa. Pass/fail indicator	☒ Y	☐ N
bb. Comments	☒ Y	☐ N
cc. Unit Bedrooms	☒ Y	☐ N
dd. Voucher Bedroom size	☒ Y	☐ N
EE. RESIDENT CAUSED DAMAGES INDICATOR	☒ Y	☐ N
ff. Cost of resident caused damage	☒ Y	☐ N
gg. No show indicator	☒ Y	☐ N
hh. Resolved by – party responsible for resolving the room issues. (Resident/Landlord)	☒ Y	☐ N
ii. Complaint description	☒ Y	☐ N
2. Provide ability to inquire by:	☒ Y	☐ N
a. Inspection number	☒ Y	☐ N
b. Inspection type	☒ Y	☐ N
c. Assigned inspector	☒ Y	☐ N
d. Due date	☒ Y	☐ N
e. Property type	☒ Y	☐ N
3. Verify that inspections are performed on property before it is approved for the Section 8 program.	☒ Y	☐ N
4. Schedule annual inspections even if outstanding deficiencies exist.	☒ Y	☐ N
5. Reactivate landlord payments based on passed inspections.	☒ Y	☐ N
6. Ability to generate inspection schedules.	☒ Y	☐ N
EXPLANATION: 1r, 1s. The proposed version of Elite does not provide for unit features and utilities. Emphasys plans to incorporate the functionality into a future version of the Elite product. No additional programming proposed.		

1x. The proposed version of Elite does not provide for the review's initials. Emphasys plans to incorporate the functionality into a future version of the Elite product. No additional programming proposed.

REPORTS AND DOCUMENTS

1. Ability to create HQS inspection status reports.	☒ Y	☐ N
2. Print abatement letter (Section 8).	☒ Y	☐ N
3. Using Crystal Reports, user may create customize reports.	☒ Y	☐ N
4. Capability to query on any field through MS-Access, Excel, Word, etc.	☒ Y	☐ N
5. Print the following types of letters:		
a. Abatement to owners	☒ Y	☐ N
b. Notice to the tenant (MSHDA 106)	☒ Y	☐ N
c. Unable to reach	☒ Y	☐ N
d. Notice of inspection	☒ Y	☐ N
e. Follow up inspection	☒ Y	☐ N
f. Notice of termination	☒ Y	☐ N
g. Notice of re-inspection	☒ Y	☐ N
h. Notice of deficiencies	☒ Y	☐ N
6. Generate the following reports:		
A. LIST OF ABATEMENTS	☒ Y	☐ N
b. Schedule follow-up inspections due	☒ Y	☐ N
c. Inspections completed by days elapsed from request date to inspection date.	☒ Y	☐ N
d. Scheduled annual inspections by inspector (90 days in advance)	☒ Y	☐ N
e. Outstanding work order by inspector	☒ Y	☐ N
f. Overdue inspections	☒ Y	☐ N
g. Pass/fail ratios of inspections completed by inspector, city, type of inspection.	☒ Y	☐ N

EXPLANATION:
1 – 6g. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. 6f is not available in the HQS version of Elite inspections. Work Order capability is in Emphasys UPCS inspections for Low Income Public Housing.

RENT REASONABLENESS

SURVEY UNIT DATA COLLECTION

1. Provide the ability to enter survey information.	☒ Y	☐ N
a. Number of Bedrooms	☒ Y	☐ N
B. NUMBER OF BATHROOMS	☒ Y	☐ N
c. Square Footage	☒ Y	☐ N
d. Year Built	☒ Y	☐ N
e. Unit Type	☒ Y	☐ N
f. Point Value	☒ Y	☐ N
g. Verified by Field Rep	☒ Y see note	☐ N
h. Date Verified	☒ Y see note	☐ N
i. How Verified	☒ Y	☐ N
j. Address (Street, City, and Zip [Need as a separate field])	☒ Y	☐ N
k. City Limits	☒ Y	☐ N
l. Landlord Name	☒ Y see note	☐ N
m. Phone	☒ Y	☐ N
n. Manager On Site	☒ Y	☐ N

o. Contact Name	☒ Y	☐ N
p. Contract Rent	☒ Y	☐ N
q. Utility Allowance (Pull from MSHDA table driven utilities)	☒ Y	☐ N
r. Gross Rent – System calculates	☒ Y	☐ N
s. Utilities provided by the owner	☒ Y	☐ N
t. Air conditioning	☒ Y	☐ N
u. Amenities - allow for drop down lists and multiple selections	☒ Y	☐ N
v. Housing Services - allow for drop down lists and multiple selections	☒ Y	☐ N
w. Maintenance - allow for drop down lists and multiple selections	☒ Y	☐ N
x. Handicap Accessible	☒ Y	☐ N
y. Handicap Unit	☒ Y	☐ N
z. Overall HQS Rating	☒ Y	☐ N
aa. Location Rating	☒ Y	☐ N
bb. Date Available	☒ Y	☐ N
2. Allow survey information to be reused for an unlimited number of units as comparables.	☒ Y	☐ N
3. Each unit should require 3 rent comparables to be attached to the summary print of each HUD 50058 transaction as follows:	☒ Y	☐ N
A. ANY TRANSACTION WHERE A CONTRACT RENT INCREASE OCCURS	☒ Y	☐ N
b. At New Admission	☒ Y	☐ N
c. At Other Change of Unit	☒ Y	☐ N
d. When a 5% decrease in the published FMR occurs and the participant is within 60 days of HAP contract anniversary date.	☒ Y	☐ N
4. Provide the ability to validate all related unit information to predefined information outlined in other System's control filer. (E.g. county will be re-used and shared by Rent Reasonableness)	☒ Y	☐ N
5. Provide the ability to enter multiple surveys for a survey unit. Each survey will address a separate period.	☒ Y	☐ N
6. Provide the ability to change any unused survey. An unused survey is any survey that is NOT used in a rent comparison.	☒ Y	☐ N
7. Provide the ability to prohibit users from changing survey information on any survey that has been used in a rent comparison.	☒ Y	☐ N
8. Provide the ability to collect survey information on handheld computers.	☒ Y	☐ N
EXPLANATION: 1 g. 1h. 1l. Additional programming required to meet these field requirements. Cost is included in the Cost Proposal. 8. Emphasys plans to add the ability to collect survey information on a handheld device in a future release of the Elite product. No custom modification proposed, assuming MSHDA can wait for the future version.		
RENT REASONABLENESS COMPARISONS		
1. Provide the ability to do three different kinds of rent reasonableness comparisons: initial, annual, and special.	☒ Y	☐ N
2. Allow users to edit/override/enter assisted unit contract rent.	☒ Y	☐ N
3. Require an explanation for an override.	☒ Y	☐ N
4. System requires the user to select a minimum number of surveys for a rent comparison.	☒ Y	☐ N
5. System has a control file setup for comparables which requires comparable match the assisted units Bedroom size, Unit Type, and locality (zip code or city). The comparables must have a verified date less than one year and a gross rent greater than or equal to the assisted unit's gross rent.	☒ Y	☐ N

6. Select users (managers) must have the ability to override the comparable requirements.	☒ Y	☐ N
7. System automatically pulls comparable units based on the assisted unit data for use with the HUD 50058 transaction.	☒ Y	☐ N
8. Provide the ability to approve a comparison only when a minimum number of surveys have been selected.	☒ Y	☐ N
9. Inactivate rent comparables which become assisted units.	☒ Y	☐ N
10. Identify vacant previously assisted units which may be comparable if re-verified.	☒ Y	☐ N
11. Do not allow comparables, which have the same address (exist within the same building) as the assisted unit.	☒ Y see note	☐ N
12. On an Initial Comparison:		
a. Only allow one initial comparison for an Applicant/Resident, Owner, Unit (for a lease/move in). The system will not allow more than one initial rent determination for the renting of a unit. If the Resident moves-out and moves-in again (at a later/different time), the system will allow another initial for that instance.	☒ Y	☐ N
b. If contract rent changes during the initial rent determination, allow a new rent determination to occur.	☒ Y	☐ N
c. Pull the contract rent from the assisted unit and put it in the (current) contract rent of the rent comparison as well as the Owner Request Rent.	☒ Y	☐ N
13. On Annual Comparison:		
a. Do not require the HUD processed by, and the HUD process status.	☒ Y	☐ N
b. Pull the contract rent from the assisted unit and put it in the (current) contract rent of the rent comparison. The Owner requested rent will be filled in by the user.	☒ Y	☐ N
c. If a 5% decrease in the published FMR occurs 60 days prior to the HAP contract anniversary date, the system will force a new comparison to occur.	☒ Y see note	☐ N
14. On an increase in rent to owner:	☒ Y	☐ N
a. Do not require the HUD processed by, and the HUD process status.	☒ Y	☐ N
b. Pull the contract rent from the assisted unit and put it in the (current) contract rent of the rent comparison. The Owner requested rent will be filled in by the user.	☒ Y	☐ N
c. If a 5% decrease in the published FMR occurs 60 days prior to the HAP contract anniversary date, the system will force a new comparison to occur.	☒ Y see note	☐ N
15. System must keep a history of rent comparables used for the HUD50058 transactions identified in processing for reference in case of an audit.	☒ Y	☐ N

EXPLANATION:

11. Additional programming required to meet this line item. Cost is included in the Cost Proposal.

13c, 14c. Users have the ability to do the comparison. The system does not currently force the comparison.

REPORTING

1. Provide a report of who entered what information within the rent comparison file and during the rent comparison process.	☒ Y	☐ N
2. Provide a search of comparable units to identify comparables which match the assisted units criteria [e.g. bedroom size, unit type, locality (zip code or city), current (verified within the past year)].	☒ Y	☐ N
3. Provide the rent comparables selected as part of the summary print out for a file.	☒ Y	☐ N

EXPLANATION:

1 – 3. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority’s needs and requirements listed. Elite generates the rent reasonableness certificate as a standard report.

FSS ENTRY AND SETUP		
1. Provide entry fields for all HUD 50058 requirements regarding FSS and WTW.	☒ Y	☐ N
2. Upon designating the FSS participant, the system will require the user to identify the following information:		
a. Participant name	☒ Y	☐ N
b. Enrollment date	☒ Y	☐ N
c. Contract start date	☒ Y	☐ N
d. Contract end date	☒ Y	☐ N
e. FSS exit date	☒ Y	☐ N
f. Contract status:	☒ Y	☐ N
1. Preliminary (waiting list for FSS)	☒ Y	☐ N
2. Active	☒ Y	☐ N
3. Completed	☒ Y	☐ N
4. Transitional (exited FSS, have not left Section 8)	☒ Y	☐ N
5. Terminated	☒ Y	☐ N
g. Beginning earned income	☒ Y	☐ N
h. Beginning TTP	☒ Y	☐ N
i. Eligible unit size	☒ Y	☐ N
j. FMR (Fair Market Rent)	☒ Y	☐ N
k. PS (Payment Standard)	☒ Y	☐ N
l. Highest grade completed	☒ Y	☐ N
m. Currently in school. If yes:	☒ Y	☐ N
1. School name	☒ Y	☐ N
2. Degree pursuing	☒ Y	☐ N
3. Address	☒ Y	☐ N
4. Contact	☒ Y	☐ N
5. Phone	☒ Y	☐ N
3. Upon entry of FSS begin date; FSS end date automatically set to 5 years from begin date.	☒ Y	☐ N
4. Provide normalization of FSS field data when fields are duplicate or can be determined from regular program field entry.	☒ Y see note	☐ N
5. Allow notes on reason for exit to provide a more detailed explanation.	☒ Y	☐ N
6. Allow the ability to designate any family member in the HCV program as a FSS participant.	☒ Y see note	☐ N
7. Provide the ability to assign each participant to a field representative.	☒ Y	☐ N
8. Provide the ability to reassign the field representative's caseload.	☒ Y	☐ N
a. Globally: reassign all participants currently assigned to one field representative to a different field representative.	☒ Y	☐ N
b. For an individual participant.	☒ Y	☐ N
9. System maintains a history of all workers assigned to each FSS participant, including dates of assignment.	☒ Y	☐ N
10. Provide the ability to assign default interim or final goals for each	☒ Y	☐ N

participant at the time of enrollment. This feature may be turned off.		
11. Provide the ability to assign interim or final goals (other than default interim or final goals) for each participant at any time.	☒ Y	☐ N
12. Provide the ability to assign steps to interim or final goals.	☒ Y	☐ N
13. Provide the ability to assign user-defined needs for each participant.	☒ Y see note	☐ N
14. Provide for identification of a service provider each time a need is assigned to a participant.	☒ Y	☐ N
15. Provide the ability to assign skills to participants outside of goals.	☒ Y	☐ N
16. Provide an enrollment report showing those participants added to the program for a date range.	☒ Y see note	☐ N

EXPLANATION:

4 Elite allows the user the ability to have a common set of needs and goals. They can be used for each individual's ITSP. The standardization saves the user keystrokes when entering information into FSS.

6 Users can setup ITSPs for any qualified family member. The Head-of-household will always be the designated FSS participant.

13 Elite does not define needs outside of the HUD defined needs. Emphasys plans to add the functionality to a future version of Elite.

16 Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. Elite generates the rent reasonableness certificate as a standard report.

