

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

June 24, 2009

CHANGE NOTICE NO. 3
OF
CONTRACT NO. 071B5200036
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Glengariff Group, Inc. 5450 N. Paulina Avenue Chicago, Illinois 60640 richard@glengariff.com	TELEPHONE (773) 275-1320 Richard Czuba, President
	VENDOR NUMBER/MAIL CODE (003)
	BUYER/CA (517) 373-8622 Malynda Little
Contract Compliance Inspector: Piétro A. Semifero(517) 333-4320 Program Evaluation Surveys / MSP - Office of Highway Safety Planning (OHSP)	
CONTRACT PERIOD: 3 Years From: October 1, 2004 To: September 30, 2009	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective July 1, 2009, this Contract is hereby **INCREASED** by \$48,600.00, for a cumulative authorized value of \$471,100.00, in order to provide additional required surveying of a high visibility enforcement program pilot to be implemented by MSP during the 2009 warm weather holiday-season.

All other terms, conditions, specifications, and pricing (rates) remain unchanged.

AUTHORITY/REASON:

- Per Agency request dated 04/15/2009;
- Per DMB approval of request dated 05/04/2009;
- Per State Administrative Board review and approval dated 06/16/2009; and,
- Per Vendor concurrence dated 06/18/2009.

REVISED CURRENT AUTHORIZED SPEND LIMIT: \$471,100.00

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

November 25, 2008

CHANGE NOTICE NO. 2
OF
CONTRACT NO. 071B5200036
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Glengariff Group, Inc. 5450 N. Paulina Avenue Chicago, Illinois 60640 richard@glengariff.com	TELEPHONE (773) 275-1320 Richard Czuba, President
	VENDOR NUMBER/MAIL CODE (003)
	BUYER/CA (517) 373-8622 Malynda Little
Contract Compliance Inspector: Piétro A. Semifero(517) 333-4320 Telephone Polling Surveys / MSP - Office of Highway Safety Planning (OHSP)	
CONTRACT PERIOD: 3 Years From: October 1, 2004 To: September 30, 2009	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this Contract is hereby **EXTENDED** through September 30, 2009, and **INCREASED** by \$84,500.00. All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per request of MSP, Ad Board approval on 11/18/08, and DMB/Purchasing Operations' approval.

REVISED CURRENT AUTHORIZED SPEND LIMIT: \$422,500.00

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

March 27, 2008

CHANGE NOTICE NO. 1
OF
CONTRACT NO. 071B5200036
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Glengariff Group, Inc. 5450 N. Paulina Avenue Chicago, Illinois 60640 <p style="text-align: right;">richard@glengariff.com</p>	TELEPHONE (773) 275-1320 Richard Czuba, President
	VENDOR NUMBER/MAIL CODE (003)
	BUYER/CA (517) 373-8622 Malynda Little
Contract Compliance Inspector: Piétro A. Semifero(517) 333-4320 Telephone Polling Surveys / MSP - Office of Highway Safety Planning (OHSP)	
CONTRACT PERIOD: 3 Years From: October 1, 2004 To: September 30, 2008	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

NATURE OF CHANGE(S):

Effective immediately, this Contract is hereby **EXTENDED** through September 30, 2008, and **INCREASED** by \$84,500.00. Additionally, the vendor mail code (address) is changed to 003. **NOTE:** The Buyer for this Contract is changed to Malynda Little (517) 373-8622. All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per request of MSP and Ad Board approval dated March 18, 2008.

TOTAL REVISED AUTHORIZED SPEND LIMIT: \$338,000.00

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

October 21, 2004

**NOTICE
 OF
 CONTRACT NO. 071B5200036
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Glengariff Group, Inc. 1653 West Hollywood Avenue Chicago, Illinois 60660 <p style="text-align: right;">richard@glengariff.com</p>	TELEPHONE (773) 275-1320 Richard Czuba President
	VENDOR NUMBER/MAIL CODE (001)
	BUYER/CA (517) 335-4804 Douglas Collier
Contract Compliance Inspector: Piétro A. Semifero(517) 333-4320 Telephone Polling Surveys / Office of Highway Safety Planning (OHSP)	
CONTRACT PERIOD: 3 Years From: October 1, 2004 To: September 30, 2007	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	

The terms and conditions of this Contract are those of ITB #07114001305, this Contract Agreement and the vendor's quote dated July 22, 2004. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: \$253,500.00

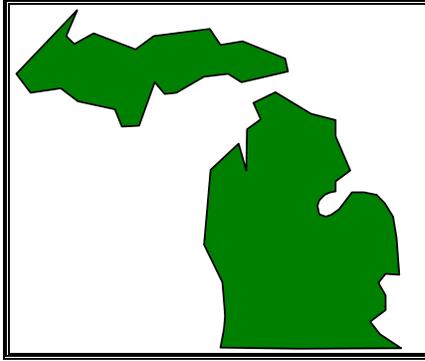
STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CONTRACT NO. 071B5200036
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Glengariff Group, Inc. 1653 West Hollywood Avenue Chicago, Illinois 60660 Richard Czuba President <div style="text-align: right;">richard@glengariff.com</div>	TELEPHONE (773) 275-1320 Richard Czuba President <hr/> VENDOR NUMBER/MAIL CODE (001) <hr/> BUYER/CA (517) 335-4804 Douglas Collier
Contract Compliance Inspector: Piétro A. Semifero(517) 333-4320 Telephone Polling Surveys / Office of Highway Safety Planning (OHSP)	
CONTRACT PERIOD: 3 Years From: October 1, 2004 To: September 30, 2007	
TERMS <div style="text-align: right;">N/A</div>	SHIPMENT <div style="text-align: right;">N/A</div>
F.O.B. <div style="text-align: right;">N/A</div>	SHIPPED FROM <div style="text-align: right;">N/A</div>
MINIMUM DELIVERY REQUIREMENTS <div style="text-align: center;">N/A</div>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07114001305, this Contract Agreement and the vendor's quote dated July 22, 2004. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence. Estimated Contract Value: \$253,500.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No.07114001305. Orders for delivery of equipment will be issued directly by the Office of Highway Safety Planning (OHSP) through the issuance of a Purchase Order Form. All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR: <div style="text-align: center;"> Glengariff Group, Inc. <hr/> Firm Name </div> <div style="text-align: center;"> <hr/> Authorized Agent Signature </div> <div style="text-align: center;"> <hr/> Authorized Agent (Print or Type) </div> <div style="text-align: center;"> <hr/> Date </div>	FOR THE STATE: <div style="text-align: center;"> <hr/> Signature Douglas Collier, CPPB <hr/> Name Strategic Business Development, Acquisition Services <hr/> Title </div> <div style="text-align: center;"> <hr/> Date </div>
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STATE OF MICHIGAN
Department of Management and Budget
Acquisition Services

