

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

October 2, 2009

CHANGE NOTICE NO. 7
TO
CONTRACT NO. 071B6200126
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE Brian Lynch (614) 431-7150	
Gartner, Inc. 243 Weatherburn Ct. Powell, OH 43065			
Email: brian.lynch@gartner.com		BUYER/CA (517) 373-3993 Dale N. Reif	
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services			
CONTRACT PERIOD:		From: January 1, 2006 To: September 30, 2010	
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS			
N/A			

NATURE OF CHANGES:

Effective immediately this Contract is hereby **EXTENDED** to September 30, 2010 and **INCREASED** by \$148,200.00.

All other terms, Conditions, Specifications and Pricing remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and State Administrative approval dated September 30, 2009.

INCREASE: \$148,200.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$1,298,300.00

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

February 19, 2009

CHANGE NOTICE NO. 6
 TO
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR		TELEPHONE Brian Lynch (614) 431-7150
Gartner, Inc. 243 Weatherburn Ct. Powell, OH 43065		
Email: brian.lynch@gartner.com		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2009		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

Effective immediately this Contract is hereby **INCREASED** by **\$233,000.00**.

All other terms, Conditions, Specifications and Pricing remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and State Administrative approval dated February 17, 2009.

INCREASE: \$233,000.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$1,150,100.00

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

December 9, 2008

**CHANGE NOTICE NO. 5
 TO
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR		TELEPHONE James Emmerson (704) 827-4458	
Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 Email: james.emmerson@gartner.com			
		BUYER/CA (517) 373-3993 Dale N. Reif	
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services			
CONTRACT PERIOD:		From: January 1, 2006	To: September 30, 2009
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS			
N/A			

NATURE OF CHANGES:

Effective immediately this Contract is hereby EXTENDED one (1) year and INCREASED \$188,100.00.

All other terms, Conditions, Specifications and Pricing remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and State Administrative approval dated December 2, 2008.

INCREASE: \$188,100.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$917,100.00

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 16, 2007

CHANGE NOTICE NO. 4
 TO
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

This change notice adds products to the contract to be purchased as needed. All other terms, conditions, specifications and pricing remain the same.

AUTHORITY/REASON:

Agency request, vendor agreement and DMB approval.

Total Estimated Contract Value Remains: \$729,000.00

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

January 8, 2007

CHANGE NOTICE NO. 3 (REVISED)
 TO
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

This revised change notice corrects a calculation error for the Total Estimated Contract Value. The revised figure is \$729,000.00. All other terms, conditions, specifications and pricing remain the same.

AUTHORITY/REASON:

DMB to correct a calculation error.

Total Estimated Contract Value Remains: **\$729,000.00**

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

August 1, 2006

CHANGE NOTICE NO. 3
 TO
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

Effective immediately, the following commodity codes are hereby added to this contract:

918-99-01 Consultant – Business Process Re-engineering CS-138 084S3000019
 924-36 Training – Computer Related CS-138 192S0002154

All other terms, conditions, specifications and pricing remain the same.

AUTHORITY/REASON:

Per agency request.

Total Estimated Contract Value Remains: **\$587,250.00**

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

June 9, 2006

CHANGE NOTICE NO. 2
 OF
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

Effective immediately, the contract is hereby **INCREASED** by \$150,000.00. All other terms, conditions, specifications and pricing remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and AdBoard dated 6/6/06.

Total Revised Estimated Contract Value: \$587,250.00

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

March 31, 2006

CHANGE NOTICE NO. 1
 OF
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Mary Ladd IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGES:

Effective immediately, the contract compliance inspector for this contract is hereby Mary Ladd (517) 335-4082 and Scott Ellsworth (517) 241-8852 is the DIT program manager. All other terms, conditions, specifications and pricing remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and agency request.

Total Estimated Contract Value Remains: **\$579,000.00**

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

March 1, 2006

**NOTICE
 OF
 CONTRACT NO. 071B6200126
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com		TELEPHONE James Emmerson (704) 827-4458
		BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Reid Sisson IT Research and Advisory Services		
CONTRACT PERIOD: From: January 1, 2006 To: September 30, 2008		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

The terms and conditions of this Contract are those of ITB #07115200386, this Contract Agreement and the vendor's quote dated September 9, 2005. 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: \$579,000.00

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

CONTRACT NO. 071B6200126
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Gartner, Inc. P.O. Box 10212 Stamford, CT 06904 james.emmerson@gartner.com	TELEPHONE James Emmerson (704) 827-4458 BUYER/CA (517) 373-3993 Dale N. Reif
Contract Compliance Inspector: Reid Sisson <p style="text-align: center;">IT Research and Advisory Services</p>	
CONTRACT PERIOD: From: January 1, 2006 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>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07115200386, this Contract Agreement and the vendor's quote dated September 9, 2005. 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: \$579,000.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB Number **07115200386**.

All terms and conditions of the Invitation To Bid are made a part hereof.

FOR THE VENDOR:

FOR THE STATE:

Gartner, Inc.

Firm Name

Signature

Greg Faremouth

Authorized Agent Signature

Name

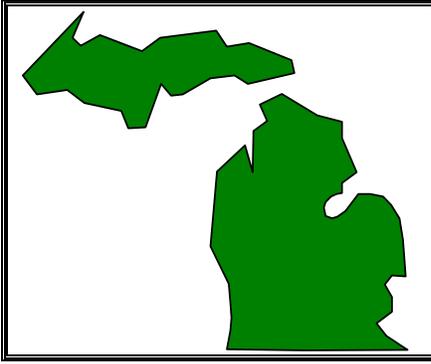
IT Division, Acquisition Services

Authorized Agent (Print or Type)

Title

Date

Date



STATE OF MICHIGAN
Department of Management and Budget
Acquisition Services

Contract Number: [071B62000126](#)
[IT Research & Advisory Services](#)

IT Research & Advisory Services

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Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 PROJECT REQUEST

This Contract responds to the need for Information Technology Research and Advisory Services (IT-RAS) to support its information technology operations. This a firm fixed-price contract for three years, with two possible one-year options. Additional services for the acquisition of advice and research subscription services, and consulting-related expertise that support DIT's planning and subsequent acquisition of information resources may be required under the contract on a need basis.

The IT-RAS subscription will cross the entire spectrum of computing and telecommunications technologies, including business, management, and governmental perspectives. The expertise should also provide guidance for DIT's strategic planning and budgeting activities when decision-makers need access to research and analysis that will identify and quantify emerging trends and directions in technology. As part of DIT's Technology Partnership Outreach initiative, this contract will also be made available for State of Michigan local units of government (cities, villages, counties, etc).

1.002 BACKGROUND

Michigan's Information Technology Strategic Plan for 2004 to 2007, viewable at http://www.michigan.gov/dit/0,1607,7-139-30637_30646---,00.html, identified five goals to further the State's vision of a connected Michigan. The Plan emphasizes statewide operation of all the State's information technology resources and its information, computing and telecommunications assets. The Plan also provides an overview of the State's management, and size, of the information technology resources. The goals are:

1. Expand Michigan's services to reach anyone, at anytime, from anywhere.
2. Transform Michigan's services through sharing and collaboration.
3. Manage technology to provide better service and faster delivery.
4. Make Michigan a "Great Workplace" and the employer of choice for technology professionals.
5. Create a statewide community of partnerships.

DIT's aggressive approach towards realizing the promise of information technology requires access to comprehensive, objective information and best practices from information technology organizations facing similar challenges to provide risk reduction in its decision-making.

Rapidly evolving technologies and strategies make it impractical to possess the in-house expertise and information required for strategic planning and management decisions. DIT seeks readily accessible and specialized research, via various deployment media, describing currently used, developing and emerging trends in technology. Trend information is a critical business need of the State as the State determines its current and future technology-related requirements. DIT also needs expedited response when critical technical issues arise which require timely resolution.