FAMILY ASSESSMENT

1. The system has the ability to enter a FSS Contract Extension date.	☒ Y	☐ N
2. Provide secure access to the FSS extension date field.	☒ Y	☐ N
3. Provide the ability to update/change the Contract status and capture the date of the change in a transaction file.	☒ Y	☐ N
4. The system prints a report that shows all participants and contract dates.	☒ Y	☐ N
5. The system has a FSS working certification. Whenever data changes, either housing or FSS, the system will show the other module a comparative data screen highlighting what changes have been made and let the user decide if they want to update their own file with the new information. The user may print out the comparative information prior to deciding what information to update. Optionally, this screen will include changes in the	☒ Y see note	☐ N

family's legal record.		
6. The system generates a progress report for all participants. The report will list all FSS participants who have had changes to their FSS record during a date range and will list the changes that have taken place in each participant's file during the date range.	☒ Y see note	☐ N
7. When 30% of a participant's monthly adjusted income equals or exceeds the published existing housing fair market rent for the size of the unit for which the FSS family qualifies, based on the PHA's occupancy standards, the system will stop calculating an escrow credit. The system will also set the contract status to "terminated" with a contract status change reason of "Over Income". Allow this feature to be turned off, but to always provide a warning.	☒ Y see note	☐ N
8. When a family completes or terminates the FSS contract, the system must make sure that after the "exit" FSS addendum is sent to MTCS. System must also complete field "2k" of the HUD50058 properly for future transmissions until a year has passed.	☒ Y	☐ N
9. Allow for tracking counseling/seminars (i.e. homeownership, credit counseling, homeowner maintenance, job training, etc) in which FSS and WTW tenants participate. Need to provide statistical data regarding this information (need data entry field)	☒ Y see note	☐ N
10. Allow the ability to track a previous participant's progress after completing the FSS program even if no longer a voucher holder.	☒ Y	☐ N
11. Provide a report of all individuals who received an FSS escrow payout and their status 6 months to one year after the payout to track if previous tenant:	☒ Y see note	☐ N
a. Returns to Housing Choice Voucher program	☒ Y	☐ N
b. Maintains homeownership	☒ Y	☐ N
c. Maintains employment	☒ Y	☐ N
12. Provide a flag to stop the FSS entry process if verifications are not within 120 days of the effective date.	☒ Y	☐ N
13. Provide a warning to payout if the head of household is not currently working or has received TANF within the last 12 months.	☒ Y	☐ N
14. Provide a warning if an FSS participant's Total Tenant Payment exceeds the Fair Market Rent for participant's county.	☒ Y	☐ N
15. Provide a field to tracking FSS/WTW exit reasons, such as Completed Individual Training Service Plan, ported to an area which does not service FSS.	☒ Y	☐ N
16. Provide a field to identify FSS tenants whom port and capture the name and address of the other PHA regardless of other PHA's choice to administer or Absorb the tenant.	☒ Y see note	☐ N

EXPLANATION:

5. The family information that affects rent is controlled by the housing program that determines the escrow amount. The FSS

program coordinator can review and, if given security, update the family information. The system will not allow two different 50058 data sets (one on the participant record, and the other on the resident record) that impact escrow and reporting.

6, 11. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. Elite generates the rent reasonableness certificate as a standard report.

7. The system will stop generating an escrow. The housing authority must determine what action to take. The user needs to determine if the resident has completed the contract or not. There are three ways in which to close a contract: completed, annulled, and terminated.

9. Currently Elite allows for FSS participants only.

16. This information is captured in the Section 8 module.

INTERIM OR FINAL GOALS

1. The system has the ability to setup an unlimited number of user-defined participant interim or final goals.	☒ Y	☐ N
2. The system has the ability to designate interim or final goals as default interim or final goals.	☒ Y	☐ N
3. The system has an interim and final goals maintenance feature where goals may be added, deleted or updated.	☒ Y	☐ N
4. The system has the ability to attach a resulting skill to an interim or final goal. When the interim or final goal is completed, the skill will be added to the participant's skill list.	☒ Y	☐ N
5. The system offers the ability to add steps for reaching an interim or final goal.	☒ Y	☐ N

EXPLANATION:

NEEDS AND SKILLS

1. The system has the ability to define an unlimited number of participant needs.	☒ Y	☐ N
2. Each need must be associated with one of the following HUD defined types for purposes of populating the Community services table on the 50058 FSS/WTW addendum:	☒ Y	☐ N
a. Education/Training	☒ Y	☐ N
b. GED	☒ Y	☐ N
c. High School	☒ Y	☐ N

d. Post secondary	☒ Y	☐ N
e. Vocational/Job training	☒ Y	☐ N
1. Job search/job placement	☒ Y	☐ N
2. Job retention	☒ Y	☐ N
3. Transportation	☒ Y	☐ N
4. Health services	☒ Y	☐ N
5. Alcohol and other drug abuse prevention services	☒ Y	☐ N
6. Mentoring	☒ Y	☐ N
7. Homeownership counseling	☒ Y	☐ N
8. Individual Development Account (IDA)	☒ Y	☐ N
9. Child Care	☒ Y	☐ N
10. None	☒ Y	☐ N
3. The system has the ability to define an unlimited number of participant skills.	☒ Y	☐ N
EXPLANATION:		
SERVICE PROVIDERS		
1. The system has the ability to define an unlimited number of service providers.	☒ Y	☐ N
2. The system has the ability to group service provider by HUD service provider code.	☒ Y	☐ N
3. The system captures the following information for each service provider:		
a. Name	☒ Y	☐ N
b. Address	☒ Y	☐ N
c. Contact	☒ Y	☐ N
d. Phone	☒ Y	☐ N
e. E-mail address	☒ Y	☐ N
f. HUD Service Provider Code:	☒ Y	☐ N
1. P = PHA	☒ Y	☐ N
2. T = TANF agency	☒ Y	☐ N
3. D = DOL grantee	☒ Y	☐ N
4. V = Voluntary organization	☒ Y	☐ N
5. PR = For profit entity	☒ Y	☐ N
6. N = Nonprofit agency	☒ Y	☐ N
7. E = Employer	☒ Y	☐ N
8. C = Community college	☒ Y	☐ N
EXPLANATION:		
EMPLOYERS		
1. The system has the ability to define an unlimited number of employers.	☒ Y	☐ N
2. The following information will be captured for each employer:	☒ Y	☐ N

a. Name	☒ Y	☐ N
b. Address	☒ Y	☐ N
c. Contact name	☒ Y	☐ N
d. Phone	☒ Y	☐ N
e. E-mail address	☒ Y	☐ N
f. Required skills	☒ Y	☐ N
g. Hiring status	☒ Y	☐ N
EXPLANATION:		
FINANCIALS		
1. Calculate FSS monthly interest amounts on each individual escrow account with monthly HAP generation.	☒ Y	☐ N
2. Provide a history of monthly FSS interest rates.	☒ Y	☐ N
3. Provide separate tracking of total interest paid to FSS participants versus monthly escrow credits. Interest does get billed to HUD, thus MSHDA needs a separation in accounting for dollars.	☒ Y	☐ N
4. Provide account tracking of the overall escrow balance (on all active participants which fluctuates based on voucher end of participation and initials transactions) month to month, and noting tenants Escrow Account total broken down by PHA code: (MI 901 versus MI 902)	☒ Y	☐ N
a. Beginning balance for the month	☒ Y	☐ N
b. Total monthly credit	☒ Y	☐ N
c. Total interest earned	☒ Y	☐ N
d. Total adjustments to interest	☒ Y	☐ N
e. Total adjustments to escrow balances	☒ Y	☐ N
f. Total escrow disbursements	☒ Y	☐ N
g. Total escrow reverts	☒ Y	☐ N
h. Monthly ending balance	☒ Y	☐ N
5. Provide accounts receivable information, if applicable, when generating escrow payout.	☒ Y see note	☐ N
6. Automatically update monthly credit amounts based on income changes entered into a tenant's record.	☒ Y	☐ N
7. System has a setup to allow the PHA to designate the G/L posting accounts for interest, escrow credits, and withdrawals separately, by PHA code.	☒ Y	☐ N
8. System allows entry of a beginning participant escrow account balance for each participant. (portability).	☒ Y	☐ N
9. Provide the ability to make adjustments to participant escrow accounts.	☒ Y	☐ N
10. Track all disbursements from escrow.	☒ Y	☐ N
11. Provide the ability to produce a participant Escrow Worksheet, Form HUD-52652.	☒ Y	☐ N
12. System provides account tracking of credits/debits to a participant's FSS account including distribution of interest,	☒ Y	☐ N

disbursements (withdrawals) from the participant's account, adjustments to the participant's account, or return of the account to the PHA because the participant became ineligible to receive the money in escrow.		
13. The total of the combined FSS account funds will be supported in the system by a subsidiary ledger showing the balance applicable to each FSS family.	☒ Y	☐ N
14. When the contract status is changed from Preliminary to Active, the system will begin calculating FSS escrow credits for the participant when appropriate.	☒ Y	☐ N
EXPLANATION: `FSS creates AP transactions for payouts on escrow.`		
OPERATIONS		
1. The system calculates monthly FSS escrow credit for all qualifying participants, based on HUD regulations.	☒ Y	☐ N
2. The system has the ability to accept a gross amount of interest paid on the PHA's escrow investment account, the date interest was paid to the PHA by the financial institution, and prorate the interest to the participants' accounts based upon dollar days.	☒ Y	☐ N
3. When infraction occurs, place a hold on tenant escrow and interest for the period in which the infraction exists. Infractions (unpaid rent, outstanding damage claim, outstanding debt with PHA, etc.)	☒ Y	☐ N
4. System prints a report of FSS participants on hold due to an infraction – report must list infraction reason.	☒ Y see note	☐ N
5. System allows users, depending on security, to manually remove the FSS escrow credit hold for special circumstances, so that participant will receive the monthly FSS escrow credit even though they have an infraction.	☒ Y	☐ N
6. System generates a letter to each participant placed on hold for infraction.	☒ Y see note	☐ N
7. System maintains a history file of all FSS escrow credit holds with dates and reasons. This information will print on the statement.	☒ Y	☐ N
8. When monthly FSS escrow credits are posted to participants' accounts, the system will automatically remove any escrow credit holds after posting.	☒ Y	☐ N
9. System has the ability to make an adjustment (deposit or reduction) to a participant's account with an effective date and reason for the adjustment. This can affect the proration of interest by dollar day.	☒ Y	☐ N
10. When an FSS participant terminates their contract and escrow is forfeited, the system will remove the money from the participant's account and post it back to the correct user-defined G/L accounts, per HUD regulations. The system will generate a monthly FSS pre-generation escrow credit listing and a report of all reverted escrows monthly.	☒ Y	☐ N

11. System generates a monthly FSS escrow credit posting report.	☒ Y	☐ N
12. System generates a monthly FSS accounting report showing monthly FSS escrow credit for each participant, pro rata interest, escrow credits withheld from any participant (with reason), disbursements, and current account balances greater than zero.	☒ Y	☐ N
13. When a certification is done in arrears, the system will retroactively calculate escrow credits and recalculate interest proration.	☒ Y	☐ N

EXPLANATION:

4, 6. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. Elite generates the rent reasonableness certificate as a standard report.

OTHER SYSTEM PROCESSES

1. The following data is displayed on the participant main screen:		
a. Participant name	☒ Y	☐ N
b. Participant Social Security number	☒ Y	☐ N
c. Participant phone	☒ Y	☐ N
d. Address	☒ Y	☐ N
e. E-mail address	☒ Y	☐ N
f. Relation	☒ Y	☐ N
g. Active certification effective date	☒ Y	☐ N
h. Enrollment date	☒ Y	☐ N
i. Contract status	☒ Y	☐ N
j. Contract status change date	☒ Y	☐ N
k. Contract status change reason	☒ Y	☐ N
l. Contract start date	☒ Y	☐ N
m. Contract end date	☒ Y	☐ N
n. Contract extended date	☒ Y	☐ N
o. Field representative	☒ Y	☐ N
p. Beginning earned income	☒ Y	☐ N
q. Current earned income	☒ Y	☐ N
r. Beginning TTP	☒ Y	☐ N
s. Current TTP	☒ Y	☐ N
t. Current FSS escrow credit amount	☒ Y	☐ N
u. Date of last change in FSS escrow credit amount	☒ Y	☐ N
v. Previous FSS escrow credit amount	☒ Y	☐ N
w. Disbursements of escrow	☒ Y	☐ N
x. Escrow Balance	☒ Y	☐ N
y. Interest.	☒ Y	☐ N
2. The system generates a report on exits for a date range showing all of the data gathered during the exit procedure. FSS exit	☒ Y	☐ N

information is found on the Form HUD-50058, section 17m. Specifically:		
a. Did family complete contract of participation? (Y/N)	☒ Y	☐ N
b. If yes, did family move to home homeownership? (Y/N)	☒ Y	☐ N
c. If no, primary reason for exit:	☒ Y	☐ N
1. Left voluntarily	☒ Y	☐ N
2. Asked to leave program	☒ Y	☐ N
3. Portability move-out	☒ Y	☐ N
4. Left because essential service was unavailable	☒ Y	☐ N
5. Contract expired but family did not fulfill obligations.	☒ Y	☐ N
3. Provide the ability to print the active HUD50058 for the participant.	☒ Y	☐ N
4. Verify the necessary FSS fields have been completed before a field representative can approve a transaction which has FSS.	☒ Y	☐ N
5. Provide the ability to print Escrow Worksheets for one participant or for all participants for a date range of active certification dates.	☒ Y see note	☐ N
6. Provide the ability to match employers with participants, based upon participant's skills and skills required by the employer.	☒ Y	☐ N
7. When an FSS participant terminates from Section 8, a message will be displayed and highlighted on the participant screen.	☒ Y	☐ N
8. The system has an exit procedure that will walk the user through entering the following:		
a. Type of exit (completion, termination or transition).	☒ Y	☐ N
b. Date of exit	☒ Y	☐ N
c. Disposition of FSS account if balance is greater than zero	☒ Y	☐ N
d. Forwarding address	☒ Y	☐ N
e. Comments	☒ Y	☐ N
f. Form HUD-50058 FSS Addendum	☒ Y	☐ N
9. Provide the ability to attach documents to each FSS participant's record.	☒ Y	☐ N
10. Provide security to limit the users ability to access FSS participant's information.	☒ Y	☐ N
EXPLANATION: 5. Elite allows the user to print the Escrow Credit worksheet for one participant at a time.		
FSS REPORTING		
1. Provide a history of FSS and WTW exits and reasons for exit.	☒ Y	☐ N
2. Provide a report of expiring FSS contracts for a period.	☒ Y	☐ N
3. Provide a report of an FSS participant's escrow history documenting all transactions and adjustments, which occurred.	☒ Y	☐ N
4. Provide a report of disbursements and/or reverts for a period.	☒ Y	☐ N
5. Provide a report of FSS participants who exited FSS in a period.	☒ Y	☐ N

6. Provide a summary of each field representative's FSS participants: list total cases, escrowing cases, and the percent of cases escrowing.	☒ Y	☐ N
7. Provide yearly letters of participant's escrow balance.	☒ Y	☐ N
8. Provide a report of an individual complete FSS history.	☒ Y	☐ N
9. Provide a log of user entry on any designated FSS participant.	☒ Y	☐ N
10. The system generates a skills matching report.		