Contract No. [071B5200036](#)
[Telephone Polling Surveys](#)

Buyer Name: [Douglas Collier](#)
Telephone Number: [517-335-4804](#)
E-Mail Address: CollierD1@michigan.gov



Office of Highway Safety Planning Statewide Telephone Surveys

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Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 PROJECT REQUEST

OHSP seeks a company that will be charged with conducting cost-efficient, statistically valid, statewide telephone polling surveys on a monthly or as-needed basis. Surveys may also seek to reach an over sample of a specific population, such as young males or African-American males. In addition to or as an alternative to stand-alone surveys.

1.002 BACKGROUND

The Michigan Office of Highway Safety Planning (OHSP), a division of the Michigan State Police, is charged with reducing deaths and injuries that result from traffic crashes. The primary focus of activity is to increase safety belt use and decrease drunk driving through high-visibility enforcement campaigns. OHSP is also involved in other traffic safety issues, such as older drivers, traffic records, youth alcohol, motorcycles, distracted driving, etc. In order to effectively promote and educate the public on traffic safety issues, OHSP needs statewide telephone polling surveys of driver beliefs and attitudes. These will measure drivers' knowledge of traffic laws, safety information, and public information campaigns, as well as other information about Michigan drivers.

Federal guidelines on the use of paid media to promote law enforcement mobilizations require that states evaluate the impact of the media used. Surveys will occur before and after mobilizations, to evaluate their effects, as well as at other times throughout the year as other programmatic needs exist.

1.1 Scope of Work and Deliverables

1.101 IN SCOPE

Project phases for each set of surveys shall include the establishment of a timeline for conducting surveys and providing results, providing feedback upon the question set to better tune it to OHSP's programmatic needs, carrying out surveys and compiling results, providing the results of the surveys along with a evaluative analysis, and answering questions from OHSP about the results.

OHSP will provide question sets, a number of persons to be polled, and a time frame for the surveying. The surveyor will provide all other materials and equipment needed to conduct the surveys and compile the results, including a list of Michigan telephone numbers that resembles the population of Michigan drivers as closely as possible.

1.102 OUT OF SCOPE

The Contractor shall not be responsible for original development of survey implements, answering questions from the general public about survey results, or providing programmatic recommendations based upon the survey results.

1.103 TECHNICAL ENVIRONMENT

The preferred formats for electronic copies of reports are Microsoft Office 97 and Adobe Acrobat.

1.104 WORK AND DELIVERABLE

Contractor shall provide Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

The Contractor shall perform statewide telephone polling surveys on a monthly or as-needed basis, four to ten times each year. Surveys are typically 20 to 30 questions long, totaling 8 to 15 minutes. Sample sizes will vary based on the precision needed for a given program, usually between 400 and 600. Surveys may also seek to reach an oversample of a specific population, such as young males or African-American males; such an oversample would be between 150 and 200.



In addition to or as an alternative to stand-alone surveys, at OHSP's option, the Contractor shall include two to six "piggyback" questions on existing monthly surveys, with a sample size of 500 or 600. The Contractor will need to be engaged in statewide polling on a monthly basis to make this option available.

1. The Contractor shall perform polling surveys based on question sets to be supplied by OHSP. OHSP will provide an initial question set and outline the survey goals and objectives. The Contractor shall provide consultation on the details of each survey, such as timing, question phrasing, and sample size. Based on the OHSP draft of survey questions, the Contractor shall create a final draft of the questions that the Contractor will use to conduct the survey. The Contractor will provide OHSP with a final draft of the question set(s), and OHSP must approve these before any surveying can begin.
2. The Contractor shall develop a timeline and budget for each set of surveys. The timeline should include the dates during which surveying will take place, the due dates for any reports, and invoice dates. Invoices can only be paid after any due deliverables have been received and approved by OHSP. OHSP must approve the timeline and budget before any surveying can begin.
3. The Contractor shall conduct the surveys, using the agreed upon question list and timeline. The Contractor shall supply the calling list of telephone numbers, which should resemble the population of Michigan drivers as closely as possible.
4. Within fourteen (14) days of the end of surveying, the Contractor shall provide OHSP with a summary and question-by-question listing of the results. At OHSP's request, the Contractor shall provide cross-tabulations on questions or the raw data, as well as answering questions that arise from the survey results or the reporting thereof.

If the surveys are done in a series, such as an ongoing evaluation or a before-after design, the Contractor shall provide a comparison of key variables after each series of surveys. This shall be a written report highlighting statistically significant changes (or the lack thereof) on key variables, along with significant demographic differences in survey responses.

OHSP shall seek clarification of questions and approve any reports before they are considered final. Draft reports may be submitted via e-mail, and the Contractor shall supply OHSP with an electronic copy and three (3) printed copies of any final reports. If surveys are done in a series, printed copies shall only be required after the final survey in a series.