DIT has held subscriptions with multiple research and advisory services for fiscal years 2003, 2004, and 2005 with current subscriptions for IT-RAS ending September 30, 2005. Based on current and historical analysis of information needs, utilization, and satisfaction with existing subscriptions, a minimum level of services for future IT-RAS subscriptions has been defined.

1.1 Scope of Work and Deliverables

1.101 IN SCOPE

1.101.1 IT-RAS Subscription

DIT reserves the right to negotiate services different from those listed below. At a minimum, registered users should have unlimited access to the following:

- a. Unlimited web access and inquiry to all subscribed research and advisory documents, available 24x7. Registered users can access Contractor research anytime. Contractor will maintain a 99.9% web site availability. Contractor will provide 5 days advance client notification of any upgrades or maintenance through proactive administrator correspondence and with banners on gartner.com, which include the time period during which our web site will be unavailable.
- b. Under normal operating circumstances, the Contractor will meet or exceed the fast search capabilities (<5 second response) requirement.
- c. Contractors screens are all printable and well-formatted with printable graphs and charts

- d. Contractor will provide a Site Map and viewed at: http://www.gartner.com/it/about/site_index.jsp
- e. Contractor’s research database can be searched by keyword, topic, author, title, date, document type, geographic region, industry and document format. Contractor’s web site contains vast amounts of research categorized into easily accessed ‘Topic’ areas (also known as Focus Areas). A listing of Topics can also be found at: <http://www.gartner.com/it/products/research/topics/topics.jsp>
- f. Contractor’s Research Database can be searched by key word, topic, subject, author, title, document type, geographic region, industry and document format across entire database.
- g. Contractor’s web site provides several ways of locating information including navigation aids, buttons, and links to information. Examples of such features are provided throughout gartner.com and can be best viewed by visiting <http://www.gartner.com>
- h. Contractor’s available research is categorized and reachable by links to detailed research on the gartner.com home page. These categorizations are currently listed under the “Research Fast Finder” area of Contractor’s home page and are broken down into three types:

Markets: Dataquest tracks over 35 major IT and telecom markets, providing highly specific global and regional coverage of the key trends, issues, and most revealing statistics.

Topics (also referred to as ‘Focus Areas’) Topics aggregate valuable research, solutions and events around the issues that are most important. These topics are updated as the needs of our clients change, currently, categorizes research into 24 ‘Topics’:

Application Development	IT Management
Application Integration & Middleware	IT Services
Business Intelligence & Data Integration	Mobile & Wireless
Business Process Management	Network Equipment
Consumer Technologies	Network Services
Customer Relationship Management	Open Source
Emerging Trends & Technologies	Outsourcing
Enterprise Architecture	PCs, Laptops & Handheld Devices
Enterprise Systems Management	Regulatory Compliance
ERP & Supply Chain Management	Security & Privacy
High-Performance Workplace	Servers & Storage
IT Asset Management	Web Services

Industries Contractor currently offers specialized, industry specific research in the following areas. Please note: Some industries are contained in premium services referred to as ‘Industry Advisory Services’ and contain research that is only available to members of that service.

Banking (premium)	Insurance (premium)
Education	Investment Services (premium)
Energy & Utilities (premium)	Manufacturing (premium)
Government	Media (premium)
Healthcare Providers	Retail (premium)

- i. Ad hoc analyst inquiries with response provided by telephone or email within 2 business days of request. Contractor is able to meet this requirement assuming proper inquiry scheduling procedures are followed. There may be instances where circumstances prevent meeting this requirement (specific analysts requested, multiple analysts requested, etc). These instances should be rare and Contractor will work to minimize these occurrences.
- j. Access to web casts with ability to include non-users with registered users. Attendees may include an unlimited number of internal audience members, providing the web cast is connected to and attended by the Advisor seat member requesting attendance.
- k. Access to online briefings with ability to include non-users with registered users. Attendees may include an unlimited number of internal audience members, providing the online briefing is connected to and attended by the Advisor seat member requesting attendance.

- l. Access to telephone conferences with ability to include non-users in teleconference with registered users. Registered Advisor seat members have access to all available Gartner teleconferences. Space availability may be limited for some popular teleconferences.

Non-users may attend teleconferences when in attendance with a registered Advisor member. Non-users may also be allowed to attend teleconferences in a “listen-only” mode on a “space-available” basis. Please coordinate non-user attendance through the account management team.

- m. Ability to send inquiries by telephone and email. Inquiry is facilitated through QuickPath®, which will complete the inquiry or connect you with an analyst via the electronic scheduling system. For urgent requests, Quick Path or the Account Management Team can escalate the request. There are three standard methods of initiating the inquiry process:

Ask an Analyst on gartner.com Ask an Analyst on gartner.com enables Advisory seat level users to query an analyst through an on-line request form. Users can select a topic area of interest, and a date when the information is needed. Users may also choose the preferred method of response, and also request a scheduled conference call with an analyst.

Telephone Advisor seat level users may call the QuickPath® at (203) 316-1200 to schedule an inquiry

e-mail Advisor seat level users may e-mail the Contractor QuickPath® at inquiry@gartner.com to schedule an inquiry. It is requested that the member’s gartner.com user name be provided with the e-mail for inquiry eligibility verification purposes.

- n. Registered users will stay informed on topics of interest to them through Alerts. Alerts employ saved search strings to automatically forward new matching research directly to the user. Users can receive their Alerts notification either via e-mail and online, or online only. User can also download reports directly to their computer in a pre-determined format appropriate for the report type (e.g. .pdf, .zip, .xls, etc.)
- o. Responses to written research requests within one week. Contractor will meet this requirement assuming proper inquiry scheduling procedures are followed. There may be instances where circumstances prevent meeting this requirement (specific analyst requested, multiple analysts requested, etc). These instances should be rare and Contractor will work to minimize these occurrences.
- p. Responses to analyst inquiry requests within one week. Contractor will meet this requirement assuming proper inquiry scheduling procedures are followed. There may be instances where circumstances prevent meeting this requirement (specific analyst requested, multiple analysts requested, etc). These instances should be rare and Contractor will work to minimize these occurrences.

Contractor’s Core Research currently covers all of the topics listed below in items 1.101.1(q) through 1.101.1(oo). For ease of verification, the name of the ‘Browse Term’ or ‘Topic Area’ that provides examples of Contractor’s research coverage of these topics.

- q. Purchasing and product selection - Browse term: IT Asset Procurement
- r. IT Strategic Planning Browse term: IT Strategic Planning
- s. Security - Topic Area - Security
http://www.gartner.com/it/products/research/asset_129509_2395.jsp
- t. Disaster recovery - Browse term: Disaster Recovery
- u. IT Technical Architecture -Topic Area – Enterprise Architecture
http://www.gartner.com/it/products/research/asset_129493_2395.jsp
Contractor’s Core Research covers high-level enterprise architecture “overview” information and subject matter technology information. Contractor also offers a service, Enterprise Planning and Architecture Strategies (EPAS), which covers the entire scope of Enterprise Architecture from alignment of business and technology strategies through to building enterprise technical architecture processes with deeper, more tactical support for executing an EA project.
- v. Project Management - Browse term: IT Project Management
- w. Application Development - Topic Area – Application Development
http://www.gartner.com/it/products/research/asset_129485_2395.jsp
- x. E-Government solutions - Topic Area - Government
http://www.gartner.com/it/products/research/asset_129541_2395.jsp