EXPLANATION:

1 – 10. Elite includes several of the reports listed above in the standard product. All of the reports are developed in Crystal reports. The reports that are specific to the housing authority can be developed by end users to meet the authority's needs and requirements listed. Elite generates the rent reasonableness certificate as a standard report.

HOMEOWNERSHIP

1. Allow entry or calculation of all the HUD50058 data elements required for MTCS reporting based on specifications identified in the HUD technical reference guide.	☒ Y see note	☐ N
2. Provide a lender database with the following fields:	☒ Y	☐ N
a. Name	☒ Y	☐ N
b. Address	☒ Y	☐ N
c. Phone	☒ Y	☐ N
d. E-mail	☒ Y	☐ N
e. Website	☒ Y	☐ N
f. Counties serviced	☒ Y	☐ N
g. Debt to income ratio (front end)	☒ Y	☐ N
h. Debt to income ratio (back end)	☒ Y	☐ N
i. LTV – loan to value offered	☒ Y	☐ N
3. Provide tracking of appraised house value	☒ Y	☐ N
4. Provide a loan interest rate field	☒ Y	☐ N
5. Provide a loan type of field	☒ Y	☐ N
a. Conventional	☒ Y	☐ N
b. FHA	☒ Y	☐ N
c. VA	☒ Y	☐ N
d. User-defined	☒ Y	☐ N
6. Provide a house purchase price field.	☒ Y	☐ N
7. Provide a taxable value field which can track amount yearly and maintain the history of annual taxable values.	☒ Y	☐ N
8. Provide a SEV (State Equalized Value) field.	☒ Y	☐ N
9. Provide tracking of down payment or principal reduction assistance which can include multiple sources.	☒ Y	☐ N
a. Grant amount	☒ Y	☐ N
b. Loan amount	☒ Y	☐ N
c. Other assistance amount	☒ Y	☐ N

10. Counseling attended	☒ Y	☐ N
a. Date completed	☒ Y	☐ N
b. Provider name	☒ Y	☐ N
c. Course attended	☒ Y	☐ N
11. Provide a chart for entry of income limits applicable to Homeownership eligibility (limits do not equal regular HCV income limits).	☒ Y	☐ N
12. Provide segregation for Homeownership payments to tenants or financial institution as tax-exempt payments.	☒ Y	☐ N

EXPLANATION:

1. Elite processes the 50058 calculations for residents who are homeowners.

2 – 10. The authority can use Elite Section 8 Property Management and Entity in combination with user-defined fields to track all of the information.

11. Income Limits are related to the resident. Elite allows the user to establish multiple income limits and will accommodate this requirement.

12. The authority can mark the resident or financial institution as "do not process 1099."

SEMAP CRITERIA TRACKING REQUIREMENTS

WAITING LIST		
1. Provide the ability to pull user defined random samples of applicants who have reached the top of selected waiting lists.	☒ Y see note	☐ N
2. Provide data, which support that random samples meet the criteria (e.g. application, residency, and special program verifications attached to the file) establishing their individual placement on the waiting list.	☒ Y	☐ N
3. Provide data, which support that random samples meet the criteria establishing the order of their selection from the waiting list. Provide the status of the two applicants selected prior to each sample applicant.	☒ Y	☐ N

EXPLANATION:

REASONABLE RENT		
1. Provide a random sample of tenants and the comparables used to justify rent reasonableness.	☒ Y	☐ N

2. Provide the following data for comparison to verifications:		
a. Utility allowances effective date	☒ Y	☐ N
b. Bedroom size	☒ Y	☐ N
c. Unit type	☒ Y	☐ N
d. Utility allowance amount	☒ Y	☐ N
3. Provide the following data and document affordability on Initial and Other Change of Unit transactions:		
a. Contract rent	☒ Y	☐ N
b. Payment standard	☒ Y	☐ N
c. Total tenant payment	☒ Y	☐ N
d. Monthly adjusted income	☒ Y	☐ N
EXPLANATION:		
DETERMINATION OF ADJUSTED INCOME		
1. Provide the ability to pull a random sample of tenant files to determine at the time of admission and re-examination that third party verification was properly obtained.	☒ Y	☐ N
2. Provide each random tenant's assets, income, medical expenses, and allowances for review with file verifications.	☒ Y	☐ N
EXPLANATION:		
UTILITY ALLOWANCE SCHEDULE		
1. Provide a method of documenting the utility rates adjustment factor for the fiscal year. If adjustment rate is less than 10%, document rate for confirmation report.	☒ Y	☐ N
2. Provide a confirmation report that utility information has been updated during a specified fiscal year.	☒ Y	☐ N
EXPLANATION:		
HQS QUALITY CONTROL		
1. Provide a random sample of inspections performed within 90 days from the report date for re-inspection by quality control staff.	☒ Y	☐ N
2. Provide an entry screen to document results of Quality Control Audit re-inspections.	☒ Y	☐ N
3. Provide a certification report, which summarizes the results of the Quality Control Audit.	☒ Y	☐ N
EXPLANATION:		
HQS ENFORCEMENT		
1. Provide a random sample of failed HQS inspections with the following data:		

a. Failed inspection date	☒ Y	☐ N
b. Deficiency notice date	☒ Y	☐ N
c. Date notified of repair completion	☒ Y	☐ N
d. Re-inspection date	☒ Y	☐ N
e. Passed date	☒ Y	☐ N
f. Abatement date, if applicable	☒ Y	☐ N
g. End of contract date, if applicable	☒ Y	☐ N
2. Provide identification that deficiencies were corrected within 24 hours for life-threatening failures and 30 days for other deficiencies. Also, identify whether or not abatement of HAP occurred if deficiencies were not corrected on time.	☒ Y	☐ N
EXPLANATION:		
EXPANDING HOUSING OPPORTUNITIES		
1. Provide A list of vacant units which fall outside of minority and poverty concentration areas within a specified county (Metro Counties).	☒ Y	☐ N
2. Provide a report, which identifies, for a specified period, the number of Initial and Other Change of Unit Transactions who moved from an area of minority and poverty concentration to non-concentration areas.	☒ Y	☐ N
EXPLANATION:		
TIMELY ANNUAL RE-EXAMINATIONS		
1. Provide a listing of past due re-examinations broken down by caseworker with user-defined data on the report.	☒ Y	☐ N
2. Provide a report of the number of re-examinations sent to MTCS:	☒ Y	☐ N
a. On-time	☒ Y	☐ N
b. Within 30 days	☒ Y	☐ N
c. Within 60 days	☒ Y	☐ N
EXPLANATION:		
CORRECT TENANT RENT CALCULATIONS		
1. Provide system verification of the proper rent calculations, so the only possible errors will be human errors within reasonable entry parameters.	☒ Y	☐ N
EXPLANATION:		
PRE-CONTRACT HQS INSPECTIONS		
1. Provide a system lock, which does not let new contract begin dates (on Initials and Other Changes of Unit) start prior to passed	☒ Y	☐ N

inspection date.		
2. Provide a confirmation report of new contracts and their begin dates for a user-defined period.	☒ Y	☐ N
EXPLANATION:		
ANNUAL HQS INSPECTIONS		
1. Provide a system warning if a user enters an inspection date over a year past the previous year's inspection date.	☒ Y	☐ N
2. Provide a monthly report of re-examinations where the inspection date exceeds a 12 and 13-month period from the previous re-examination's inspection date, broken down by caseworker.	☒ Y	☐ N
EXPLANATION:		
LEASE-UP		
1. Provide a monthly report of the percentage of units under lease versus the total units allocated to MSHDA broken down by caseworker. Report must include:	☒ Y	☐ N
a. Units allocated to each caseworker	☒ Y	☐ N
b. Units contracted	☒ Y	☐ N
c. Over-issuance units assigned to each caseworker	☒ Y	☐ N
EXPLANATION:		
FAMILY SELF-SUFFICIENCY (FSS)		
1. Provide a report tracking the number of FSS successes versus a user-defined number of mandatory FSS slots.	☒ Y	☐ N
2. Provide a report on FSS participants which includes the number of FSS participants.	☒ Y	☐ N
a. Currently enrolled	☒ Y	☐ N
b. With escrow balances	☒ Y	☐ N
c. Currently enrolled and administered by another PHA	☒ Y	☐ N
d. Currently enrolled with an escrow balance administered by another PHA	☒ Y	☐ N
EXPLANATION:		
DECONCENTRATION BONUS		
1. Provide a report, which identifies address information of all participant families with children at the end of the last Fiscal Year for comparison against poverty census, and track data as of a user-defined date.	☒ Y	☐ N
2. Provide a report, which identifies the address information before and after all "7-Other Change of Unit" transactions for all	☒ Y	☐ N

participant families with children within a user-defined period.		
EXPLANATION:		
GENERAL		
1. Provide required functionality to monitor all SEMAP indicators for a single locality or aggregate in all MSHDA programs.	☒ Y	☐ N
2. Provide all reports with the option to convert into an Excel formatted file.	☒ Y	☐ N
EXPLANATION:		

SECURITY AND CONTROL

1. Assign password authority based on one or any combination of the following:		
a. Read Only	☒ Y	☐ N
b. Read & Write	☒ Y	☐ N
c. Supervisory	☒ Y	☐ N
3. Provide password security by:	☒ Y	☐ N
a. Read Only	☒ Y	☐ N
b. Read & Write	☒ Y	☐ N
c. Supervisory	☒ Y	☐ N
d. Screen within an application	☒ Y	☐ N
e. Tab within an application	☒ Y	☐ N
3. Provide the ability to limit the view of data by county.	☒ Y	☐ N
4. Provide user definable menus by individual user's access.	☒ Y	☐ N
5. Provide capability to allow users to change their own passwords.	☒ Y	☐ N
6. Provide the ability in Section 8 for caseworker only to view their specific caseload.	☒ Y	☐ N
7. Mask passwords during entry.	☒ Y	☐ N
8. Restrict entry of certain transactions by user.	☒ Y	☐ N
9. Automatically log-off terminals after a set umber of invalid access attempts.	☒ Y	☐ N
10. Produce an activity report indicating that when users access the system include on the report, User Name, User Nick Name, Last Used Date and First Used Date.	☒ Y	☐ N
11. Provide the capability for only supervisors to view certain items on a user definable pick menu.	☒ Y	☐ N
12. Provide security over remote access via cable, DSL, or telephone.	☒ Y	☐ N
13. Allow creation of new user privileges by copying another user's privilege levels and modifying.	☒ Y	☐ N
14. Provide the ability to set user definable times with passwords must be changed by the end users.	☒ Y	☐ N
15. Provide the ability to force a unique password to be set when changing passwords.	☒ Y	☐ N
16. Have the ability to expire passwords based on an effective date.	☒ Y	☐ N
17. Provide audit trail down to user and entry date and time?	☒ Y	☐ N
18. Provide audit trails on both application and database levels?	☒ Y	☐ N
19. Provide the ability to define roles within the organization and assign security features to each role.	☒ Y	☐ N
20. Provide for the ability to have grace periods for staff that forget to change their passwords if required.	☒ Y	☐ N
21. Provide the feature to allow the System Administrator to lock everyone out of the system with one easy step.	☒ Y	☐ N
22. Provide a Security Audit Report.	☒ Y	☐ N
23. Provide a User Security Report.	☒ Y	☐ N
24. Provide the ability to create user definable fields that you can provide security on and	☒ Y	☐ N

require the fields to be entered.		
25. Provide the ability for System Administrator to set disable logins after a certain amount of attempts.	☒ Y	☐ N
26. Allow user to provide security on notes fields and only allow supervisors to change notes.	☒ Y	☐ N
EXPLANATION:		

CONTRACTOR PAYMENT PROCESS

Field representatives receive payment based on the HAP payments issued to HAP payees serviced by the field representatives. For each contract active on the first day of a month, field representatives receive a designated base pay amount set by their contract. Contracts beginning the middle of a month will receive only $10 instead of the base pay for the first month on the contract regardless of base pay amount.