1.2 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

The Contractor shall designate a primary point of contact for purposes of this contract. While discussions may take place between many people, the Contractor shall have one staff member who shall be considered the lead worker for this project. Whenever possible, OHSP will seek to send any questions and approvals through the primary point of contact. The Contractor shall notify OHSP immediately if this primary point of contact is to change.

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

OHSP shall designate a primary point of contact for purposes of this contract. While discussions may take place between many people, OHSP shall have one staff member who shall be considered the lead worker for this project. Any official OHSP approvals of timelines, budgets, question sets, reports, or other elements of this contract shall come through the primary point of contact. Whenever possible, the Contract shall seek to send any questions or requests through the primary point of contact. OHSP shall notify the Contractor immediately if this primary point of contact is to change. The initial OHSP primary point of contact is Piétro Semifero.

The OHSP primary point of contact has responsibility for providing an initial question set and timeline and for reviewing and approving any materials from the contractor.

**1.203 RESERVED****1.3 Project Plan****1.301 PROJECT PLAN MANAGEMENT**

The project plan for a set of surveys shall be developed and reviewed on a job-to-job basis for each set of surveys. The timeline developed as described under 1.104 shall serve as the project plan, to be overseen by the OHSP primary point of contact. OHSP and the Contractor must approve any changes necessitated by changing circumstances.

1.302 REPORTS

The deliverables described under 1.104 shall serve as the necessary reports on Contractor activities. OHSP will need reports of survey results following each survey, with a final summary after any series of surveys. OHSP shall review results and attempt to answer any questions; if a meeting is necessary to explain a report's content or presentation, OHSP and the Contractor shall agree upon a meeting date within two weeks after the report is submitted.

1.4 Project Management**1.401 RESERVED****1.402 RESERVED****1.403 CHANGE MANAGEMENT**

Desires to change survey plans may come about due to programmatic changes (such as dates of activity), temporary difficulties in fulfilling plans, or emergency situations. Once an initial timeline has been agreed upon, changes to survey plans require approval from both OHSP and the Contractor. Any changes must not be contrary to the purpose for which the surveys are taking place (for example, a pre-survey must still occur before programs take place, but the timing of other surveys may be less crucial) and must not create an undue burden for OHSP or the Contractor.

1.5 Acceptance**1.501 CRITERIA**

The following criteria will be used by the State to determine Acceptance of the Services and/or Deliverables provided under this SOW.

1. The survey questions to be used shall be based on OHSP's informational needs for evaluating programs and improving traffic safety. Recommended changes to the draft questions proposed by OHSP should reflect the need for specific, applicable knowledge about drivers' beliefs and attitudes. The survey questions to be used shall be substantially similar to the draft approved by OHSP, with any formatting changes as needed for the Contractor's surveying.
2. The timeline and budget for the surveys shall be in accordance with the schedule described under 1.104. OHSP needs timely results, with a draft of survey results within two weeks of a survey's completion. OHSP cannot issue payment on any invoices until a deliverable or sub-deliverable is received or approved.
3. The telephone numbers called to collect survey responses should resemble the population of Michigan drivers as closely as possible. The survey should be a probability sample of the state that accurately represents drivers' beliefs and attitudes.
4. Survey results shall be presented clearly and concisely. Any summary following a series of surveys shall highlight any important correlations between questions or along demographics. Results and reports should be comprehensible by a non-technical audience with a minimal statistical education. Raw data and/or cross-tabulations of survey results shall be made available to OHSP upon request. Any errors in results must be corrected and any questions resolved before OHSP can approve a report.



1.502 FINAL ACCEPTANCE

A set of surveys shall be considered complete when OHSP acknowledges the receipt of an electronic copy and three (3) paper copies of a final report, previously approved in draft copy by OHSP as described under 1.104.

1.6 Compensation and Payment

Payment for each set of surveys under this contract shall be determined on a job-to-job basis. A budget shall be created before each set of surveys, in line with OHSP's specific survey needs, the successful bid amount, and any changes agreed upon by OHSP and Contractor as a result of changes that occur during the contract period. The timeline for each survey will include the dates for invoices, and invoices can only be paid after the receipt and approval of deliverables due by those dates.

1.7 Additional Terms and Conditions Specific to this SOW

For purposes of bidding, prospective Contractors may assume the following survey plan for each year:

- Mobilization evaluation: one (1) series of six (6) surveys, each twelve (12) minutes in length and reaching four hundred (400) Michigan drivers, with an oversample of one hundred fifty (150) male drivers ages thirty or younger. These surveys will take place in December, January, May, June, August, and September. Results shall be reported after each pair of surveys, with a final report after the sixth survey.
- Omnibus survey: one (1) survey of twenty (20) minutes in length, reaching five hundred (500) Michigan drivers (no oversample). Results will be in one report, with attention to demographic differences.
- Project evaluation: two (2) sets of six (6) "piggyback" questions, approximately two to three (2 to 3) minutes, to be added to existing surveys reaching five hundred (500) Michigan drivers.

Please provide a breakout of contract costs that shows the cost of each survey series.



Article 2 – General Terms and Conditions

2.0 Introduction

2.001 GENERAL PURPOSE

This Contract is for cost-efficient, statistically valid statewide telephone polling surveys and evaluation services for the State of Michigan. Orders will be issued directly to the Contractor by various State Agencies on the Purchase Order Contract Release Form

2.002 ISSUING OFFICE AND CONTRACT ADMINISTRATOR

The Contract is issued by Acquisition Services, State of Michigan, Department of Management and Budget, hereinafter known as Acquisition Services, for the Office of Highway Safety Planning, State of Michigan, Department of State Police, hereinafter known as OHSP. Where actions are a combination of those of Acquisition Services and the State agencies, the authority will be known as the State.

Acquisition Services is the sole point of contact in the State with regard to all procurement and contractual matters relating to the commodities and/or services described herein. Acquisition Services is the only office authorized to negotiate, change, modify, amend, alter, clarify, etc., the specifications, terms, and conditions of the Contract. Acquisition Services will remain the SOLE POINT OF CONTACT throughout the procurement process.