- y. Broadband - Browse term: Traditional Voice and Data Communication Services
- z. IT Investment - Browse term: Financial Justification
- aa. Portfolio Management - Browse term: Portfolio Management
- bb. IT Organization
 - ❑ Management - Browse term: IT Organizational Structure
 - ❑ Staffing - Browse term: IT Workplace Strategy
 - ❑ Governance - Browse term: IT Governance
 - ❑ Financial forecasting - Browse term: IT Financial Management Strategy
 - ❑ Budget planning - Browse term: IT Financial Management Strategy
- cc. Metrics and Measurement - Browse term: IT Performance Management
Contractor offers detailed, per-project measurement/benchmarking services that may be purchased as separate engagements.
- dd. Healthcare and IT - Topic Area – Healthcare Providers
http://www.gartner.com/it/products/research/asset_129542_2395.jsp
- ee. IT Trends and Emerging Technologies Topic Area – Emerging Trends and Technologies
http://www.gartner.com/it/products/research/asset_129492_2395.jsp
- ff. Telecommunications and Networking Topic Area – Network Services
http://www.gartner.com/it/products/research/asset_129503_2395.jsp
Topic Area – Network Equipment
http://www.gartner.com/it/products/research/asset_129502_2395.jsp
Topic Area – Mobile and Wireless
http://www.gartner.com/it/products/research/asset_129501_2395.jsp
- gg. Web services - Topic Area – Web Services
http://www.gartner.com/it/products/research/asset_129511_2395.jsp
- hh. CRM - Topic Area – Customer Relationship Management
http://www.gartner.com/it/products/research/asset_129511_2395.jsp
- ii. Executive IT (CIO focus) - Browse Term: IT Management
Contractor also offers an Executive Program (EXP) targeted at CIOs (see Section 1.101.3 Executive Support).
- jj. Geographic Information Systems - Browse term: Geographic Information Systems
- kk. Contract negotiation - Browse term: IT Asset Procurement
- ll. Best practices - Search Term: Best Practices
- mm. Coaching and training - Browse term: Workforce and Workplace Management
- nn. Enterprise collaboration
 - ❑ Data - Browse term: Collaboration
 - ❑ Documents - Browse term: Document Management
 - ❑ Directories - Browse term: Directory Services
 - ❑ Workflow - Browse term: Collaboration
 - ❑ Applications - Browse term: Application Integration and Middleware
 - ❑ Communication - Browse term: Real-Time Collaboration
- oo. Government-specific issues
 - ❑ Legislation - Browse term: Technology, Society and Public Policy
 - ❑ Privacy - Browse term: Technology, Society and Public Policy
 - ❑ Funding - Browse term: Technology, Society and Public Policy
 - ❑ Resource constraints - Browse term: Technology, Society and Public Policy

1.101.2 Document Review

Review of documents including strategic plan, architecture, Request For Proposals, Request For Information and Technology Solutions Plans may be required under this contract. Contractor's Standard Inquiry provides Basic Technology Reviews (20 pages or less) of business-related documents. These reviews may take up to one hour of an analyst's time. Examples of reviewed documents include:

- Requests for proposals
- IT strategy plans
- Business plans
- Technology procurements

** The Enterprise Planning and Architecture Strategies (EPAS) service provides for architecture document review

1.101.3 Executive Support

Contractor's EXP Premier is a preferential membership program for IT executives. The program offers CIOs of medium to large public and private enterprises the best access to Contractor and the opportunity to network with a

diverse group of CIOs who share similar issues and challenges. Contractor's EXP offers its members a variety of services, including:

- Personalized inquiry services
- Exclusive Research Reports
- EXP-sponsored Events and Local Roundtables
- CIO entrance and VIP treatment at Contractor's Symposia
- Access to Core Research

1.101.4 Consulting Services as requested in a specific statement of work provided by DIT.

The Contractor must respond to the statement of work with a maximum project cost, based on the discount rate provided in its proposal and a project timeframe. DIT will have the sole right to accept or reject the proposal, or ask for modification.

Contractor will provide customized project consulting and strategic advice to CIOs and other senior business executives. More than 600 consultants will provide the consulting services and focus on selected areas that are critical to DIT.

1.101.5 Research & Advisory Services and Capabilities

- a. Members will benefit from the Contractor's account management team's ability to facilitate relationships with analysts, consultants and executive leadership. Contractor offers an account team that will continually monitor the needs at all levels of the organization. Contractor will periodically conduct status meetings and reviews to ensure that needs are being met.

Contractor management has assigned an experienced account team that is responsible for developing, executing and monitoring the plans and activities that will enable the State of Michigan to maximize the resources available to it under the Contract. Core members of the Account Team include the Account Executive (local) and the Inside Account Manager. Depending on additional services selected by the State of Michigan, this core account team will be supplemented by other team members from Executive Programs, Best Practice Councils, or other specialized offerings.

Team Member	Title	Phone	email
John Yezza	Account Executive	630-922-7006	john.yezza@gartner.com
<ul style="list-style-type: none"> ✓ Serves as the focal point for your business relationship with Contractor ✓ Responsible for understanding your issues, initiatives and needs so that Contractor can contribute in the best possible way ✓ Meets regularly with senior level executives ✓ Administers billing and client services issues through Contractor Financial Services ✓ Conducts/provides your organization with quarterly reviews on use of Contractor services to ensure that maximum value is delivered ✓ Develops actions plans for your organization to utilized new Contractor products or services ✓ Supports your organization by distributing Contractor information pertaining to analyst visits, calls, events, and conferences 			
Jim Emmerson	Inside Account Manager	704-827-4458	james.emmerson@gartner.com
<p>The Inside Account Manager will supplement the Account Executive's efforts by providing timely support by phone, fax or email during normal business hours</p> <ul style="list-style-type: none"> ✓ Helps you administer user accounts, reset passwords, reassign user seats and update addresses. ✓ Provides web-based tours of the Contractor web site ✓ Acts as liaison with the Contractor analyst community ✓ Provides periodic newsletter with highlighted research and audio-conference schedule ✓ Alerts clients to Contractor events and analyst visits 			

b. Research and analysis process provided.

Contractor continually audits the research and methodology to ensure that it is accurate, thought provoking and leading edge. Contractor adheres to a strict, thorough, proprietary methodology and process for creating our research to ensure a high standard of quality. The information gathered to form the research comes from a variety of sources:

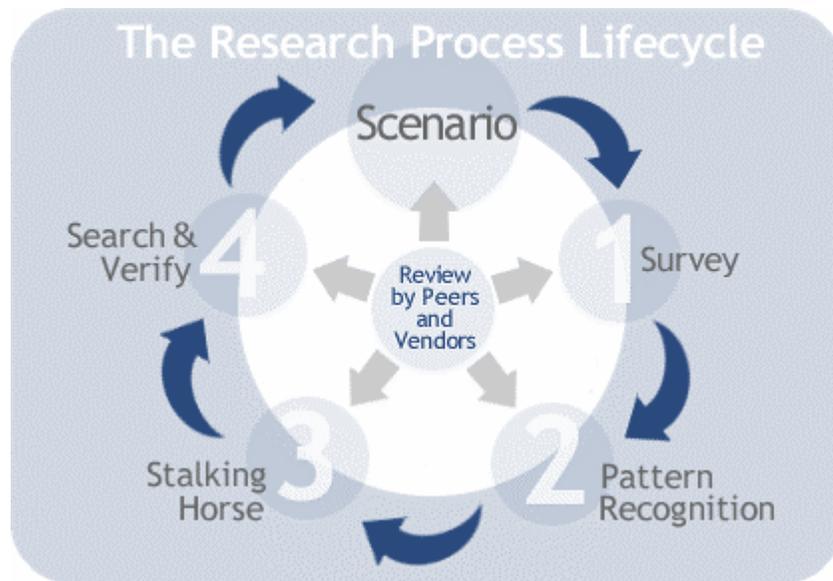
- Public domain information
- Debriefing vendors through a rigorous probing process
- Interviewing users
- Triangulating on information
- Analysts' own experience, including client advisory engagements
- Surveys
- Internal debates
- Electronic "town meetings" between analysts
- Interactions with clients through 100,000 inquiries per year
- Events, including Symposium/ITxpo®

The research process then integrates all this information and forms conclusions and recommendations.