ANALYSIS

a. Provide a detailed report listing each field representative's active cases as of a specified date. Provides field representatives with a monthly summary.	☒ Y	☐ N
b. Track when a field representative's cases begin and end versus the date of entry.	☒ Y	☐ N
a. Records beginning after the contract effective date should receive retroactive pay only if the contract received approval prior to 60 days from the contract effective date.	☒ Y	☐ N
b. Records entered after a contract cancellation date must receive a deduction for previous payments issued to field representative for the months when the contract was deemed active.	☒ Y	☐ N
c. Track when a field representative's FSS and WTW cases begin and end versus the date of entry	☒ Y	☐ N
a. Records beginning after the contract effective date should receive retroactive pay only if the contract received approval prior to 60 days from the contract effective date.	☒ Y	☐ N
b. Records entered after a contract cancellation date must receive a deduction for previous payments issued to field representatives for the months when the contract was deemed active.	☒ Y	☐ N
d. Maintain the history of all details and payments to the field representatives.	☒ Y	☐ N
EXPLANATION:		

CALCULATION		
1. Provide a final calculation of field representative's payment providing a summary with the following data:	☒ Y	☐ N
a. Number of active contracts for the month.	☒ Y	☐ N
B. NUMBER OF BACK MONTHS BEING PAID.	☒ Y	☐ N
c. Number of FSS records being paid	☒ Y	☐ N
d. Number of WTW records being paid.	☒ Y	☐ N
2. Field representatives receive the following payments for the active cases.	☒ Y	☐ N
a. Base pay/month – Cases active on the first day of each month.	☒ Y	☐ N
b. $10/month – Cases active on FSS.	☒ Y	☐ N
c. $10 for month – First month of a case beginning any day after the first day of the month.	☒ Y	☐ N
3. Field representatives receive an incentive pay amount based on monthly performance criteria. Allow secured users to enter adjustments to the field representatives payments.	☒ Y	☐ N
4. Allow an option to setup field representatives who do NOT receive the above payments. Some field representatives are state employees.	☒ Y	☐ N
EXPLANATION:		

PAYMENT		
1. Generate an interface file for transmission to MAIN interface. Data file setup will be similar to the HAP/UAP generation payment file.	☒ Y	☐ N
2. Provide a sort of interface to Excel format.	☒ Y	☐ N
EXPLANATION:		
AGENT PERFORMANCE REPORTS		
1. LEASE UP REPORT:		
a. Provide a report that allows user to run a report including data for all vouchers on the system: Report contains – Field representative name, Voucher, County, Status of Voucher (Contracted, Issued, Unassigned), Last Action, Last Action Effective Date, Tenant Social Security number, Project number, ACC number, Next Recertification Date, Bedroom size, Special Program type (If applicable)	☒ Y	☐ N
2. RECERTIFICATION RATE / PERCENTAGE REPORT:		
a. Allows user to run a report reflecting Future (upcoming) Recertifications for a specified month: Report Contains – Field representative, County, Voucher, Tenant Name, Recertification Date, Tenant Address	☒ Y	☐ N
b. Allows user to run a report reflecting Expired (missed) Recertifications; for a specified month after the Monthly HAP generation has been completed: Report Contains – Field representative, Voucher, Tenant Name, Recertification Date (expired)	☒ Y	☐ N
3.EH TECH LOG ERROR REPORT:		
a. Allows user to run report of all document processing entries. Special Report contains – Field representative name, Logger name, Number of Errors, Number of Voucher with Errors, and Total Number of cases approved in a specified time frame.	☒ Y	☐ N
4.MTCS ERROR REPORT:		
a. Allows user to run report for a user-defined period containing Field Representative name, Transaction Code (action type), Effective Date, Tenant Name, Approval Date, and Finance Approval Date.	☒ Y	☐ N
b. System must use the above data and compare to MTCS error file received from PIC after MTCS transmission	☒ Y	☐ N
c. Calculate the MTCS error percentage.	☒ Y	☐ N
5. CYCLE TIME FACTOR:		
a. Allows user to run report (Detail Report) from document processing for a user-defined period	☒ Y	☐ N
b. Allows user to print to file (MS Excel file), print report, or view report	☒ Y	☐ N
c. Report contains – all entries for each Field Representative by logger, action code, effective date, county, tenant name, voucher, entry date, date received, audit/approval status	☒ Y	☐ **N**
6. FAMILY SELF SUFFICIENCY FACTOR:		
a. Allows user to select counties or vouchers to include in the report	☒ Y	☐ **N**
b. Report contains – Tenant Name, Field Representative name, Voucher, FSS Flag (indicating if an active FSS participant), Monthly Credit (if FSS), Balance (if FSS), Family Type, Contract Start Date (if FSS), Contract End date (if FSS), Contract Extension Date (if FSS), and Contract Exit Date (if FSS)	☒ Y	☐ **N**
7. ESCROW (FSS) REPORT:		
a. Allows user to use above report to calculate the number of FSS participants with a monthly credit (i.e. Escrowing).	☒ Y	☐ **N**
8. WELFARE TO WORK REPORT:		
a. Allows user to select voucher number range	☒ Y	☐ **N**
b. Report contains – Voucher, Tenant Name, Effective Date, Last Action, Field Representative name, Status of voucher (Contracted, Issued,	☒ Y	☐ **N**

Unassigned), and FSS flag (if active participant in FSS)		
EXPLANATION:		

** All reports must be converted to an MS Excel File for further processing **

RFP Requirement

a. Service Level Agreement

MSHDA and DIT expects that a service level agreement (SLA) will be part of the contract for service. Accordingly, detailed procedures for the measurement of, and MSHDA's and DIT's monitoring of, this service will be developed during contract negotiations. MSHDA and DIT desires excellent performance and wants to only monitor the results, without getting involved in how the Provider is achieving such performance. MSHDA and DIT prefers that no more frequent than monthly interfaces (after conversion) be necessary on this subject, unless failures occur. By saying this however, MSHDA and DIT is in no way abdicating its responsibility for managing the Provider relationship and actively participating in performance reviews and contract governance meetings.

b. Provider Measures

1) What the Provider would measure and report to MSHDA and DIT for their performance of this services, and why
2) How the Provider would calculate these measures (e.g., provide formulas, definitions, etc.)
3) The period of time that would be measured for each measure/metric
4) How frequently such measurement would be made and reported
5) How the Provider would report significant events (e.g, failures) outside of the normal performance reporting
6) The standard of excellence to which the Provider should be held accountable
7) How the Provider will ensure that MSHDA and DIT remains current with technological advances during the contract period and realizes savings from the declining costs of technology and improved processes.

c. Provider's Current Performance

For those performance measures that the Provider recommends measuring in the Service Level Agreement, the Provider must provide what their current performance measures are (how well they currently perform), for each of their 10 clients listed in the response to Section IV-C.3 (Prior Experience). The Provider may omit client names from this information.

d. Other Performance Measures

MSHDA and DIT suggests neither that the following list of performance measures is complete nor that such measures should necessarily be used:

- Response time
  - The cycle time for implementing solutions to software errors
  - The cycle time for enhancements to the software due to Federal code changes, new data that needs to be tracked by the customers, etc.
- Server availability
- Trouble tickets opened/closed
- Help desk calls
- Functionality delivered on schedule
- Number of errors in latest software release
- Customer satisfaction

Emphasys Response

Provider Measures

RFP Requirement

1) What the Provider would measure and report to MSHDA and DIT for their performance of this services, and why
2) How the Provider would calculate these measures (e.g., provide formulas, definitions, etc.)
3) The period of time that would be measured for each measure/metric
4) How frequently such measurement would be made and reported
5) How the Provider would report significant events (e.g, failures) outside of the normal performance reporting
6) The standard of excellence to which the Provider should be held accountable
7) How the Provider will ensure that MSHDA and DIT remains current with technological advances during the contract period and realizes savings from the declining costs of technology and improved processes.

Emphasys Response

Please refer to Section 4.1 for additional information related to this requirement. Emphasys provides measurements and metrics for key aspects of its business that are then reported to clients. The key metrics are measured internally by management staff, and are graded by clients on an annual basis through an independent survey by a third party company.

On a monthly basis, the Product Management Department within Emphasys reports on information and metrics about each of Elite product modules. This includes:

- The number of events opened and closed for development
- The amount of fix vs. enhancement activity
- Histogram of development activity
- Backlog of events and priority
- Customer Care support call activity by product module
- Critical and non-critical support calls
- Time elapsed for support call
- Percentage of calls transferring to development
- Top 5 client call-ins for support.

Aside from contractual requirements for performance, Emphasys maintains a website that allows clients secure access to certain performance reports related to their implementation and ongoing support. These reports can be generated real-time from our CRM application. Once a service call is placed with Emphasys, clients can generate the following reports in both summary and drill-down detail:

- Time Entered to Assigned
- Time Entered to Client Callback
- Time Entered to Closed (remedied)
- Support Events by Type (Fix, Training, Support, Enhancement, etc.)

All software changes related to HUD regulatory requirements are posted to the Emphasys website with effective due dates. Emphasys guarantees that we will meet the date we post on our website. In addition, once an implementation project plan is finalized, all tasks and milestone events are tracked and reported against real-time. This enables Emphasys to provide performance reports related to:

- Software Enhancements
- Bug Fixes
- Software compliance with HUD regulatory requirements
- Support Calls
- Training Services
- Consulting Services

During implementation and pre-production, performance reports are provided formally on a monthly basis and weekly on an informal basis. Once MSHDA transitions to a post-production status, Emphasys will publish measurement reports on a quarterly basis and provide the results of the annual client satisfaction survey once annually.

Emphasys also maintains a searchable knowledgebase for known issues that consists primarily of a rolling six month database for support and programming events. Other metrics related to product support include:

- Emphasys will make its best effort to always provide three (3) years of prior written notice to the Licensee regarding any change in the peripheral or interoperating technology related to the Application Software, such as database, operating system, programming language or any required peripherals within Emphasys' control.
- Emphasys will, on a reasonable basis, keep active and fully utilize the test systems in their offices for every Emphasys approved platform on which customers currently run.
- In general, Emphasys will make three documented attempts via e-mail, fax, or phone to reach agreement with client that a support event is remedied and should be closed. Emphasys will not close support events without the concurrence of the Licensee.

Support Events

Support events have two categories

- **Priority 1** (Emergency Support Event that impacts mission critical processes)
- **Priority 2** (Routine Support Event)

Guaranteed Response Times

Emphasys will make its Best Effort to meet the response time during Normal Business Hours within one (1) hour for Priority 1, and twenty-four (24) hours for Priority 2. During the initial implementation we understand that response times are critical. All issues will be channeled through the Emphasys Project Manager during initial implementation so that it receives the highest level of attention. Emphasys will make its best effort, including obtaining necessary assistance from programming staff, to provide a solution to a support event within four (4) hours for Priority 1, and seventy two (72) hours for Priority 2. If the support event becomes a program fix, it will be remedied as part of the software development, quality control procedures, and version control methodology established by Emphasys.

Methods of Support Request

Emphasys provides the following methods for requesting and obtaining support:

- A toll-free phone line that is directly accessible by Licensee and must be answered by a live operator during Normal Business Hours.
- Voice mail available on a 24/7 basis.
- Ability to request support via secure web site.

- Ability to request and receive Standard Support via e-mail.
- Dedicated fax server for requesting support

Emphasys Website
The Emphasys Website provides for:

- Comprehensive status of Federally Mandated Changes
- Software updates will be provided on the web site with an e-mail notification to client's designated contact when the information is available.
- Access to status of all events (viewing Licensee specific support events real-time, and development status events real-time)
- User Manuals and Documentation
- Frequently Asked Questions page with associated responses or answers
- Hardware configuration documentation, including minimum requirements.
- Data file layouts (data dictionary)
- Company announcements
- List of Application Software modules and Add-ons
- Custom programming request listing and written descriptions of specifications
- Knowledge base as defined

Guarantee of Research on Federally Mandated Changes
Emphasys provides dedicated resources to research and design Federally Mandated Changes. Emphasys shall provide e-mail notification to MSHDA's designated contact, of HUD requirements, regulations, and Federally Mandated Changes as a result of the research and design effort.

Additional Information and Comments

Contractor's Assumptions and Expectations

The pricing and scope detailed in this document is predicated on the following key assumptions and expectations:

Item #	Assumption / Expectations
1.	There are many variables that affect pricing. Emphasys expects that the State is willing to negotiate the products and services proposed herein to ensure a proper scope is achieved. There are several services that Emphasys proposed that may be reduced if MSHDA/DIT determines to perform the services themselves.
2.	ELITE is a complex and flexible policy-based workflow application. During the Discovery and Analysis phase, MSHDA and the Emphasys team will review ELITE and determine opportunities to standardize, simplify and improve its processes.
3.	Emphasys has proposed a full-time Project Manager during this engagement primarily since our Project Manager also has extensive implementation and consulting experience. However, MSHDA may wish to adjust the amount of project management services proposed. The price for a full-time project manager includes a 25% discount from our normal fee for this service. Should MSHDA decide to reduce the level of project management services the discount level, if any, will have to be negotiated. Reducing the amount of time related to the assigned Project Manager may affect the senior consulting services needed on other tasks as well.
4.	All current system and functional documentation including narratives, process flows, technical architectures, conversion and interface specifications/programs, and application data models