Contractor proceeds at its own risk if it takes negotiation, changes, modification, alterations, amendments, clarification, etc., of the specifications, terms, or conditions of the contract from any individual or office other than Acquisition Services and the listed contract administrator

All communications covering this procurement must be addressed to contract administrator indicated below:

**Department of Management and Budget
Acquisition Services
Douglas Collier
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
(517) 335-4804
collierd1@michigan.gov**

2.003 NOTICE

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.

2.004 CONTRACT TERM

The term of this Contract will be for three (3) years and will commence with the issuance of a Contract. This will be approximately [October 1, 2004](#) through [September 30, 2007](#).

Option. The State reserves the right to exercise [two \(2\)](#) one-year options, at the sole option of the State. Contractor performance, quality of products, price, cost savings, and the contractor's ability to deliver on time are some of the criteria that will be used as a basis for any decision by Acquisition Services to exercise an option year.



Extension. At the sole option of the State, the contract may also be extended. Contractor performance, quality of products, price, cost savings, and the contractor's ability to deliver on time are some of the criteria that will be used as a basis for any decision by Acquisition Services to exercise an option year.

2.005 GOVERNING LAW

The Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. By signing this agreement, vendor consents to personal jurisdiction in the state of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

2.006 APPLICABLE STATUTES

The following statutes, rules, and laws are applicable to the performance of this contract; some statutes are reflected in the clauses of this contract. This list is NOT exhaustive.

MI Uniform Commercial Code (MIUCC) MCL 440. (All sections unless otherwise altered by agreement)
 MI OSHA MCL §§ 408.1001 – 408.1094
 Freedom of Information Act (FOIA) MCL §§ 15.231, et seq.
 Natural Resources and Environmental Protection Act MCL §§ 324.101, et seq.
 MI Consumer Protection Act MCL §§ 445.901 – 445.922
 Laws relating to wages, payments of wages, and fringe benefits on state projects
 MCL §§ 408.551 – 408.558, 408.471 – 408.490, 1965 PA 390.
 Department of Civil Service Rules and regulations
 Elliot Larsen Civil Rights Act MCL §§ 37.2201, et seq.
 Persons with disabilities Civil Rights Act MCL §§ 37.1101, et seq.
 MCL §§ 423.321, et seq.
 MCL § 18.1264 (law regarding debarment)
 Davis-Bacon Act (DBA) 40 USCU §§ 276(a), et seq.
 Contract Work Hours and Safety Standards Act (CWHSSA) 40 USCS § 327, et seq.
 Business Opportunity Act for Persons with Disabilities MCL §§ 450.791 – 450.795
 Rules and regulations of the Environmental Protection Agency
 Internal Revenue Code
 Rules and regulations of the Equal Employment Opportunity Commission (EEOC)
 The Civil Rights Act of 1964, USCS Chapter 42
 Title VII, 42 USCS §§ 2000e et seq.
 The Americans with Disabilities Act (ADA), 42 USCS §§ 12101 et seq.
 The Age Discrimination in Employment Act of 1967 (ADEA), 29 USCS §§ 621, 623 et seq.
 The Old Workers Benefit and Protection Act of 1990 (OWBPA), 29 USCS §§ 626, et seq.
 The Family Medical Leave Act of 1993 (FMLA), 29 USC §§ 651 et seq.
 The Fair Labor Standards Act (FLSA), 29 USC §§ 201 et seq.
 Pollution Prevention Act of 1990 (PPA) 42 U.S.C. §13106
 Sherman Act, 15 U.S.C.S. § 1 et seq.
 Robinson-Patman Act, 15 U.S.C.S. § 13 et. seq.
 Clayton Act, 15 U.S.C.S. § 14 et seq.

2.007 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.



2.008 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.

2.009 MERGER

This document constitutes the complete, final, and exclusive agreement between the parties. All other prior writings and negotiations are ineffective.

2.010 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.

2.011 SURVIVORSHIP

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 the Contract for any reason.

2.012 NO WAIVER OF DEFAULT

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

2.013 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.

2.1 Vendor/Contractor Obligations

2.101 ACCOUNTING RECORDS

The Contractor and all subcontractors shall 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 years from expiration date and final payment on the Contract or extension thereof.

2.102 NOTIFICATION OF OWNERSHIP

The Contractor shall make the following notifications in writing:

1. When the Contractor becomes aware that a change in its ownership or officers has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify Acquisition Services within 30 days.
2. The Contractor shall also notify the Acquisition Services within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.



The Contractor shall:

1. Maintain current, accurate, and complete inventory records of assets and their costs;
2. Provide Acquisition Services or designated representative ready access to the records upon request;
3. Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership or officer changes; and
4. Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership or officer change.

2.103 RESERVED

2.104 RESERVED

2.106 PREVAILING WAGE

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

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

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

2.107 PAYROLL AND BASIC RECORDS

Payrolls and basic records relating to the performance of this contract shall be maintained by the Contractor during the course of the work and preserved for a period of 3 years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.



The Contractor shall submit a copy of all payrolls to the Contract Administrator upon request. The payrolls submitted shall set out accurately and completely all of the information required to be maintained as indicated above.

The Prime Contractor is responsible for the submission of copies of payrolls by all subcontractors upon request from the Contract Administrator

The Contractor or subcontractor shall permit the Contract Administrator or representatives of the Contract Administrator or the State of Michigan to interview employees during working hours on the job.

If the Contractor or subcontractor fails to submit required records or to make them available, the Contract Administrator may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment.

2.108 COMPETITION IN SUB-CONTRACTING

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

2.109 RESERVED

2.2 Contract Performance

2.201 TIME IS OF THE ESSENCE

Contractor/Vendor is on notice that time is of the essence in the performance of this contract. Late performance will be considered a material breach of this contract, giving the State a right to invoke all remedies available to it under this contract.