The Research Process Life Cycle

Research entails the usage of a proprietary framework of how we pose questions, how we position hypotheses, how we corroborate tentative conclusions and how we continuously refine conclusions. It is aided and enabled by an automated, proprietary system that fosters the collaboration of analysts around the world. All draft research is stored in a common repository where positions are challenged, peer debates occur, management reviews occur, editing happens and continuous improvement ensues. Client questions are also captured in a database, which enhances client service and is leveraged into the research process. The result is the world's deepest, broadest and highest-quality IT research, analysis and advice.

Forward-thinking and controversial scenarios make Contractor's research unique. These five-year industry forecasts focus on each sector's key issues (KI) and use strategic planning assumptions (SPAs) to predict future events.



Scenarios are created that:

- ❑ Support strategic planning efforts
- ❑ Avoid “rearview mirror” analysis
- ❑ Change dynamically as industry changes occur
- ❑ Are action-oriented, giving guidance for decisions that must be made now
- ❑ Offer short-term advice (i.e., dollar savings) that doesn’t interfere with meeting long-term needs
- ❑ Answer the question, *What revolutions/discontinuities will take place in the sector over the next five to ten years?*

There is a four-step process for creating a scenario

- ❑ **Survey:** In the survey step, analysts gather information through both formal survey instruments and informal surveys of users and vendors who represent the most powerful element in our research: our research network. Analysts continuously interact with this network, as well as with other analysts, to accumulate industry information and knowledge.
 - ❑ **Pattern Recognition:** A pattern emerges from the wealth of information gathered during the survey phase. Suddenly, the analyst gets a flash, a revelation—and an entirely new key issue and set of SPAs must be crafted.
 - ❑ **Creation of a Stalking Horse:** To gather even more data to support an emerging pattern, the analyst sets forth a tentative SPA, or a “stalking horse.” A stalking horse is a conceptual graphic that illustrates a theory. This technique is used to attract comment from other analysts and industry experts. Only Contractor uses this device to stimulate the research network.
 - ❑ **Search and Verify:** Before publishing an SPA, the analyst seeks out written material from all available channels, including press releases, financial reports, Wall Street reports, news wires and other Contractor research.
- c. Number of analysts on staff and a summary of their experience and areas of expertise.
For over 25 years, Contractor's Research & Advisory services have been recognized as the definitive source for objective technology thought leadership. Business growth today is driven largely by technology for firms, governments and organizations. Contractor clients rely on over 600 analysts around the world who have an average tenure of 15 years in technology. Many Contractor analysts are former CIOs and all have extensive previous business technology expertise. In the United States, Contractor analysts are often called before the U.S. Congress to discuss the critical business and technology issues that are driving today's economy.
- d. Number of government specialist analysts and a summary of their experience and areas of expertise.

All analyst bios are accessible on Contractor's web site. Below is a listing of several of Contractor's analysts focused on Government along with their coverage areas, experience, industry awards and education backgrounds.

John Kost - Government Procurement, Leadership, Government CRM

Years of Experience

3 years at Gartner
13 years IT industry

Professional Background

Siebel Systems, National Sales Director, State and Local Government, 2 years
TRW, Vice President - Public Sector Solutions, 2 years
Federal Sources, Inc., Senior Vice President -- State & Local Government, 2 years

Industry Awards/Accolades

Governing magazine "Public Official of the Year" (1995)

Education

B.A., Political Science, University of Michigan, 1978
M.A., Public Administration, Michigan State University, 1981
He also attended the State & Local Executive Program at the Kennedy School of Government at Harvard University in 1993.

Christopher Baum - E-government, e-voting, e-procurement

Years of Experience

14 years at Gartner
30 years IT industry

Professional Background

Datapro, Managing Analyst, 6 years
HSJ Manufacturing, Manufacturing Information Systems Coordinator, 3 years
NBCC, General Manager, 2 years

Education

B.A., Mathematics, University of Texas at El Paso
M.B.A., University of Phoenix

Amy Santenello - Government IT Strategies and Management, Government CRM

Years of Experience

5 years at Gartner
5 years IT industry

Professional Background

META Group, Inc., Senior Research Analyst, 5 years

Education

B.A., University of Vermont

Gregg Kreizman - PKI, Government IT Infrastructure

Years of Experience

5 years at Gartner
22 years IT industry

Professional Background

State of North Carolina, Director, Distributed Computing, 7 years
Unisys, Manager, Technology Assessment, 4 years
World Bank, Network Engineer, 5 years

Education

B.S., Applied Science, Miami University

Bill Rust - K – 12 Management and Technology

Years of Experience

4 years at Gartner
20 years IT industry

Professional Background

Baltimore County Public Schools, Director, 30 years

Education

B.A., University of Maryland, Baltimore County, 1971
M.S., Johns Hopkins University, 1986

French Caldwell - Knowledge Management

Years of Experience

6 years at Gartner
8 years IT industry

Professional Background

Arthur Andersen, Office of Government Services, Senior Manager and Director of Knowledge Services, 2 years
Commission on Roles & Missions of the Armed Forces, International Liaison and Special Projects Director, 1 years
U.S. Navy, Officer, Submarine Service, 21 years

Industry Awards/Accolades

Federal Executive Fellow, The Brookings Institution
Adjunct Fellow, Center for Strategic and International Studies

Education

B.S., Oceanography, U.S. Naval Academy
M.A., International Studies, Old Dominion University
Graduate, U.S. Navy Command and Staff College
Qualified for Command, Nuclear Submarines
Qualified Naval Nuclear Engineer

David McClure - Performance Management, Sourcing, e-Gov't Service Delivery

Years of Experience

16 years IT industry

Professional Background

Council for Excellence in Government, Vice President, eGovernment and Technology, 2 years
Government Accountability Office, Director, IT Management Issues, 18 years

Industry Awards/Accolades

Three-time winner of Federal Computer Week's "Top Federal 100" (1998, 2001, 2004) for impact on government IT directions and improvements.

Education

B.A., Political Science, University of Texas
M.A., Political Science, University of Texas
Ph.D., Public Policy, University of North Texas

Rishi Sood - National Security, Emerging Technologies in Government

Years of Experience

12 years at Gartner
13 years IT industry

Professional Background

G2 Research, Vice President, 6 years

Industry Awards/Accolades

Gartner Thought Leadership Award
Gartner Gold Team Award

Education

B.A., University of Chicago

Andrea Di Maio - E-government- European, EMU

Years of Experience

7 years at Gartner
20 years IT industry

Professional Background

European Commission, Program Officer , 4 years
TXT , Software Technology Director, 4 years
Techint Software, System Engineer and Group Manager, 5 years

Education

M.S., Electronics Engineering, summa cum laude, Politecnico di Milano

Herb Strauss - National Security, Emerging Technologies in Government

Years of Experience

2 years at Gartner
15 years IT industry

Professional Background

American Management Systems Corporation, Principal, 1 years
EDS Corporation, Vice President, 7 years
United States Marine Corps, Commissioned Officer, 20 years

Industry Awards/Accolades

Member of the Armed Forces Communications and Electronics Association, serving as a member of the Board of Directors for the Washington, D.C., chapter
Member of the Association of Former Intelligence Officers, American Society of Military Comptrollers and the National Military Intelligence Association