Item #	Assumption / Expectations
	will be made available to the Emphasys team to facilitate data conversion and implementation planning.
5.	Unless otherwise indicated, Emphasys is proposing to provide documentation deliverables to MSHDA in the form of one hard copy and one electronic-copy. MSHDA may make as many additional copies as needed.
6.	After Emphasys configures application security within the system, MSHDA will be responsible for on-going security maintenance. Emphasys can provide this type of service on an ad-hoc basis.
7.	The Emphasys team will compile an inventory of reports contained in the MSHDA's legacy applications vs. reports contained in the Elite product Suite (Reports Cross-Referencing). Emphasys did not propose custom report writing services and we are assuming that MSHDA will create reports that are not included in the standard Elite product suite. Emphasys can perform this service on an ad-hoc basis. Emphasys did include costs for certain custom programming. This may be used for ad-hoc custom report writing in the event the custom modifications identified are not needed.
8.	MSHDA will provide data extraction from legacy applications in an industry standard (i.e. ASCII flat file format) to the Emphasys team.
9.	Emphasys Application Support and Maintenance provides for unlimited access to Help Desk services, the maintenance of software to remain compliant with HUD regulatory changes as well as any custom enhancements that affect the functionality of Elite. Database Administration services are not provided as part of our standard support package, but are available on an ad-hoc basis.
10.	As indicated in the RFP, unless the State chooses the option for ASP Hosting by EDS, MSHDA/DIT will provide the necessary hardware, servers, communications, infrastructure, firewalls, and internet connectivity needed to publish the Elite application to the user community in a secure environment. We have provided recommended specifications within this proposal. We also recommend that network engineers from Emphasys verify and validate the States environment and/or planned acquisition of hardware for this application solution. The Emphasys team will install and setup the Elite Software on the application server and Citrix Server Farm and install/configure the MS-SQL database on the database server.
11.	MSHDA will facilitate and provide the necessary training facilities to accommodate the end-user community including the remote contracting agencies. Emphasys will work with MSHDA to determine the best method for handling this issue. For example, Emphasys has a training facility located in its Petoskey, MI headquarters. We may use this training facility to train those remote contractor agencies located in Northern Michigan.
12.	Each remote office is responsible for their own internet connectivity needed to run the Elite application. Certain minimum specifications must be met to ensure adequate performance. In most cases a typical dial-up connection may work for a single user.
13.	MSHDA will provide reasonable office space for the Emphasys team while on-site, with reasonable use of a telephone, copier, fax, and internet connection as needed.
14.	The primary work location for on-site service will be at MSHDA's Lansing office.
15.	MSHDA/DIT will supply appropriate resources to the project. A list of suggested MSHDA resources may be found in Section 3.4.6 Recommended Involvement by DIT/MSHDA section.
16.	Decisions, issue resolutions, and approvals will be made by the Steering Team for the Elite Project (STEP) and the Elite Project Implementation Committee (EPIC). The decisions and issue resolutions will be provided within two business days, or as reasonably deemed appropriate based on the States Project Management methodology
17.	The project was assumed to begin in early April, 2004. The project timeline and all deliverable dates in this proposal are based on this as the project start date. This timeline may be modified based on subsequent negotiations with the State.
18.	The State will provide all software licenses for server operating systems, RDBMS systems, and Citrix Servers unless the State chooses the optional ASP Hosting service by EDS.
19.	Introduction of radical change at MSHDA must be carefully managed. It is the responsibility of MSHDA to manage the organizational change related to the deployment of new enterprise wide software. MSHDA is responsible for the regular communication with all end-users, tenant

Item #	Assumption / Expectations
	representatives, landlords, and community stakeholders related to this project. These actions will mitigate the risk of organizational change.
20.	With a project of this magnitude, it is likely that staff turnover and leaves of absence will occur. MSHDA and Emphasys are both responsible to ensure adequate cross-training of their respective resources is accomplished to backfill as necessary.
21.	VM DOCUMENT PROCESSING LOG **-** Elite provides the ability to do extensive document tracking as it relates to applicants and participants in the system. Emphasys assumes the ITB is requesting replacement of the EH Log system (VM Document Processing Log). Emphasys will consider developing a system to meet MSHDA's requirements. During implementation, a project scope will be developed. Emphasys and MSHDA can evaluate the cost and determine the course of action at that time. Emphasys did not propose additional cost at this time until we can better understand MSDHA's requirements.
22.	The ITB outlines certain Standards of Performance beginning on page 26, which consists of Acceptance Testing. This requirement is not especially clear as to whether it pertains to hardware and/or software and exactly how the testing will be conducted, and who is responsible for it. Emphasys is expecting that the State is willing to negotiate this item within the contract to make sure we understand MSDHA's expectations for deliverables.

Recommended Hardware Configuration for running Elite

Overview
For Elite to run at its best there are several minimum system and user requirements that must be met. The following requirements include:

- Work Station Requirements
- Database Server Recommendations
- File Server Recommendations
- Remote Connectivity Specifications
- Printer Requirements
- Maintenance Strategy
- User Skills
- Software Specialist

Should MSHDA/DIT choose to host the Elite software on the State's network, we recommend that Network Engineers from Emphasys consult with technical staff from MSHDA/DIT to validate the hardware configuration for running Emphasys Elite on the State network. On a preliminary basis, Emphasys has outlined the following server configuration that will allow 200 concurrent users to utilize the Emphasys Elite Software:

Citrix MetaFrame Farm
5 Citrix Metaframe XPa (or XPe) Servers/Farm Configuration (e.g. HP Proliant ML370 or better)
- Dual Xeon Processors
- 2 CPU
- 4GB RAM
- Redundant Power Supply
- Redundant Fans
- 2 x 36GB Disk
- RAID 1

Web Portal - Secure Access Manager Server
1 Citrix Secure Access Portal server (e.g. HP Proliant ML370 or better)
- Single Xeon Processor
- 1GB RAM
- 18GB Disk

Emphasys Elite Application Servers
2 Windows 2000 Servers (e.g. HP Proliant ML570 or better)
- 1-Elite Application Servers Prod/Training
- 1- Pre-Production Testing)
- Dual Xeon Processors
- Redundant Power Supply
- Redundant Fans
- 4 CPU
- 4GB RAM
- 4 x 18GB Disk
- RAID 5

Emphasys Elite SQL Servers

2 Windows 2000/SQL 2000 Servers (e.g. HP Proliant ML570 or better)

- 1 Server Prod/Training
- 1 Server Pre-Production Testing
- Redundant Power Supply
- Redundant Fans
- 4 CPU
- 4GB RAM
- 8 x 72GB Disk (Production)
- 8 x 36GB Disk (Pre-Production Testing)

Additional info and services to be considered

- Available bandwidth per user for Citrix 50-100K per user depending on bandwidth
- Additional Network Support servers or at a minimum dedicated high-end workstation for systems management.
- Additional Server for Active Directory if desired
- Additional DataStore Server
- Disaster Recovery Server(s)

Workstation Requirements for MSHDA Housing
(Machines that will connect to Citrix Metaframe exclusively)

This configuration will be sufficient as long as operating system and hardware are stable and machine is used only to connect to a Metaframe Desktop via ICA client software.

Workstation Requirements

- Pentium II 400MHz
- 128MB RAM
- 512K VDRAM
- 15GB IDE HDD
- Windows 98 SE or better
- SQL Connectivity with SP 3a+
- Windows Internet Explorer (IE) 5.5 or later (required for MS SQL 2000 Client)
- 10/100 MB NIC
- 15" Monitor VGA
  - i. 256 colors
  - ii. 800x 600 resolution
  - iii. Small Fonts Desktop Display

Recommended Workstation Requirements for MSHDA LAN users (Thick Client Deployment)

- Intel Pentium III 1000MHz/Processor or greater
- 256 MB RAM or greater
- 32MB AGP Video Card or greater
- 20GB IDE HDD or larger capacity
- SQL Connectivity with SP 3a+[1]
- Windows 2000 Professional or Windows XP Professional
- Internet Explorer 5.5 or higher

[1] Must have proper software license

- 100MB NIC – preferably a switched connection
- 17" Color VGA Monitor
  - iv. 256 colors
  - v. 800 x 600 resolution
  - vi. Small Fonts Desktop Display

Database Server for MSHDA Housing based on 250 SQL Users
The following database server recommendations are for a dedicated server only. Emphasys strongly recommends a separate database server that is strictly dedicated for the operation of the SQL database only. No other software products or services should be installed on the database server. Please refer to the Microsoft website for updated information on database server recommendations.

Recommended SQL Server Specifications for MSHDA
(Typical Platform Recommendations: Compaq Proliant ML570G2)

- 4 Intel Xeon 3.2 GHz Processors
- 8GB RAM
- Multiple Hard Drives (@146.8G) in 3 – RAID 1 Configurations. (Total available mirror space per set 140GB+ would be System, Transaction logs, Database)
- HP Smart Array 6404/256 - Storage controller - Ultra320 SCSI - 320 MBps - 0, 1, 5, 10, ADG - PCI-X
- Dual Redundant 100MB Full Duplex NIC's
- Redundant Power Supply
- Redundant Fans
- Server Virus Protection Software
- UPS with Shutdown Software
- Windows 2000 Server Advanced Server
- Microsoft SQL Server 2000 Enterprise Edition

File Server Configuration for MSHDA
Identical server to above except 5 146.8G drives in a RAID 5 configuration

Remote Connectivity

MetaFrame Server Specifications (For support of up to 40 users)
Platform HP ProLiant ML370 G3 or equivalent

- 2 Xeon 3.2 GHz Processors
- 3Gb RAM
- 2 Hot Plug 72.8 GB HDD in a RAID 1 Configuration. (Total available disk space = 72.8gb)
- Smart Array 641 - Ultra320 (or better)
- 100Mb Full Duplex NIC
- Redundant Power Supply
- Server Virus Protection Software
- UPS with Shutdown Software
- Windows 2000 Server with Terminal Services enabled
- Citrix MetaFrame XPe software

Printer Support

NOTE: Any Windows supported printer should work with the Elite software. However, we recommend that Emphasys validate printers MSHDA would like to use.

Network Maintenance Strategy (Thick Client)

LAN Strategy / Specifications

- Ethernet topology
- 100mb connection to all client desktops
- 24 clients or less per network segment of shared bandwidth
- (Switched connections to all network devices is preferred)
- 100mb/1000mb full duplex switched connection to all servers
- CAT 5 cable or better

MetaFrame - Thin Client / Remote Site Support

Thin Client / Remote Site Support (Citrix MetaFrameXPe)
In all cases, Citrix MetaFrame may be utilized to support remote sites. It is estimated that each MetaFrame Thin Client session will require approximately 35k to 100k of bandwidth *depending on total applications being run on server. This table based on minimum usage and assumes not all of the users will be running bandwidth intensive operations concurrently.*

Number of Users	Bandwidth Guideline / Topology
1 - 2 users	56K Network line
1 - 4 users	ISDN (64K or 128K) Network Line
1 - 14 users	Fractional T-1 Network Line (128K to 512K)
1 - 44 users	T-1 Network Link
1- 285 users	10Mb Ethernet
1 - 1142 users	40mb - T3 or Fast Ethernet

- Table 1. MetaFrame – Thin Client / Remote Site Support

Detailed Description of Waiting List and Section 8 Software

Outlined below is a more detailed overview of two major components of our solution, Waiting List and Section 8 Housing Choice Voucher software modules. This overview is designed to provide a description with sample screen images of the software for Waiting List and Section 8 Housing Choice Voucher software components that MSHDA is requiring. This is not meant to be exhaustive list of all capabilities, but rather an introduction to some of the ways you can expect Elite to create efficiencies in your agency.

Waiting List and Applications

Waiting List meets HUD Fairness Standards and eligibility requirements determining the applicants' position by Federal and Local Preferences, bedroom requirements, application date and time on multiple user-defined lists including Site-Based lists, and others. Waiting List tracks an unlimited number of Local Preferences, Notes and References (many areas user defined).

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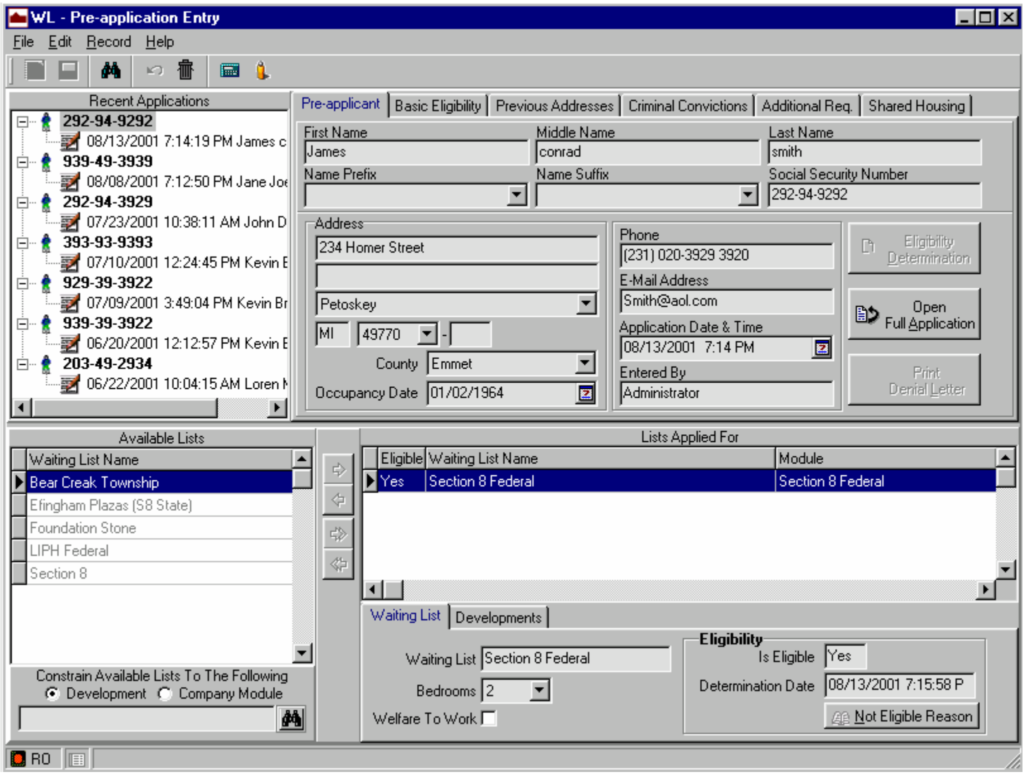
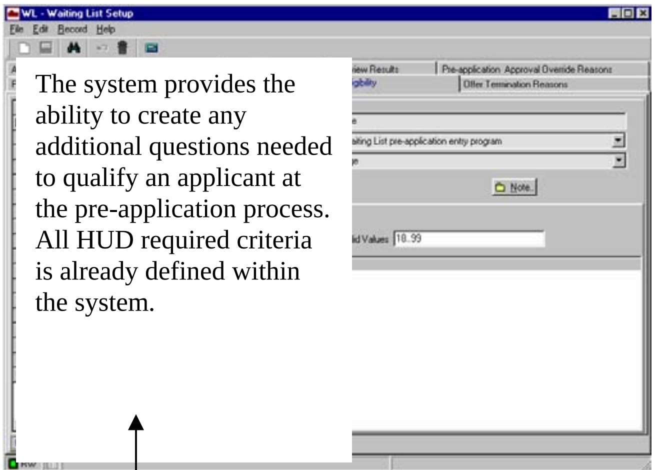
PRE-APPLICATION PROCESS