2.202 CONTRACT PAYMENT SCHEDULE

The specific payment schedule for any Contract(s) entered into, as the State and the Contractor(s) will mutually agree upon the result of this RFP. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month. At least ten percent (10%) of the total price shall remain for the final payment.

2.203 POSSIBLE PROGRESS PAYMENTS

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

2.204 RESERVED

2.205 ELECTRONIC PAYMENT AVAILABILITY

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

2.206 RESERVED



2.3 Contract Rights and Obligations

2.301 INCURRING COSTS

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of the Contract. The State fiscal year is October 1st through September 30th. The Contractor(s) should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the State is limited to terms and conditions of the Contract.

2.302 CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, the Contract must include a list of subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The State reserves the right to approve subcontractors 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. Any change in subcontractors must be approved by the State, in writing, prior to such change.

2.303 ASSIGNMENT AND DELEGATION

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

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

Bidder must obtain the approval of the Director of Acquisition Services before using a place of performance that is different from the address that bidder provided in the bid.

2.304 TAXES

Sales Tax: For purchases made directly by the State of Michigan, the State is exempt from State and Local Sales Tax. Prices shall not include such taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

Federal Excise Tax: The State of Michigan may be exempt for Federal Excise Tax, or such taxes may be reimbursable, if articles purchased under this Contract are used for the State's exclusive use. Certificates exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent to the Contractor upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices shall not include the Federal Excise Tax.

The State's Tax Exempt Certification is available for vendor viewing upon request to the Contract Administrator.



2.305 INDEMNIFICATION

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.

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.

Code Indemnification

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

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 sub clauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other sub clause.

Continuation of Indemnification Obligation

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

Indemnification Procedures

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

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



- (b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the Defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.
- (c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

2.306 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 apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; to Contractor's indemnification obligations (2.305); or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

2.307 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.

2.308 FORM, FUNCTION, AND UTILITY

If the Contract is for use of more than one State agency and if the good or service provided under this Contract do not meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the good or service from another source.



2.309 ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

For and in consideration of the opportunity to submit a quotation and other good and valuable consideration, the bidder hereby assigns, sells and transfers to the State of Michigan all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of payment and which relate solely to the particular goods, commodities, or services purchased or procured by this State pursuant to this transaction.

2.310 LIABILITY INSURANCE

A. 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.

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

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

The insurers selected by Contractor shall have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. Companies that have been approved to do business in the State shall issue all policies of insurance required in this Contract.

See www.michigan.gov/cis

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

Before both parties sign the Contract 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 ("Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverage afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Acquisition Services, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Acquisition Services, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.



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

1. Commercial General Liability with the following minimum coverage:

\$2,000,000	General Aggregate Limit other than Products/Completed Operations
\$2,000,000	Products/Completed Operations Aggregate Limit
\$1,000,000	Personal & Advertising Injury Limit
\$1,000,000	Each Occurrence Limit
\$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 certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

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

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

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

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

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision 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

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



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

B. Subcontractors

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

C. Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Acquisition Services certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds, but only to the extent of liabilities assumed by Contractor as set forth in Indemnification Section of this Contract, under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.



2.311 TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to **60 days** after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance.

2.312 WORK PRODUCT

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.

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

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

2.313 PROPRIETARY RIGHTS

A. Software Ownership

Ownership of Work Product by State

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



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

2.314 WEBSITE INCORPORATION

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

2.4 Contract Review and Evaluation

2.401 CONTRACT COMPLIANCE INSPECTOR

Upon receipt at Acquisition Services of the properly executed Contract Agreement(s), the person named below will be allowed to oversee the Contract performance on a day-to-day basis during the term of the Contract. However, overseeing the Contract implies **no authority to negotiate, change, modify, clarify, amend, or otherwise alter the terms, conditions, and specifications of such Contract(s). That authority is retained by Acquisition Services.** The Contract Compliance Inspector for this project is:

Piétro A. Semifero
Department of State Police
Office of Highway Safety Planning
4000 Collins Road, P. O. Box 30633
Lansing, MI 48910-8133
(517) 333-5320
semiferp@michigan.gov

2.402 PERFORMANCE REVIEWS

Acquisition Services in conjunction with OHSP may review with the Contractor their performance under the Contract. Performance reviews shall be conducted quarterly, semi-annually or annually depending on Contractor's past performance with the State. Performance reviews shall include, but not limited to, quality of products/services being delivered and provided, timeliness of delivery, percentage of completion of orders, the amount of back orders, status of such orders, accuracy of billings, customer service, completion and submission of required paperwork, the number of substitutions and the reasons for substitutions, and other requirements of the Contract.

Upon a finding of poor performance, which has been documented by Acquisition Services, the Contractor shall be given an opportunity to respond and take corrective action. If corrective action is not taken in a reasonable amount of time as determined by Acquisition Services, the Contract may be canceled for default. Delivery by the Contractor of unsafe and/or adulterated or off-condition products to any State agency is considered a material breach of Contract subject to the cancellation provisions contained herein.

**2.403 AUDIT OF CONTRACT COMPLIANCE/ RECORDS AND INSPECTIONS**

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

2.5 Quality and Warranties**2.501 RESERVED****2.502 RESERVED****2.503 RESERVED****2.504 RESERVED****2.505 CONTRACTOR WARRANTIES**

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

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;
3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;
6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor is capable in all respects of fulfilling and shall fulfill all of its obligations under this contract.
9. The contract appendices, attachments, and exhibits identify all equipment and software services necessary for the deliverable(s) to perform and operate in compliance with the contract's requirements.
10. The Contractor is the lawful owner or licensee of any Deliverable licensed or sold to the state by Contractor or developed by Contractor under this contract, and Contractor has all of the rights necessary to convey to the state the ownership rights or license use, as applicable, of any and all Deliverables.