Education

B.A., Government, Norwich University of Northfield, Vermont
M.B.A., Johns Hopkins University of Baltimore, Maryland
M.S., Information and Telecommunications Systems, Johns Hopkins University of Baltimore, Maryland
Post-graduate-level courses in military, defense and government operations
Variety of courses leading to enhanced currency and proficiency in technical and professional skills

Jeff Vining - Public Safety, Homeland Security

Years of Experience

1 years at Gartner
5 years IT industry

Professional Background

National Institute of Justice, LECTAC Executive Director, 4 years
Office of Arkansas Attorney General, Assistant Attorney General, 5 years
Federal Bureau of Investigation, Attorney-Advisor, 1 years

Education

Richard Harris - Public Safety, Homeland Security

Years of Experience

5 years at Gartner
11 years IT industry

Professional Background

IBM Australia Limited, Principal, 3 years
Aptech Pty Ltd, Director, 3 years
PA Consulting Group, General Manager, Performance Improvement, 9 years

Industry Awards/Accolades

Trustee for the Committee for Economic Development of Australia (CEDA)

Education

B.S.E., with honors, Monash University
M.B.A., Macquarie University
Received Diploma from, and is a Fellow of, the Australian Institute of Company Directors.

- e. Research materials available.
With more than 600 analysts worldwide, 105,000 client inquiries per year and more than 80,000 pages of published original research, we are by far the world's most valuable source of IT knowledge. Contractor's Research provides analysis and findings based upon a wealth of data and tight methodologies,

recommendations and strategies based upon experience, and advice and counsel through our inquiry programs.

- f. Frequency of publication of research materials.
Contractor published approximately 5,000 research reports (not including presentations) in 2004 – an average of over 400 reports per month across the entire spectrum of information technology.
- g. Evaluation & ranking methodology for vendors and technology solutions.

Vendor Ratings

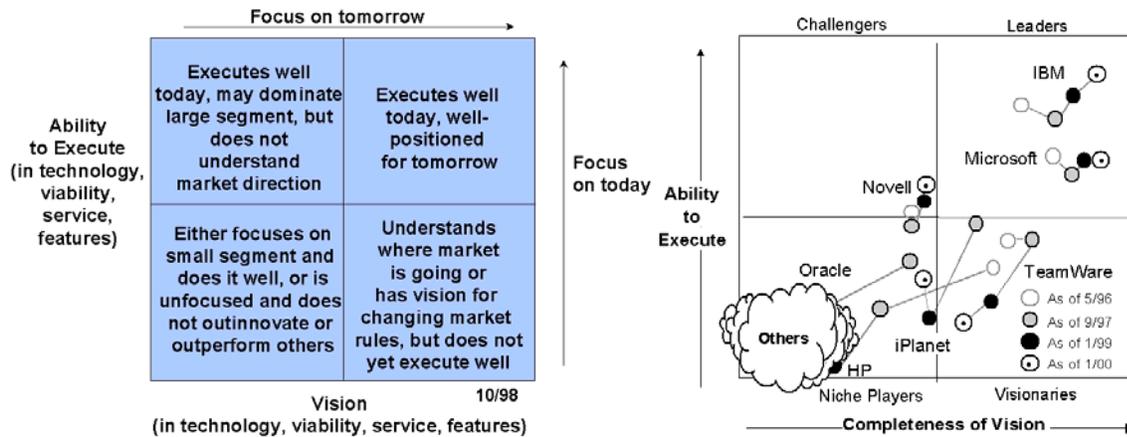
Vendor Ratings clearly and concisely identify the opportunities that clients should leverage and the risks from which clients should protect themselves with respect to a given vendor. As industries have moved through their natural evolution, there have always been periods of vendor shakeout: from vendors that fail to keep pace with the demand, to the consolidation that occurs during decreased buying. During this shakeout, the IT investments that enterprises have made are threatened. Vendor Ratings provide a single focused source for the Contractor opinion on the vendor as a whole, not just on its position within a single market. Vendor Ratings provide end-user organizations with a holistic view of vendors from which they are purchasing products and services.

Vendor Ratings' research methodology is structured around a consistent and broad view of a vendor, including the following criteria:

- Corporate viability
- Strategy
- Financial
- Marketing
- Organization
- Product/Services/Technologies
- Product/Service
- Technology
- Pricing
- Customer service/Product support
- Sales/Distribution
- Support services

Magic Quadrant Methodology (MQ)

Magic Quadrants were created to provide a simple construct to position vendors within a given market space. The first step is to define a "market." We use Geoff Moore's definition of "a common set of users with a common set of wants and needs who reference each other when making a buying decision." This is a critical first step in the creation of a quadrant to ensure that vendors competing in a single market are compared fairly. It would be unfair to rate a vendor against others in a market in which they do not compete



The vision axis becomes a view of how well a company or product will do in the future in each of these areas based on the Contractor scenario for where a product or market is headed. This view is derived by the iterative process of looking at the “vision” of the vendors in the market segment; listening to clients speak of what they want, need and will buy in this area; and balancing this against business and technology trends. It is the combination of these elements that generates a scenario and future view or vision. This vision axis becomes a measure of tomorrow.

The ability-to-execute axis becomes a Contractor view of how well a company or product is doing in each of these four areas. This view is driven by the iterative process of looking at how well a vendor is delivering products/services/ financial results in a given market segment; listening to clients speak about the vendor/product in terms of what is delivered and working; and balancing this against the current business and technology realities. It is the combination of these elements that generates a view of how well the vendor/product is doing in a given market area and its overall ability to execute. The ability-to-execute axis becomes a measure of today.

- h. Government-specific research available.
The Government focus area has in excess of 1,800 documents and is categorized into the following subtopics:

- Government
- Real-Time Policy
- Regulations
- IT Governance

Government research is published on an ongoing basis. A Contractor Hype Cycle for Government is published annually. More detailed information, if desired, can be found at:
http://www.gartner.com/it/products/research/asset_129541_2395.jsp

- i. Analyst availability, inquiry handling and response time objectives for normal and emergency requests

Standard Inquiry Process

Users can place an inquiry via phone, e-mail or through the Contractor Web sites. Each Advisor user has the ability to place an unlimited number of Standard Inquiries based on the inquiry scope of coverage described below in the response to item 1.101.5(j).

Responses to Standard Inquiries are based on client requirements and are usually filled within five business days. Basic Technology Reviews typically require longer response times. Contractor will make every effort to accommodate clients that require more urgent attention.

- j. Scope of research that an analyst performs in response to an inquiry
Standard Inquiry is available to all Advisor-level users. Inquiry sessions with an analyst typically follow these guidelines:

- They are based on Core Research (27 focus areas).
- They typically take up to 30 minutes of an analyst's time, and can be scheduled longer on a case-by-case basis.

- They may include an unlimited number of audience members, providing the meeting is facilitated by the Advisor seat member requesting the meeting.
- They can be focused on up to five related questions within a similar scope.

Inquiries are typically handled based on an analyst's subject matter expertise. However; in instances where additional research may be necessary to satisfy the inquiry, Standard Inquiry provides for up to one additional hour analyst time for research and/or Basic Technology Reviews (20 pages or less) of business- related documents. Examples of reviewed documents include:

- Requests for proposals
- IT strategy plans
- Business plans
- Technology procurements

1.101.6 Method of Delivery / Personal Features

- a. The process to alert a client about the availability of new information or research related to specific areas of interest

Gartner.com Alerts

Registered users can create a personalized, proactive, research, email delivery system. Individual seat-holders will receive e-mail notification when new research matching their criteria has been published. Alerts can be predefined. Each alert can be prioritized to send daily, weekly or monthly notification. The research is posted to each users personalized mailbox on the Contractor web and/or in their email.