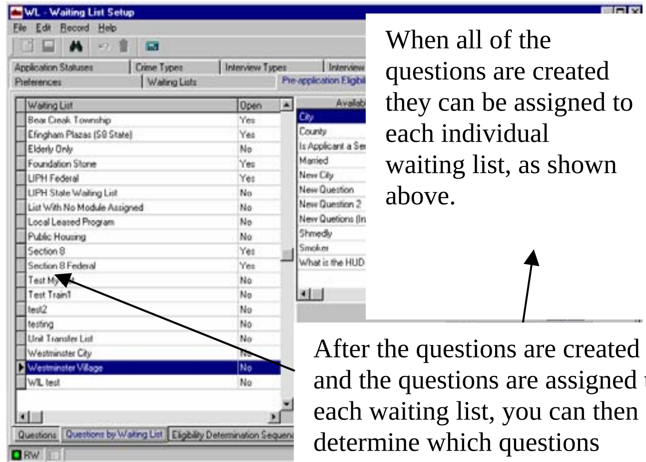
The pre-application process allows collection of minimal amounts of data in order to determine eligibility. This can be done with little time and effort. With the average waiting time between 1 to 3 months and sometimes years, this process will cut down the time it takes to enter in preliminary information.

The automated eligibility process in Elite was designed to help with creating efficiencies surrounding the lease turnaround process by limiting the amount of time that is spent on applications that are not qualified for the programs.

USER DEFINED ELIGIBILITY CRITERIA

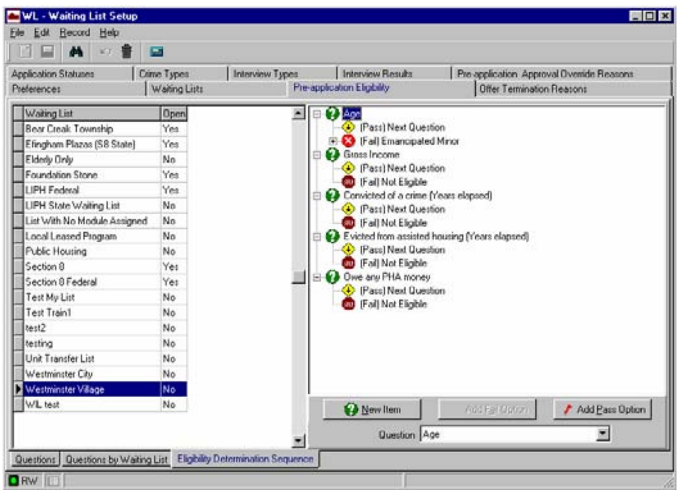


The system provides the ability to create any additional questions needed to qualify an applicant at the pre-application process. All HUD required criteria is already defined within the system.



When all of the questions are created they can be assigned to each individual waiting list, as shown above.

After the questions are created and the questions are assigned to each waiting list, you can then determine which questions should be answered first and what criteria must the applicant meet in order to become eligible.



With user definable eligibility criteria Elite tracks requirements that are outside the realm of HUD regulations. The Elite software automatically provides audit trails of the people entering, receiving and qualifying the pre-applications. This is a powerful quality control tool. The user definable eligibility will force the user to qualify the applicant in a more quality manner, since the system will be determining eligibility automatically based on pre-defined criteria.

The Elite Waiting List provides a more efficient way of handling applicant/tenant files through a single source of information for each process. Based on user-defined parameters, the system can automatically perform certain actions against the applicant when appointments are missed. For example, preferences can automatically be taken away or applicants can be terminated from the list or placed on the bottom of the list.

Looking at the time it takes to track down historical information on previous lease-ups, missed appointments, attachments (birth certificates, pictures, etc) the amount of time that is saved in the Elite software is easily measured.

Interviews/appointments are tracked in the following areas:

- <u>**Full application process**</u> – Automatically scheduled at the preliminary process when taking the full application.

- **<u>Certification process</u>** (Section 8) – System tracks all missed appointments, interview notes, schedule history, attachments (i.e. birth certificates, drivers license photos, etc.) and user definable items to track (i.e. make, model of vehicle driving, etc.)
- **<u>Scheduled Briefings for Section 8 Housing Offers</u>** – System tracks all of the appointments missed and attended by individual applicant.
- **<u>Scheduled Hearings for End of Participation -</u>** System tracks the appeal history and hearings with the results of those hearings.
- **<u>Lease Up signing</u>** –System tracks the date and time the lease was signed, along with showing the end user all previous lease ups.

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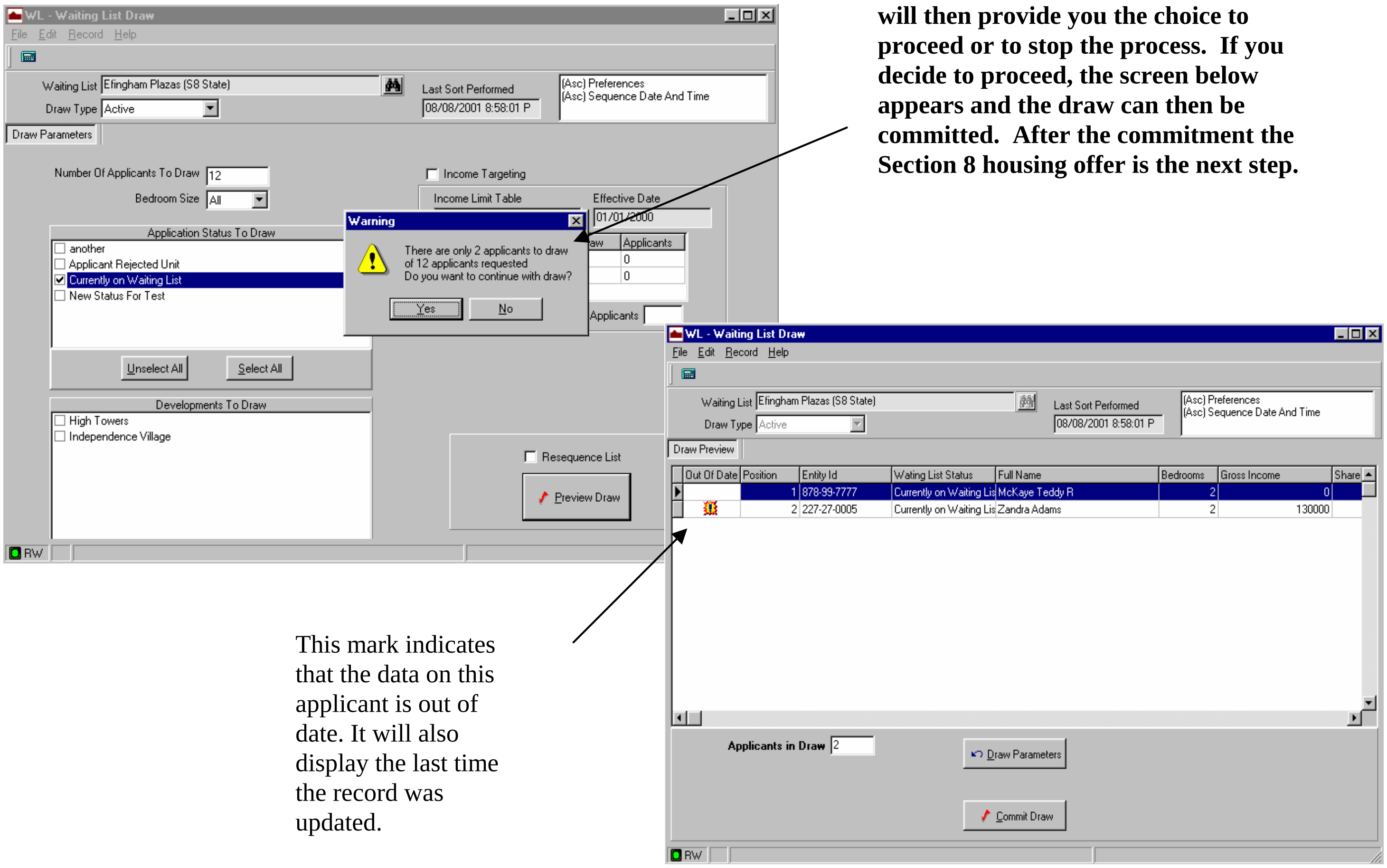
DRAW PROCESS

While performing the draw, the system will inform you if the number of applicants requested is not available. It will then provide you the choice to proceed or to stop the process. If you decide to proceed, the screen below appears and the draw can then be committed. After the commitment the Section 8 housing offer is the next step.



This mark indicates that the data on this applicant is out of date. It will also display the last time the record was updated.

At the time of the draw as shown above, the system automatically identifies out of date applications before applicants are moved through the process to the Section 8 housing offers and vouchers issuance. The number of days to determine whether or not the application is out of date is user-defined.

You can expect to see time savings as a result of the system automatically checking the expired application information on file at the time of the draw. Staff will also be able to process applicants in bulk, thus saving more time.

RESIDENT PROCESSING (Active Data / Certification File)

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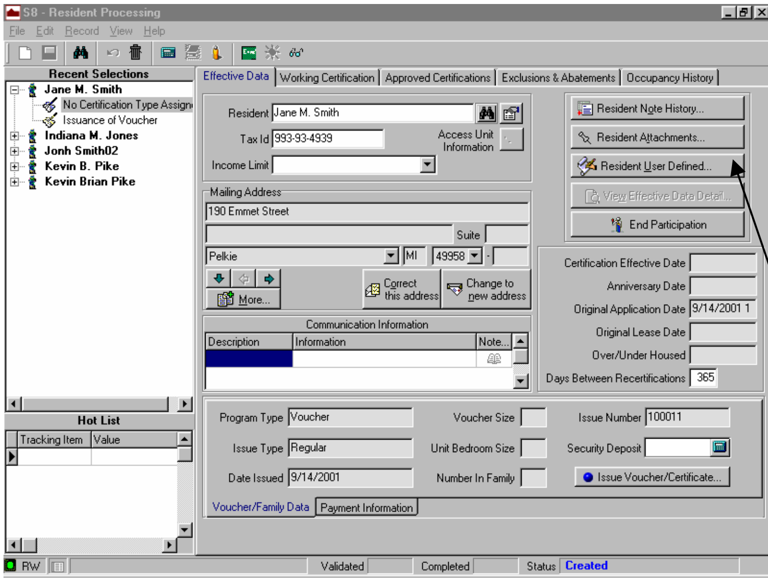
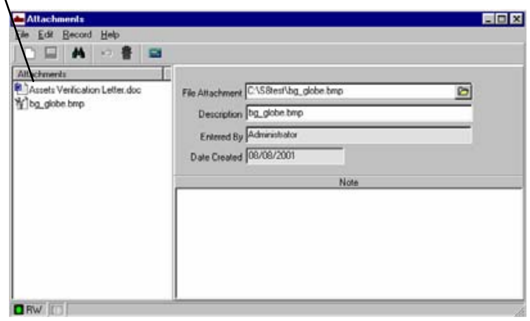


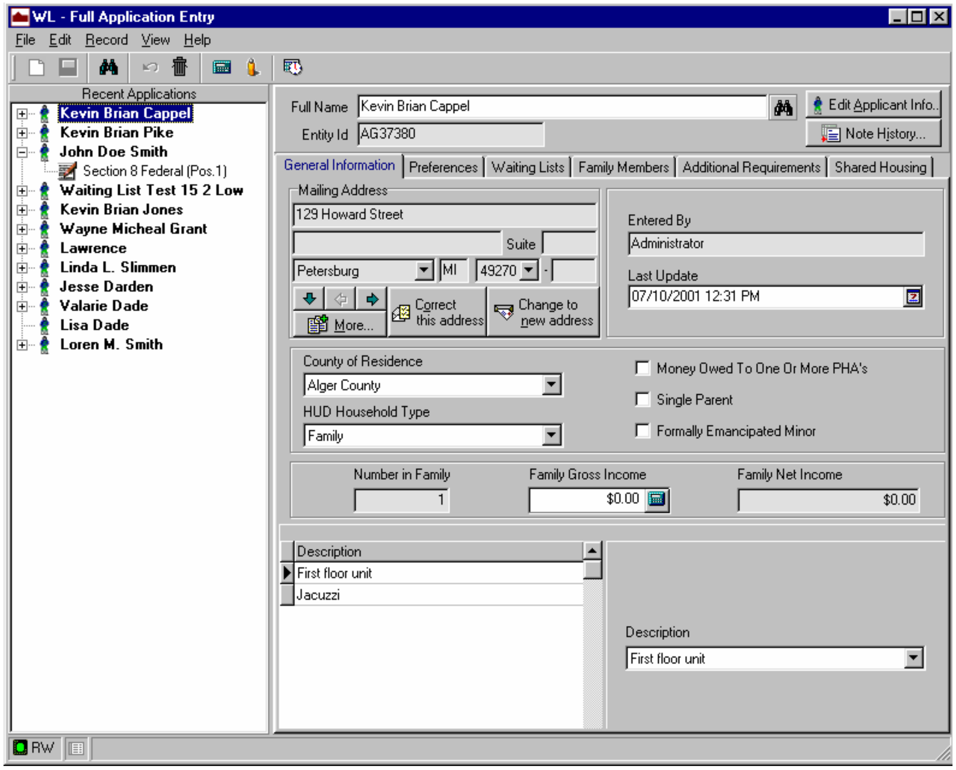
ATTACHMENT FEATURE



Elite has a feature whereby any electronic document, photo, form, letter, or scanned image can be attached to a record, even individual family members (e.g. Drivers License, Birth Certificate). Some of the locations in the software where this feature exists include:

- Resident file (shown above)
- Certification file
- Property file
- Section 8 Housing Offers (schedule briefing, issuing of vouchers)

FULL APPLICATION PROCESS



The Elite system is designed so that all pertinent information is available within seconds by either a click of a mouse or a simple keystroke. For example, as shown above, General Information, Preferences, Waiting List Information, Family Member Information, Additional Requirements (i.e. other information), and Shared Housing are placed on one simple and easy to use screen. With the efficient navigation capabilities in Elite, you can anticipate that data entry and lookup will create extreme efficiencies for your agency.