11. If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items as set forth in this Contract, Contractor shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
12. The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter this contract, on behalf of Contractor.
13. The Contractor is qualified and registered to transact business in all locations where required.
14. Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.
15. All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the ITB or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor. All written information furnished to the State by or behalf of Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

2.506 RESERVED

2.507 RESERVED

2.508 RESERVED

2.509 RESERVED

2.6 Breach of Contract

2.601 BREACH DEFINED

Failure to comply with articles, sections, or subsections of this agreement, or making any false statement in this agreement will be considered a material breach of this agreement giving the state authority to invoke any and all remedies available to it under this agreement.

2.602 NOTICE AND THE 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.



2.603 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, workaroud 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 hereunder 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, workaroud plans or other means.

2.7 Remedies

2.701 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 re-procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

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

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

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.
3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.
4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 7. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.



2.702 RIGHTS UPON CANCELLATION

A. Rights and Obligations Upon Termination

- (1) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in equipment and software that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables and other Developed Materials intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.
- (2) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for partially completed Deliverables, on a percentage of completion basis. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
- (3) If any such termination by the State is for cause, the State shall have the right to set-off against any amounts due Contractor the amount of any damages for which Contractor is liable to the State under this Contract or pursuant to law or equity.
- (4) Upon a good faith termination, 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 Services under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

B. Termination Assistance

If the Contract (or any Statement of Work issued under it) is terminated for any reason before completion, Contractor agrees to provide for up to **ninety (90)** calendar days after the termination all reasonable termination assistance requested by the State to facilitate the orderly transfer of such Services to the State or its designees in a manner designed to minimize interruption and adverse effect. Such termination assistance will be deemed by the parties to be governed by the terms and conditions of the Contract (notwithstanding its termination) other than any terms



or conditions that do not reasonably apply to such termination assistance. The State shall compensate Contractor for such termination assistance at the same rates and charges set forth in the Contract on a time and materials basis in accordance with the Labor Rates indicated within Contractors pricing section. If the Contract is terminated by Contractor under **Section 20**, then Contractor may condition its provision of termination assistance under this Section on reasonable assurances of payment by the State for such assistance, and any other amounts owed under the Contract.

C. Reservation of Rights

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

D. End of Contract Transition

In the event the Contract is terminated, for convenience or cause, or upon expiration, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of the Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed **ninety (90)** calendar days. These efforts shall include, but are not limited to, the following:

- (1) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by the Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors.
- (2) Knowledgeable Personnel. Contractor will make available to the State or a Third Party Provider knowledgeable personnel familiar with the operational processes and procedures used to deliver products and services to the State. The Contractor personnel will work with the State or third party to help develop a mutually agreeable transition plan, work to transition the process of ordering, shipping and invoicing equipment and services to the State.
- (3) Information - The Contractor agrees to provide reasonable detailed specifications for all Services needed by the State, or specified third party, to properly provide the services required under the Contract. The Contractor will also provide any licenses required to perform the Services under the Contract.
- (4) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services under the Contract. This shall include any documentation being used by the Contractor to perform the Services under the Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level.



- (5) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of the Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations). The hourly rates or fixed price to be charged will be agreed upon prior to the work commencing.
- (6) Single Point of Contact. Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the Contract until all product and service obligations have expired.

E. Transition out of this Contract

- (1) In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the Contractor agrees to perform the following obligations, and any others upon which the State and the Contractor agree:
 - (i) Reserved.
 - (ii) Reserved.
 - (iii) Providing the State with all asset management data generated from the inception of this Contract through the date on which this Contract is terminated, in a comma-delimited format unless otherwise required by the Program Office;
 - (iv) Reconciling all accounts between the State and the Contractor;
 - (v) Allowing the State to request the winding up of any pending or ongoing projects at the price to which the State and the Contractor agreed at the inception of the project;
 - (vi) Reserved.
 - (vii) Notifying all of the Contractor's subcontractors of procedures to be followed during the transition out phase;
 - (viii) Reserved.
 - (ix) Assisting in the execution of a parallel operation until the effective date of termination of this Contract
 - (x) Answering questions regarding post-migration services;
 - (xi) Delivering to the State any remaining owed reports and documentation still in the Contractor's possession.
- (2) In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:
 - (i) Reconciling all accounts between the State and the Contractor;
 - (ii) Completing any pending post-project reviews.

2.703 RESERVED

2.704 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.

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.

2.705 SUSPENSION OF WORK

The Contract Administrator may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Contract Administrator determines appropriate for the convenience of the Government.

If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contract Administrator in the administration of this contract, or (2) by the Contract Administrator's failure to act within the time specified in this contract (or within a reasonable time if not specified), an adjustment shall be made for any increase in the cost of performance of this contract (excluding profit) necessarily caused by the unreasonable suspension, delay, or interruption, and the contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor, or for which an equitable adjustment is provided for or excluded under any other term or condition of this contract.

A claim under this clause shall not be allowed:

- (1) For any costs incurred more than 20 days before the Contractor shall have notified the Contract Administrator in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and
- (2) Unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.



2.8 Changes, Modifications, and Amendments

2.801 APPROVALS

The Contract may not be 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.

2.802 TIME EXTENTIONS

Time extensions for contract changes will depend upon the extent, if any, by which the changes cause delay in the completion of the various elements of performance as described in the statement of work. The change order granting the time extension may provide that the contract completion date will be extended only for those specific elements related to the changed work and that the remaining contract completion dates for all other portions of the work will not be altered. The change order also may provide an equitable readjustment of liquidated damages under the new completion schedule.

2.803 MODIFICATION

Acquisition Services reserves the right to modify this contract at any time during the contract term. Such modification may include changing the locations to be serviced, additional locations to be serviced, method or manner of performance of the work, number of days service is to be performed, addition or deletion of tasks to be performed, addition or deletion of items, and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the proposed changes are subject to acceptance by the State. Changes may be increases or decreases. **IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.**

The State reserves the right to add an item(s) that is not described on the item listing and is available from the Contract vendor. The item(s) may be included on the Contract, only if prior written approval has been granted by Acquisition Services.