Individual users may also alert others to research of interest by forwarding a summary of the document by entering the person e-mail address. Named users are then able to access the full version of the report.

- b. Capability to store research articles in a client work area
Clients are able to access their prior usage at any time to locate a link to any research report they have previously accessed. In addition, the vast majority of research reports are downloadable to the client's computer for 'anytime' access – on or offline.
- c. Event notifications
Registered users can create Alerts, as described in section 1.101.6(a) above that will notify them when information concerning an event is posted on Contractor's web site. These can be customized to provide notification for any event or for specific events or event types.
- d. Personalized features and selections.

Registered users can:

- Save their user name and password for automatic log in
- Edit/save profile information including all contact information
- View prior usage of gartner.com with customized time frame and sorting of results by topic, type, title, time frame
- Set up personal 'alerts' for customized notification of research availability
- View purchase plan (subscription) information
- Submit inquiries directly from gartner.com (if subscription includes inquiry)

- e. Services available to non-seat holders within DIT (e.g., briefings, teleconferences, notifications, etc.)

Non-seat holders within DIT can establish user names on gartner.com. This will allow utilization of many of the features that are available to the named users (Alerts, Browse, Search, etc). Inquiry access ('Ask an Analyst') will not be available and most research documents will not be accessible. However, non-seat holders may participate in analyst inquiry sessions, audio-conferences and webcasts that are initiated and attended by a named user.

- f. Coaching and training services provided.
Account Web Tours –Each new user will be offered a one-on-one telephone/web based tour of www.gartner.com by the Contractor Client Support Specialist. Goals for the session include:
- Navigational overview of the web site
 - Instructions on use of the Search and Advanced Search tool

- Review of Focus Areas and overall research structure including discussion of key Contractor research constructs (Magic Quadrants, Hype Cycle, Vendor Ratings, etc.)
- Discussion of individual areas of interest and assistance in setting personal alerts
- Instructions for scheduling analyst conference calls

On-line training for gartner.com

An online training program is available and consists of instruction modules developed to help you get the most out of gartner.com. It is set up as a webcast so you will be able to view and listen to each of the modules. The training will point out the key areas of the Web site. Each module will guide you through a different area of the Web site. You can listen to one or all of the modules according to your needs and/or preferences. The modules will provide you with general information, however, you can schedule a more personalized training session by contacting your Account Manager. Online training is offered in several languages, can be accessed from our Web site, under the “*Help*” title bar on the homepage.

- g. Plan for utilizing DIT employee intranet site for exposure (refer to section 1.104.1).

Contractor can, if desired, provide static as well as dynamic information for use on DIT’s employee intranet site. Information such as account team contact information, instructional guides for how to best utilize Contractor services and event calendars could be placed on the site. In addition, RSS feeds (discussed below in item 1.101.6(h)) will keep updated Contractor research in front of your employees to maximize usage of the subscribed services.

- h. Unique features (such as such as syndicated content) that could be incorporated within the DIT Intranet.

Contractor currently offers RSS feeds for many areas of gartner.com. If desired, clients can incorporate one or more of these feeds to keep up-to-date information about Contractor research on their intranet sites. For example, you might include a feed Contractor’s ‘Government’ Topic area on your intranet site to keep our research in front of your employees to maximize visibility, usage and value of the services.

1.101.7 Customer Support and help available with this service.

Contractor Analyst Inquiry and Account Team Support

Contractor offers a multilevel client support model that is unique in the industry. First, our QuickPath™ function through the Client Support Organization provides the first level of support for Advisor-level members who have direct access to an analysts. Second, the account management team provides the ongoing support to review your goals and initiatives, to agree on service expectations and to organize meetings.

Analyst Inquiry

Within the Core Research offering, Contractor will respond to calls from clients within one (1) business day. Contractor will perform this 97% of the time. The call with a Contractor analyst will be handled expeditiously and will be scheduled based on the mutual availability of the Contractor analyst and the client.

Access to analysts is referred to as Standard Analyst Inquiry, and can be facilitated through the Contractor QuickPath® Call Center for the Americas, and through the European Support Centre in the following ways:

Contractor QuickPath®

Inquiry is facilitated through the Contractor QuickPath® system, which will complete the inquiry or connect you with an analyst via the Contractor electronic scheduling system. Inquiries are generally related to the interpretation or application of Contractor research and are typically satisfied in less than 30 minutes of analyst discussion and/or research.

“Ask an Analyst” on gartner.com

Requests made during business or non-business hours can be placed over the Web through our “Ask an Analyst” service, which is monitored, 24 x 7. Ask an Analyst on gartner.com enables members to query an analyst through an on-line request form. Users can select a topic area of interest, and a date when the information is needed. Users may also choose the preferred method of response, and also request a scheduled conference call with an analyst.

The Account Management Team works closely with the respective Support Centers and can escalate any urgent requests.

Face-to-face analyst meetings

Contractor analysts travel the world during their presentations and meetings for research, conferences, briefings and advisory work. Often their agendas allow time for private meetings at Contractor offices or client sites. Your local Account Partner will make your users aware of these meeting opportunities. The effectiveness of this service is influenced by the intimacy of our collaboration.

Analyst inquiry also provides Basic Technology Reviews (20 pages or less) of business-related documents. These reviews may take up to one hour of an analyst's time. Examples of reviewed documents include:

- Requests for proposals
- IT strategy plans
- Business plans
- Technology procurements

Account Management Team Support

Clients benefit from the Contractor account management team's ability to facilitate relationships with analysts, consultants and executive leadership. Contractor is proud to offer an account team that will continually monitor the needs at all levels of your organization. In addition, Contractor will periodically conduct status meetings and reviews to ensure that your needs are being met.

Below are examples of some of the ongoing interactive sessions facilitated by the account management team.

Implementation Training

Upon approval of the Research Service Agreement, Contractor will host an on-site training seminar for those users and members who are new to Contractor. The initial training will include:

- Overview of services retained
- Review of the inquiry access process
- How to use gartner.com, the primary access to research documents
- Account management details

Individual User Navigation Sessions

Your account manager will periodically review usage activity. The account manager will proactively contact each user who may need additional advice on ways to leverage and maximize his or her use of the Contractor resources. In these sessions, the account manager will work to understand each user's goals, objectives and projects. Then the account manager will develop a customized plan to help users maximize the use of the resources. For example, the account manager may advise the user to participate in an upcoming relevant teleconference or assist the user in scheduling a call with a Contractor analyst.

Quarterly Review Sessions

Each quarter thereafter, the Contractor account management team will conduct a review session to confirm initial mutual expectations, communicate and validate client value, as well as ensure that the client and Contractor are maximizing our relationship and retained services.

1.102 OUT OF SCOPE

Delivery of information technology support services, such as application development, procurement of hardware and software, maintenance of software and/or hardware, testing, and other services not part of research and advisory services are out of scope.

Travel and per-diem expenses for consultants providing IT-RAS under this contract are not considered allowable within the scope of the Contract.

1.103 TECHNICAL ENVIRONMENT

The State's current technical environment standards can be reviewed at: <http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

1.104 WORK AND DELIVERABLE

1.104.1 The majority of the work and deliverables will consist of DIT's self-service access to subscription research and advisory document accessible using the Internet. Contractor shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below.

1.104.2 Ad Hoc Analyst Inquiry

DIT may make unlimited ad hoc inquiries of analysts on issues and subjects of concern to DIT. Contractor shall identify the process by which such inquiries shall be made. Analysts shall respond via email or telephone to a request from a registered user within 2 business days of the request. A time and mechanism will then be agreed upon for the analyst to provide response to the inquiry.