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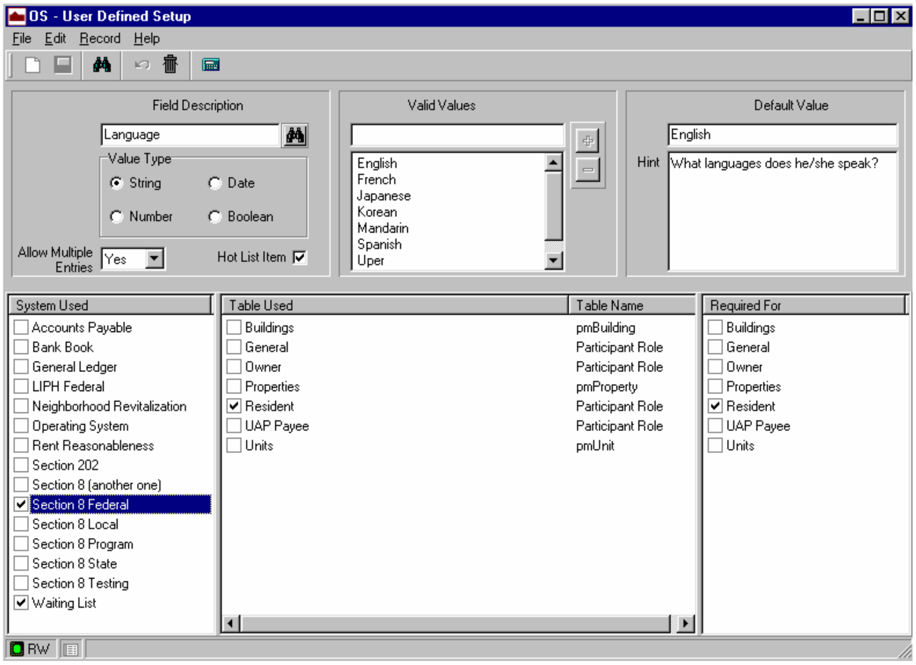
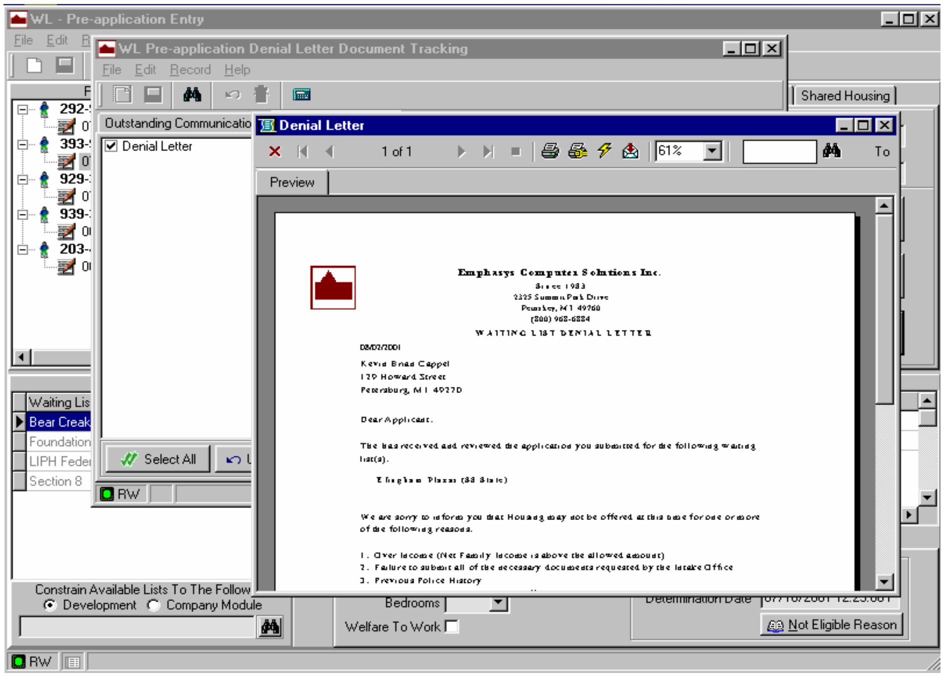
USER DEFINABLE FIELDS AND REPORT WRITING



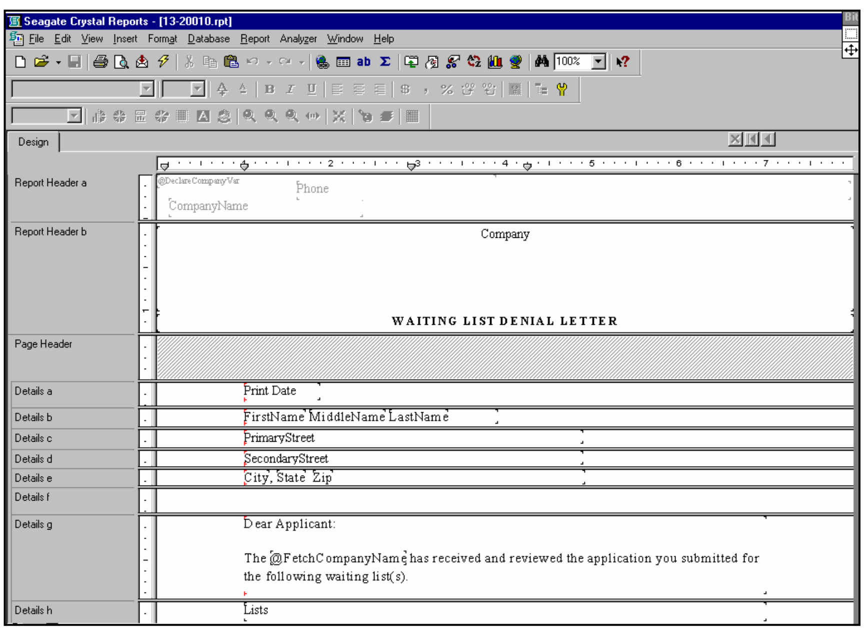
The Elite system provides the ability to create unlimited user-defined fields and customized reports. As shown above, you can create new fields to track that can be Strings, Dates, Numbers, or Boolean value types. A “pick-list” of standard or valid values can be setup to insure data integrity and consistency, along with user-defined online help to assist staff in choosing the correct response. These fields can be created and used throughout each of the programs and can be required fields in specified areas.

Though you can use just about any third-party report writer to create ad-hoc reports, Elite uses an industry leading standard report writer called Crystal Reports. You can either modify standard reports provided by Elite, or create your own customized report. Once the report is created, it can be added to the menu of the software. All custom reports and programs can share the integration of the application security and menu system. You can also automatically e-mail or export the report to different third-party products. All reports can be configured to execute at a pre-determined date and time automatically.

Printing Denial Letters in Pre-Application process



By Using the Crystal Report Writer, staff can easily modify Letters and Reports:



The capability of User-defined fields provides the flexibility to track information that is not specifically geared toward HUD. The feature of being able to customize standard reports/letters will give the authority more flexibility of modifying the system without the need for custom programming and intervention from the software vendor.

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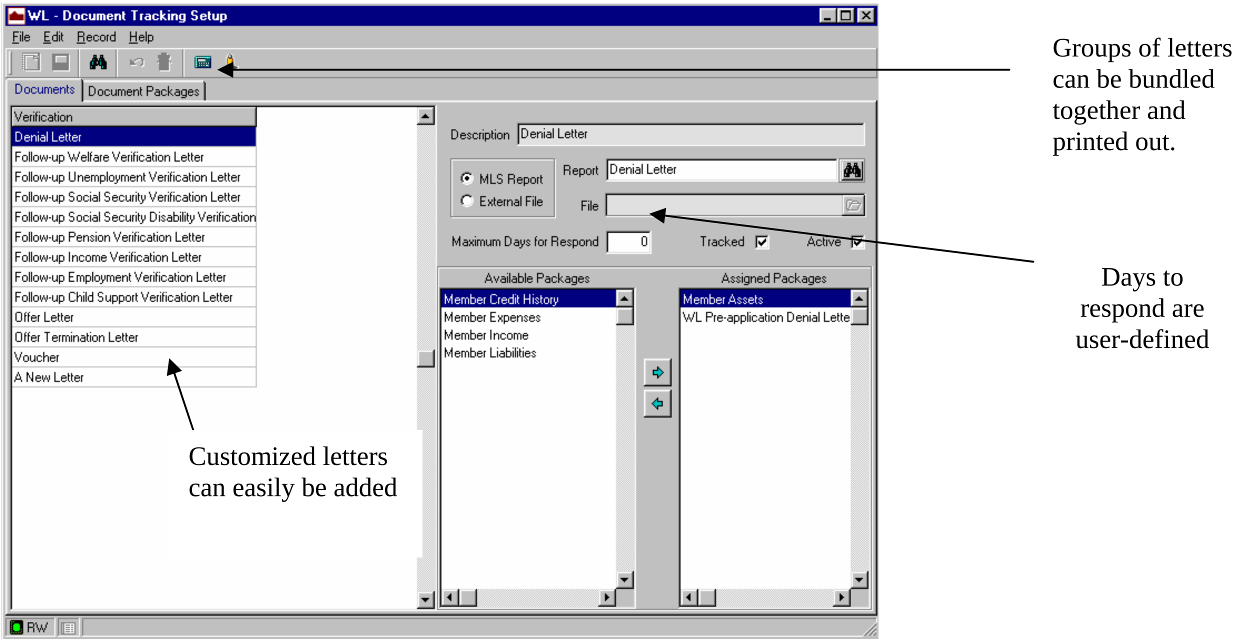
Correspondence Tracking



Elite provides a comprehensive correspondence tracking system that is tied to critical areas where letter generating and verification packages are printed out and tracked. There are standard letters provided in Elite and external letters can easily be created and added to the list of items to be tracked.

The Elite software will show all letters or forms that have been sent to the applicant/tenant. End-users can at any time review this information prior to printing the letters. Once the letters are printed the system automatically marks that the letter was sent and when the response is due.

Interviews and/or appointments are tracked in the following areas:

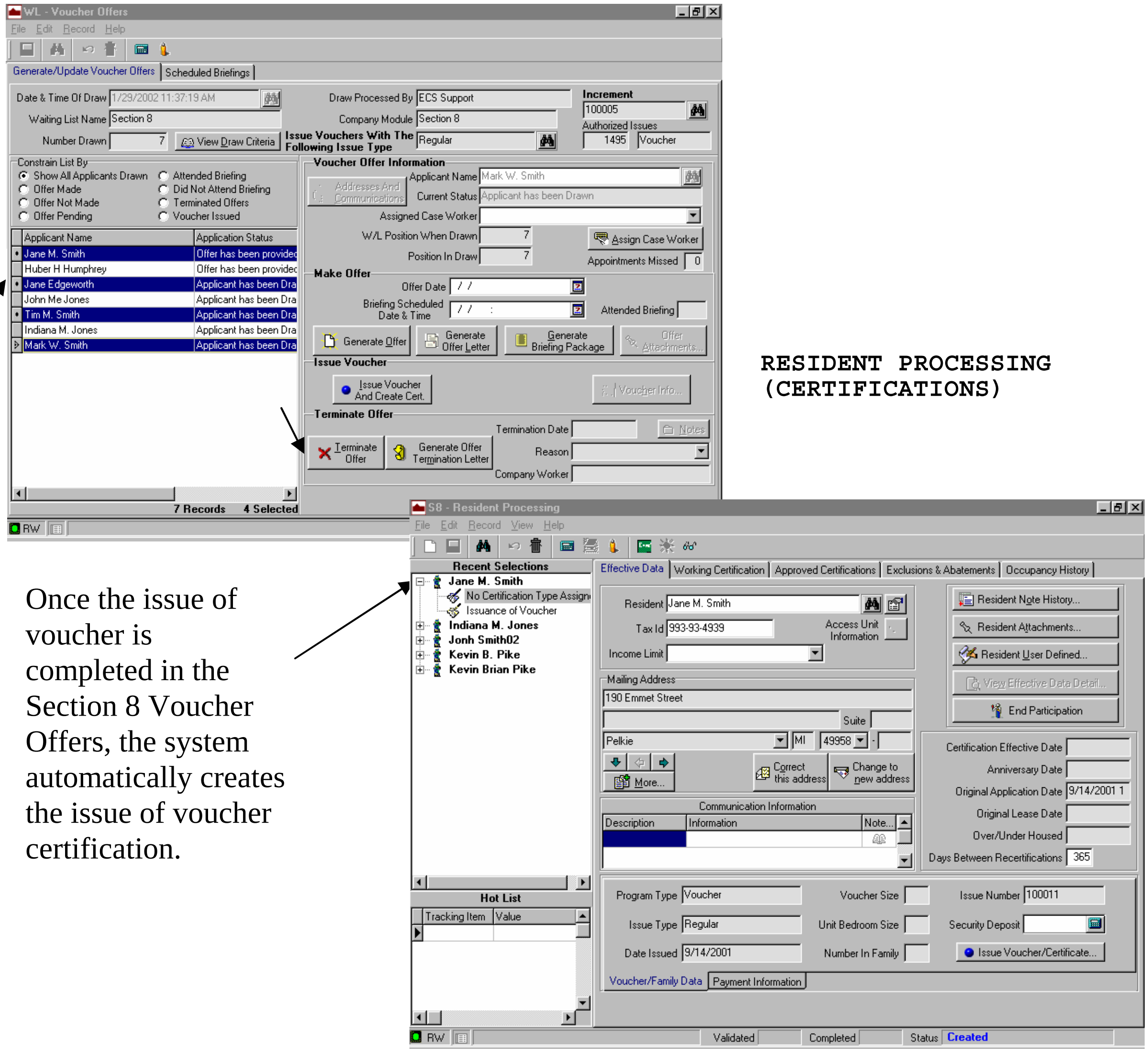
1. **Full application process** – Automatically scheduled at the preliminary process when taking the full application.
2. **Certification process** (Section 8) – System tracks all missed appointments, interview notes, schedule history, attachments (i.e. birth certificates, drivers license photos, etc.) and user definable items to track (i.e. make, model of vehicle driving, etc.)
3. **Scheduled Briefings for Section 8 Voucher Offers** – System tracks all of the appointments missed and attended by individual applicant.
4. **Scheduled Hearings for End of Participation -** System tracks the appeal history and hearings with the results of those hearings that are held by the HA sites.
5. **Lease Up signing** –System tracks the date and time the lease was signed, along with showing the end user all previous lease ups.