2.804 AUDIT AND RECORDS UPON MODIFICATION

DEFINITION: records includes books, documents, accounting procedures and practices, and other data, regardless of whether such items are in written form, electronic form, or in any other form

Contractor shall be required to submit cost or pricing data with the pricing of any modification of this contract to the Contract Administrator in Acquisition Services. Data may include accounting records, payroll records, employee time sheets, and other information the state deems necessary to perform a fair evaluation of the modification proposal. Contract Administrator or authorized representative of the state shall have the right to examine and audit all of the contractor's records, including computations and projections, related to:

1. The proposal for modification;
2. The discussions conducted on the proposal, including those related to negotiation;
3. Pricing of the modification; or
4. Performance of the modification.

Contractor shall make available at its office at all reasonable times the materials described in the paragraphs above.

If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement.



2.805 CHANGES

- (a) The Contract Administrator may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:
 - (1) In the specifications (including drawings and designs);
 - (2) In the method or manner of performance of the work;
 - (3) In the Government-furnished facilities, equipment, materials, services, or site;
or
 - (4) Directing acceleration in the performance of the work.
- (a) Any other written or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contract Administrator that causes a change shall be treated as a change order under this clause; Provided, that the Contractor gives the Contract Administrator written notice stating:
 - (1) The date, circumstances, and source of the order; and
 - (2) That the Contractor regards the order as a change order.
- (b) Except as provided in this clause, no order, statement, or conduct of the Contract Administrator shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.

**VENDER BUSINESS ORGANIZATION****PRIMARY CONTRACTOR:**

The Glengariff Group, Inc.
Chicago Office
1653 West Hollywood Avenue
Chicago, Illinois 60660
773.275.1320
www.glengariffgroup.com
richard@glengariff.com

Southwest Michigan Office
3137 Naomi Road
Sodus, Michigan 49126
269.925.6673

SUB-CONTRACTOR:

Team Telcom Phoning Center
116 ½ Bailey Street
East Lansing, Michigan 48823
517.336.7950
Contact: Dan Ream
25 Phone Terminal Capacity/ 2500 square foot facility
Capability and experience: Letter of intent and all credentials are attached in section 4.304 Qualified Personnel of this proposal.

**DAN REAM
CHIEF OPERATING OFFICER, TEAM TELCOM**

Dan Ream brings **17 of experience in survey research telemarketing**. He began his career in survey research in 1986 at Consumer Surveys, Inc, in Livonia, Michigan where he oversaw the operation's expansion from a six-phone operation to a 25-phone operation.

In 1988, Dan moved to East Lansing where he became the supervisor of the Michigan Republican Party's in-house survey research operation. Within six months he was promoted to Director of Telemarketing. At its peak, Dan oversaw a telemarketing operation that completed three, 300-sample surveys daily.

In 1997, Dan was instrumental in forming a new company called Team Telcom. As Chief Operating Officer, he is responsible for managing all aspects of the company. In seven years, Team Telcom has completed nearly 1,000 survey projects, primarily focused in Michigan. Team Telcom joined forces with the Glengariff Group, Inc. to offer complete survey research services in 1998.

AUTHORIZED CONTRACTOR EXPEDITER:

Richard Czuba, President

**APPENDIX A CONTRACTOR'S TECHNICAL PROPOSAL (EXCERPTS)****4.304, 4.305, 4.306, SCOPE OF WORK AND DELIVERABLES/ PROJECT PLAN**

In reviewing this Request for Bid, the Glengariff Group, Inc. would provide the following deliverables:

- Monthly, or as needed, surveys with a sample size of between 400 and 600 respondents providing a statewide statistically relevant sample of Michigan drivers. Survey length would vary from between 20 to 30 questions.
- These surveys may require an over-sampling of a target population of 150 to 200 respondents.
- Provide the Office of Highway Safety Planning with the option of piggyback questions of two to six questions on monthly surveys with a sample size of 500 to 600 questions.

The Glengariff Group, Inc. is prepared to offer all three of the above mentioned work products. The Glengariff Group, Inc. will conduct the following tasks as required for each of the surveys:

- Upon OHSP submission of questions, prepare a final survey instrument.
- Submit the survey instrument to OHSP staff for changes and final approval.
- Pull a statewide representative sample of Michigan drivers based on sample size requirements.
- Submit the calling list of telephone numbers comprising the representative sample.
- Oversee all telephone canvassing.
- Tabulate aggregate survey results.
- Prepare a survey report including an Executive Summary, Aggregate Survey results, an analysis of all previous time series surveys, and an analysis of key demographic trends.
- Submit three hard copies of a final report to OHSP staff. Submit one electronic copy of the final report in Microsoft Office formatting.
- Invoice OHSP for completed survey.

Planning Meeting

The first step would be a sit down meeting with key Office of Highway Safety Planning staff to develop a year long research plan including desired dates of each survey. Upon completion of this meeting, the Glengariff Group, Inc will submit a detailed survey workplan for the year within seven business days. If Office and Highway Safety and Planning staff met with the Glengariff Group, Inc. on October 1, 2004 for example, a final detailed annual plan would be submitted no later than October 12, 2004 for approval.

The development of an annual survey calendar would allow for a smooth process for OHSP staff providing required dates for survey question submission, survey instrument approval, and a detailed timeline for expecting final reports.

[The Glengariff Group, Inc. requires two written submissions authorizing any work to begin. The first authorization comes in the form of an Expense Authorization, signed by the Contract Manager for the Office of Highway Safety Planning. This expense authorization allows the Glengariff Group, Inc. to begin work on projects and authorizes any expenditure of funds. The second authorization comes in a written communication from the OHSP approving the final survey instrument. No surveying work can begin until that written communication (via email) is received.]