1.104.3 Post Award Marketing Plan

Contractor will provide a Post Award Marketing Plan describing how it will market the subscription services and deliverables across DIT. The purpose of the marketing plan will be to increase overall utilization of subscription services and to ensure that employees know how to use the services and understand the scope of available services. The plan will address marketing for the period following initial contract signing for the subscription and continuing throughout the term of the subscription. The plan must include an outline for utilizing DIT employee intranet site <http://www.michigan.gov/techtalk>, including but not limited to links to Contractor's website, briefing links accessible to all DIT employees through the DIT intranet, and other information Contractor recommends.

1.104.4 Consulting Services as needed and as identified in a specific request along with detailed statement of work, including deliverables to be provided.

1.2 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

The Contractor's Project Manager will coordinate all services with the State's Project Manager as requested by the State's Project Manager.

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The DIT, Bureau of Strategic Policy is responsible for the administration of the services within the contract. DIT shall provide a program manager as a contact for all issues pertaining to the execution of services and deliverables under the contract. As of the effective date for contract commencement the DIT Program Manager shall be:

Trina Anderson
Michigan Dept. of Information Technology
BSP Office of Planning & Architecture
111 South Capitol, Romney Bldg, 4th floor
Lansing, MI 48913
Phone: 517-241-3432
E-mail: andersontl@michigan.gov

DIT shall also provide a Contract Compliance Inspector, who shall be responsible for overseeing the proper execution of all terms under the contract and who shall coordinate all contract change requests. The DIT Contract Compliance Inspector shall be:

Reid Sisson
Michigan Dept. of Information Technology
BSP Office of Planning & Architecture
111 South Capitol, Romney Bldg, 4th floor
Lansing, MI 48913
Phone: 517-241-1638
E-mail: sissonr@michigan.gov

1.203 OTHER ROLES AND RESPONSIBILITIES

The Department of Management & Budget, Acquisition Services, will be the designated contract administrator.

1.3 Project Plan

1.301 PROJECT PLAN MANAGEMENT

Contractor accepts the Project Plan Management requirements as detailed in section 1.301.

For consulting services requested under this contract, a project plan may be required. The requested project plan must be delivered within the timeframe specified by the State's Program Manager. The project plan must reflect the tasks lists identified in each section of this Contract. Any changes to scope or schedule or budget must follow a change management process, and they must be agreed upon and communicated to the State of Michigan's Program Manager in writing explaining the reason for the change and the impact.

The contractor will manage the project in accordance with the best practices and guidelines in PMBOK® (Project Management Body of Knowledge from the Project Management Institute), in the framework outlined in the State of Michigan's Project Management Methodology (PMM). The Methodology is available at www.michigan.gov/projectmanagement. The intent of these requirements is to deliver the highest quality solution by deploying and maintaining best practices, methodologies, tools, and knowledge within a structured framework.

The Contractor will use an automated tool(s) for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The Contractor is expected to supply such documents electronically using Microsoft Project, as a project management tool.

The use of automated project management tools shall include the capability to produce:

- (a) Staffing tables with names of personnel assigned to Contract tasks.
- (b) Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each. Updates must include actual time spent on each task and a revised estimate to complete.
- (c) Graphs showing critical events, dependencies and decision points during the course of the Contract. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard to the extent such standard is described with reasonable detail in the Statement of Work.

The project plan will outline all tasks needed to complete the project, and all resources needed. This project plan will include expected dates and duration of needed resources. The project plan will be reviewed by both the contractor's project manager and the State's project manager and updated to include any necessary modification.

1.302 REPORTS

Reporting formats must be submitted to the State's Program Manager for approval within twenty (20) business days after the effective date of the contract resulting from this Contract. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Quarterly utilization reports shall be submitted and include, but are not limited to, the following metrics:

1. Total number of registered users for the quarter
2. Number of research documents retrievals by retrieval method (e.g., web search, push/pull, etc.)
3. Number of research document retrievals by topic area or service
4. Number of analyst inquiries by user (counted by questions resolved, not contact points)
5. Summary of analyst inquiries by topic
6. Number of attendees for teleconferences
7. Summary of vendor activity and interactions with DIT employees
8. Detail of all engagements for services that exceed the base annual subscription fee, including their billable monetary value.

1.4 Project Management

1.401 ISSUE MANAGEMENT

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain an issue log for agreed upon consulting projects and for issues relating to the provision of research and advisory services. The issue management log must be communicated to the State's Program Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- Description of issue

- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

1.402 RISK MANAGEMENT

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project. Risk management generally involves (1) identification of the risk, (2) assigning a level of priority based on the probability of occurrence and impact to the project, (3) definition of mitigation strategies, and (4) monitoring of risk and mitigation strategy.

The Contractor must create a risk management plan for agreed upon consulting projects. A risk management plan format will be submitted to the State for approval within twenty (20) business days after the effective date of the contract resulting from this Contract. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon. The risk management plan will be developed in accordance with the State's PMM methodology and the PMBOK® (Project Management Institute).

1.403 CHANGE MANAGEMENT

The following provides a detailed process to follow if a change to this Statement of Work (SOW) is required.

1.403.1 A Project Change Request (PCR) will be the vehicle for communicating change. The PCR must describe the change; the rationale for the change and the effect the change will have on the contract or agreed upon consulting project.

1.403.2 The designated Project Manager of the requesting party will review the proposed change and determine whether to submit the request to the other party.

1.403.3 The Contractor's Project Manager and the State will review the proposed change and approve it for further investigation or reject it. Contractor will specify any charges for such investigation. If the investigation is authorized, the State and the contractor will sign the PCR, which will constitute approval for the investigation charges. (The timing of signature by the State Program Manager will be in accordance with the State's Administrative Board or other applicable approval process). Contractor will invoice the State for any such charges. The investigation will determine the effect that the implementation of the PCR will have on price, schedule and other terms and conditions of the contract.

A written Change Authorization and/or Project Change Request (PCR) must be signed by both parties to authorize implementation of the investigated changes. Change Authorizations and/or Project Changes Request (PCR) will be processed through the state's Acquisition Services Office.

If a proposed contract change is approved by DIT, a request for change will be submitted to the Department of Management and Budget, Acquisition Services Buyer, who will make recommendations to the Director of Acquisition Services regarding ultimate approval/disapproval of change request. If the DMB Acquisition Services Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Acquisition Services Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Vendors who provide products or services prior to the issuance of a Contract Change Notice by the DMB Office of Acquisition Services, risk non-payment for the out-of-scope/pricing products and/or services.**

1.5 Acceptance

1.501 CRITERIA

- Provide unlimited web-based access to information, available 24x7
- Have fast search capabilities (<5 second response)
- All screens printable and well-formatted, along with printable graphs and charts
- System must provide a Site Map
- Information indexed by topic and title
- Search by topic, subject, and key word across entire database
- Navigation aids, buttons, and links to information
- List of topics available with links to detailed research
- Have expertise in computing and telecommunications technologies
- Have expertise in business, management, and governmental perspectives.
- Respond to written research requests within one week.

Respond to analyst inquiry requests within one week.

1.502 ACCEPTANCE of IT Research Advisory Services Subscription

Upon receiving confirmation of full operability with full access to services and that all other acceptance criteria have been met after activation of the contract, the DIT shall sign off to authorize payment of IT-RAS subscription services, at which time all other services under this contract shall become available. Acceptance criteria for separately billable services shall be detailed within their individual respective Statements of Work.