Elite provides a more efficient way of handling applicant/tenant files through a single source of information for each process. Based on user-defined parameters, the system can automatically perform certain actions against the applicant when appointments are missed. For example, preferences can automatically be taken away or applicants can be terminated from the list or placed on the bottom of the list.

Looking at the time it takes to track down historical information on previous lease-ups, missed appointments, attachments (birth certificates, pictures, etc) the amount of time that is saved in the Elite software is easily measured.

SECTION 8 VOUCHER OFFERS

Users have the ability to select multiple applicants to issue out vouchers to.

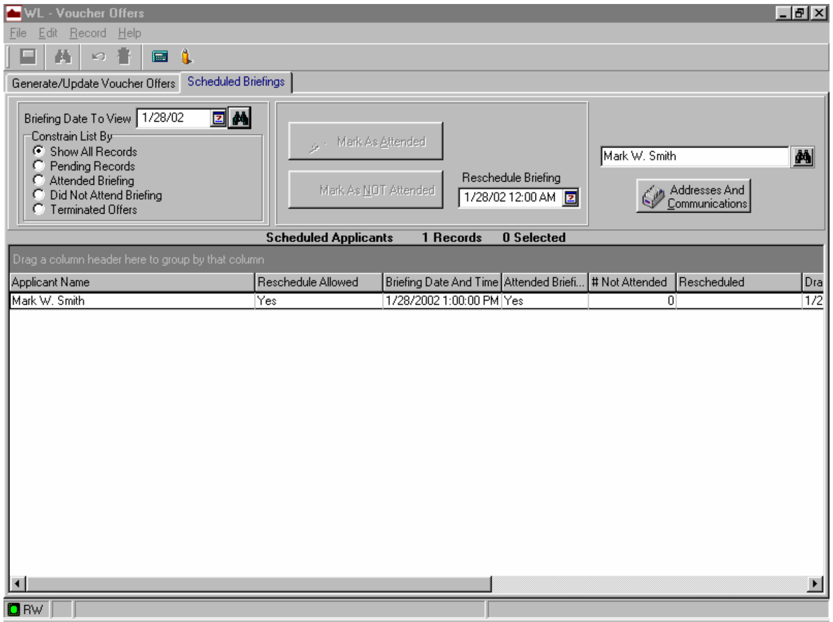


RESIDENT PROCESSING (CERTIFICATIONS)

Once the issue of voucher is completed in the Section 8 Voucher Offers, the system automatically creates the issue of voucher certification.

The Section 8 Voucher Offers provides the capability to issue out vouchers in large quantities and mass-produce offer letters at the same time. Termination of offers and letters are handled in the same fashion. Once the issue of voucher or termination is created the system automatically creates a 50058 file and validates the 50058 online. As a result, you can be assured that HUD reporting accuracy will be improved.

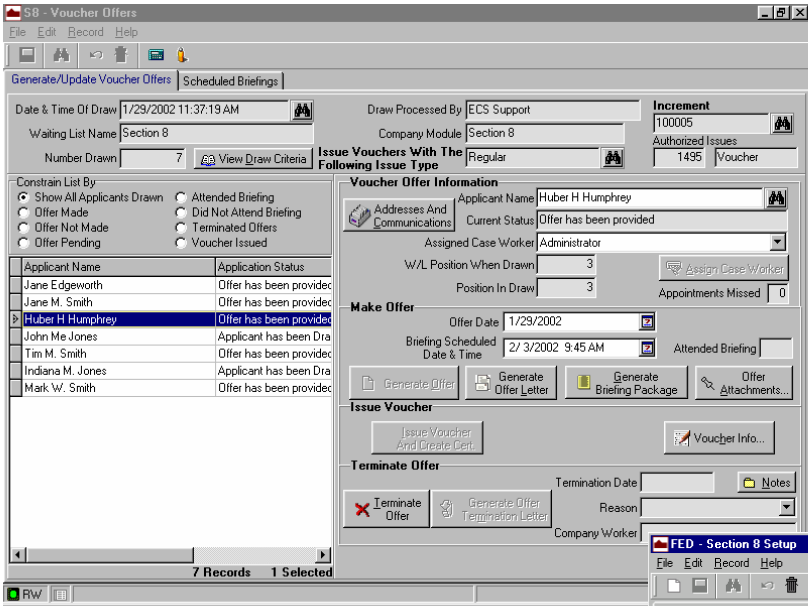
SECTION 8 VOUCHER OFFER (BRIEFING SCHEDULE)



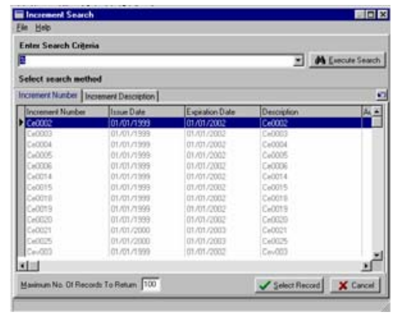
The briefing scheduling capability in the Section 8 Voucher Offers assists in the tracking of briefing appointments. This allows staff to automatically recall applicants that have appointments and track those applicants that have missed appointment.

This will be a big time saver in terms of being able to track briefing schedules and keeping track of appointment attendance.

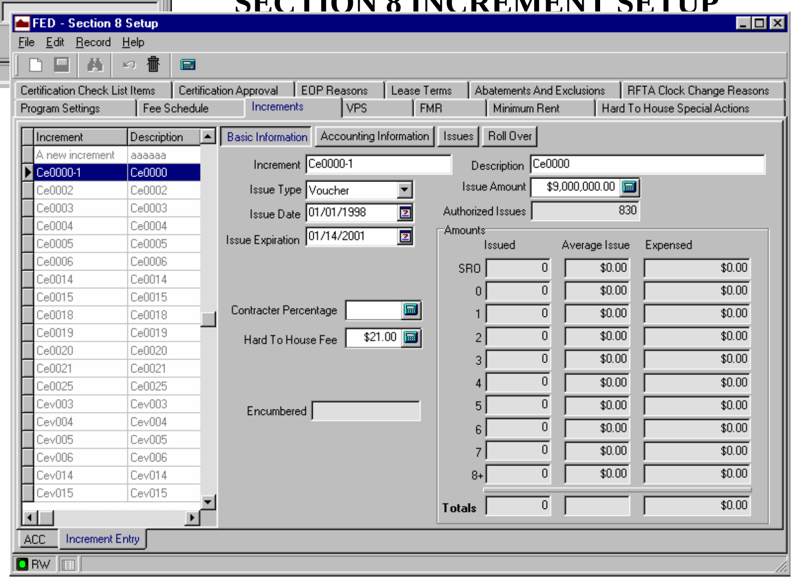
SECTION 8 VOUCHER OFFERS



The system will automatically determine the authorized number of vouchers to issue.



SECTION 8 INCREMENT SETUP



Elite provides for extensive tracking of the increment funding. This feature will automate the tracking and budget of vouchers being funded. The system will determine the number of authorized issues by looking at the historical financial information provided in the system and the encumbered amounts that are allocated to existing vouchers. You can override this recommendation and the system will track the historical recommendations.

A major benefit of Elite is that it easily facilitates the management of all voucher increments and funding and therefore is a powerful tool to ensure a high utilization rate. It will create efficiencies when assembling the budget worksheet and tracking over-issues.

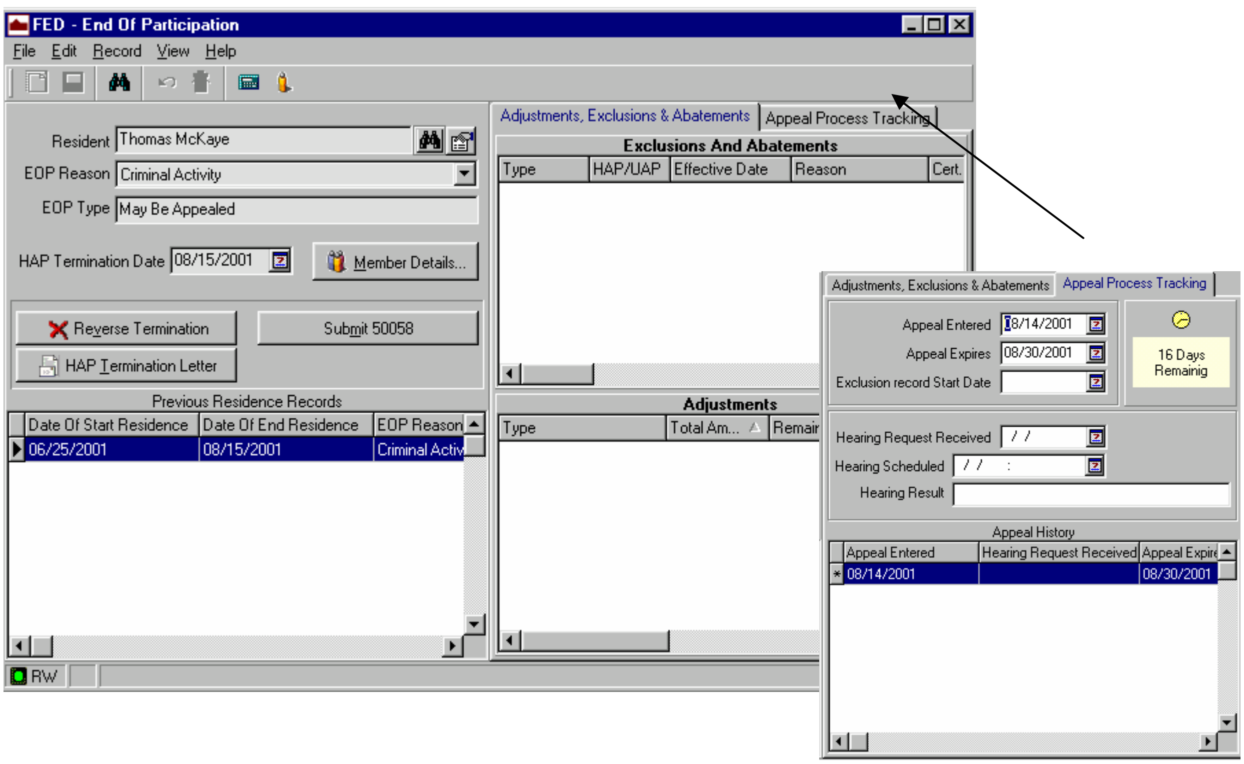
REQUEST FOR TENANT APPROVAL

Elite provides an in depth and comprehensive tracking system for the Request-For-Tenant-Approval (RFTA) process. This process tracks the starting and stopping of the clock, automatic extension of the shopping days with warning of expirations. With expiration, vouchers can be processed in bulk. Inspections and Rent Reasonableness are closely connected to this process. Once the new RFTA is created and the property is tied to the RFTA, inspection requests are initiated and rent reasonableness comparisons are required. Historical RFTA's that have failed will be tracked in the system as well.

You can expect the following from Elite:

- Audit trails that are created from the stopping and starting of the clock,
- Time saved as a result of not having to keep track of the expiring vouchers
- Automated Initiation of inspection requests
- Automated request for rent reasonableness comparisons
- Generating letters for voucher expiration warning notices, voucher extension letters, Termination of offer letter, etc.

END OF PARTICIPATION



Elite provides an End of Participation process to do the following:

- Ability to track all Appeal History online
- The Appeal Process automatically tracks the length of days left in the appeal process.
- Generating letters for HAP termination
- Automatically creating and validating the HUD 50058
- Policies can be set to determine which type of End of Participation reason can be appealed.
- All previous residence records for the tenant, Exclusion/Abatements and all adjustments are on-line.

You can expect that all necessary information to handle a termination is readily available to automate the End of Participation process