Survey Timetable

Using a calendar approved by the Office of Highway Safety Planning, a timetable for each survey would be completed as follows beginning with the submission of questions for Office of Highway Safety Planning staff:

- Glengariff Group, Inc. submits survey instrument for approval
 - 2 BUSINESS DAYS FROM SUBMISSION OF QUESTIONS
- Upon OHSP feedback, Glengariff Group makes any final changes of survey instrument
 - 1 BUSINESS DAY FROM RECEIPT OF OHSP FEEDBACK
- Glengariff Group, Inc. conducts telephoning
 - 2 BUSINESS DAYS FOR A 400 SAMPLE SURVEY
 - 1 ADDITIONAL BUSINESS DAY FOR OVERSAMPLING UP TO 200
 - 3 BUSINESS DAYS FOR A 500-600 SAMPLE SURVEY
- Glengariff Group, Inc. completes tabulations and prepares final report
 - 8 BUSINESS DAYS FROM COMPLETION OF SURVEYING
- Glengariff Group, Inc. delivers three hard copies of the survey report with Executive Summary and Aggregate Survey. An electronic version is delivered via email using Microsoft Office.
 - 1 BUSINESS DAY
- The Glengariff Group, Inc. provides requested crosstab information
 - 3 BUSINESS DAYS FOR ADDITIONALLY REQUESTED CROSSTABS



A 400-sample survey of 20-30 questions would require eleven business days for report receipt once surveying begins. **A 600-sample survey of 20-30 questions would require twelve business days** for report receipt once surveying begins. This timeline is consistent with all previous project work conducted by the Glengariff Group, Inc. for State of Michigan government agencies.

We understand, however, that not all surveys can be pre-planned months in advance. While most surveys are not immediate and have proper advanced notice, the Glengariff Group, Inc. **can be in the field within two business days** of the approval of a questionnaire. For example if the Office of Highway Safety determined an immediate unplanned survey need, they could notify the Glengariff Group, Inc. of the survey request. Upon submission of the questions, we would immediately pull a representative sample, turn around a survey instrument within two days, and be prepared to conduct surveying within two days of final approval of the survey instrument.

Piggyback Questions (RESERVED)

The Glengariff Group, Inc. is prepared to offer the option of monthly ‘piggyback’ questions totaling two to six questions. The surveys would reflect a 500 sample, monthly statewide sample of Michigan licensed drivers.

The Glengariff Group, Inc. is prepared to offer this ‘piggyback’ option to the Office of Highway Safety Planning in conjunction with the agency also conducting a minimum of six stand-alone surveys with the Glengariff Group, Inc. during the fiscal year. “Piggyback’ survey questions are not available as a stand alone option.

‘Piggyback’ questions would need to be submitted one full week before the statewide survey begins. A monthly survey calendar will be available to OHSP staff.

Creating a Representative Sample

The most crucial element of any survey is accurately preparing the sample. OHSP surveys are based on licensed Michigan drivers. Therefore, this sample cannot be drawn based on population. The disparity between a population based survey and a survey of registered drivers becomes apparent when you look at Wayne County as an example. Wayne County represents 20.1% of Michigan’s population, but it represents only 16.9% of licensed drivers in Michigan.

Consequently, a statewide 400-sample survey would poll 80 respondents from Wayne County if it were based on population. But that same 400-sample survey would poll only 67 Wayne County respondents if it is based on licensed Michigan drivers.

Below is a sample breakdown for both a 400 sample and a 500-sample survey by region based on licensed Michigan drivers:

Region	400 Sample	500 Sample
Upper Peninsula	13	16
Northwest Michigan	19	24
Northeast Michigan	8	10
West Michigan	44	55
Southwest Michigan	39	48
South Central Michigan	39	49
Flint/ Tri-Cities	47	60
Oakland County	54	67
Macomb County	35	43
Wayne County	68	85
Remainder of Detroit MSA	34	43
	400	500



Michigan licensed drivers are broken down by the following gender and age demographics which would be reflected in a statewide sample of licensed drivers:

Male	50%
Female	50%

Ages	
16-24 years old	15.5%
25-34 years old	17.2%
35-44 years old	19.9%
45-54 years old	19.4%
55-64 years old	13.3%
65 and older	14.7%

With 6,517,566 licensed drivers in Michigan (source: 2003 Michigan Department of State):

- A 400 sample survey would have a margin of error of +/-4.9%
- A 500 sample survey would have a margin of error of +/-4.4%
- A 600 sample survey would have a margin of error of +/-4.0%



APPENDIX B

CONTRACTOR'S PRICING



4.307 COMPENSATION AND PAYMENT/PRICING PROPOSAL

Pursuant to Section 1.7: Additional Terms and Conditions Specific to this SOW, the following surveys are included in this price proposal:

- Six Surveys of 12 minutes in duration with a representative sample of 400 Michigan drivers. Each of the six surveys will have an oversampling of an additional 150 male drivers aged 30 or younger. Results will be reported each set of surveys with a Final Report submitted after the sixth survey.

COST: \$63,000.00

- One Omnibus Survey of twenty minutes in duration with a representative sample of 500 Michigan drivers.

COST: \$12,500.00

- Two sets of six piggyback questions, approximately 3 minutes with a representative sample of 500 Michigan drivers.

COST: \$9,000.00

TOTAL PROPOSAL COST: \$84,500.00

As with any survey, costs may change or vary based on the length of the survey or difficulty in screening appropriate respondents.

For example a 12 minute, 400-sample survey would cost roughly \$8,300.00. At nearly 20 minutes – or double the survey time – a 400-sample survey would cost roughly \$10,000.

An additional expense is the difficulty of screening respondents. For example, while a 150 oversample of male respondents under the age of 30 would cost roughly \$2,200.00, if that oversample were of 150 African American males under the age of 30, your costs would increase to roughly \$3,750.00.