1.6 Compensation and Payment

Contractor will provide Core Research capabilities to the State of Michigan for research and advisory services. The Contractor shall invoice the State each fiscal year for the agreed amount stated except for year one (1) of the contract, which will be prorated to date of execution. The price for Core Research option described below shall remain at the prices listed below. Additional seats or services ordered after 12/31/2006 shall be at prices in effect at the time of ordering. Additional related services may be requested by the State under this contract on a need basis. The total value for the additional services shall not exceed \$141,750.00 over the life of the contract and will be identified in a Statement Of Work.

Pricing			
Seats: No. &Type	Description	Unit Cost	Total Cost
Reference 10	<ul style="list-style-type: none"> ▪ Research includes all Topic Areas on www.gartner.com ▪ Executive Summaries of Market Overviews from Gartner Dataquest research 	\$4,800.00	\$48,000.00
Advisor 15	<ul style="list-style-type: none"> • All Reference deliverables outlined above • Un-metered standard analyst inquiry • Monthly Talking Technology Series CD • Audio-conference access • One (1) Gartner Theme conference ticket (Excluding Symposium) 	\$7,400.00	\$111,000.00
			\$159,000.00

1.7 Additional Terms and Conditions To This Statement of Work

Publicity. Notwithstanding the foregoing, neither party shall use the name of the other party in any announcements, press releases or advertisements, or for any commercial purpose, without the prior written consent of the other, except that Contractor may identify the State by entity name in State listings.

Ownership of the Research and Advisory Services. State acknowledges that the Services are owned by Contractor or its licensors and are protected by copyright and other applicable laws. Contractor reserves all rights to the Services not expressly granted to State under this Agreement.

Access to the Services. The Service Agreement shall set forth how many named individuals (each a “User”) will have access to the Services. State is responsible for each User’s compliance with this Agreement and applicable Service Agreement. State shall establish and enforce appropriate security measures to limit access to the Services to authorized Users. State may not sublicense sell or assign this Agreement, or use the Services in any manner which violates this Agreement or any applicable laws.

Use of the Services. (a) **Internal Use.** State Users may (i) print one copy of individual research documents for their personal use, for the benefit of State; (ii) make limited copies and/or excerpts from individual research documents for internal presentations or reports to be shared with other State personnel; and (iii) circulate copies of the Services, electronic or otherwise, to other Users.

(b) **External Use.** Users may not reproduce or distribute the Services *externally* without Contractor’s prior written permission, except State may externally use an individual research document in its entirety if it purchases a reprint for the individual document. State may excerpt from the Services only if State obtains the prior written approval of Contractor Vendor Relations, at quote.requests@gartner.com. Any approved external use of the Services must comply with Gartner’s *Copyrighted Materials -- Usage and Quote Policy* which may be viewed on Contractor Vendor Relations section of gartner.com. Services may not be stored by State on any information storage and retrieval system.

Monitoring. State acknowledges and agrees to inform all Users that Contractor may monitor activity on its web site, including access to and use of the Services by individuals. Contractor may monitor activity on Contractor's web site including access and use of the Services by individual Users who have acquired Research or Advisory Seats under the Contract. Upon mutual request of the parties, each agrees to provide the other with available records or other relevant evidence of usage compliance applicable only to the Research and Advisory Services provided under the Contract.

Use of Contractor Name, Trademark, and Logo. Absent the prior written consent of Contractor, the State shall not use the name, trademarks, or logo of Contractor in promotional materials, publicity releases, advertising, or any other similar publications or communications.

Force Majeure. Except for payment obligations, nonperformance by either party shall be excused to the extent that performance is rendered impossible by strike, acts of God, governmental acts or restrictions, failure of suppliers, or any other reason where failure to perform is beyond the reasonable control of the non-performing party.

No Third Party Beneficiaries. This Agreement is for the benefit of the parties only. None of the provisions of this Agreement are for the benefit of, or enforceable by, any third party. It is the intention of Contractor and State that no third party shall have the right to (i) rely on the Services provided by Contractor, or (ii) seek to impose liability on Contractor as a result of the Services.

Article 2 – General Terms and Conditions

2.0 Introduction

2.001 GENERAL PURPOSE

The Contract is for Information Technology Research and Advisory Services (IT-RAS) from multiple IT-RAS vendors for the State of Michigan. The State anticipates awarding a minimum of two contracts, and no more than four, as the result of this Invitation to Bid. Orders will be issued directly to the Contractor by various State Agencies on the Purchase Order Contract Release Form. Bids are due and will be publicly identified at the time noted on the Invitation To Bid (ITB) 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 *Department of Information Technology*, hereinafter known as *DIT*. Where actions are a combination 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
Attn: Dale N. Reif
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
(517) (517-373-3993
reifd@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 commence on or about January 1, 2006 and end on September 30, 2008.

Option. The State reserves the right to exercise two 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.

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 (FIOA) 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 SOFTWARE COMPLIANCE

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

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

2.104 IT STANDARDS

1. EXISTING TECHNOLOGY STANDARDS. The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at <http://michigan.gov/dit>.
2. PM METHODOLOGY STANDARDS. The State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. This policy is referenced in the document titled "Project Management Methodology" – DMB Administrative Guide Procedure 1380.02 issued June 2000. Vendors may obtain a copy of this procedure, as well as the State of Michigan Project Management Methodology, from the DIT's website at <http://www.michigan.gov/projectmanagement>.

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

3. ADHERENCE TO PORTAL TECHNOLOGY TOOLS. The State of Michigan, DIT, has adopted the following tools as its Portal Technology development efforts:

- Vignette Content Management and personalization Tool
- Inktomi Search Engine
- E-Pay Payment Processing Module
- Websphere Commerce Suite for e-Store applications

Vendors must use the Portal Technology Tools to implement web content management and deployment efforts for agencies. Tools used for web-based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with the Department of Information Technology, Enterprise Application Services Office, e-Michigan Web Development team.

Under special circumstances vendors that are compelled to use alternate tools must submit an exception request to the DIT, Enterprise Application Services Office, e-Michigan Web Development team, for evaluation and approval of each alternate tool prior to proposal evaluation by the State.

2.105 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 CALL CENTER DISCLOSURE

Vendor and/or all subcontractors involved in the performance of this contract providing call or contact center services to the State of Michigan must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this agreement.

2.2 Contract Performance

2.201 RESERVED

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 Contract. 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.

2.203 RESERVED

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.cpxpress.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 effect 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.

The State's liability for damages to the Contractor shall be limited to the value of the 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 goods or services 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 RESERVED

(a) Liability Insurance

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

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract.

All insurance coverages provided relative to this Contract/Purchase Order are 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. All policies of insurance required in this Contract shall be issued by companies that have been approved to do business in the State.

See http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html.

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 the Contract is signed by both parties or before the purchase order is issued by the State, the Contractor must furnish to the Director of Acquisition Services, certificate(s) of insurance verifying insurance coverage ("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 coverages 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 the applicable coverage is provided by a self-insurer, 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. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).

6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.

7. 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.

□8. 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 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 *30 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 RESERVED

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:

Reid Sisson
Michigan Dept. of Information Technology
Bureau of Strategic Policy
111 South Capitol
Romney Bldg, 4th floor
Lansing MI 48913
Phone: 517-241-1638
sissonr@michigan.gov

2.402 PERFORMANCE REVIEWS

Acquisition Services in conjunction with the *DIT* 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, it true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

Warranties and Warranty Disclaimer.

(a) **Non-Infringement Warranty.** Contractor warrants that the Services, in the form provided by Contractor, will not violate or infringe upon the intellectual property rights of any third party.

(b) **DISCLAIMER OF ALL OTHER WARRANTIES.** CONTRACTOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES AS TO ACCURACY, COMPLETENESS OR ADEQUACY OF INFORMATION. ALL SERVICES SPEAK AS OF THE PUBLICATION DATE AND CONTRACTOR HAS NO OBLIGATION TO ADVISE STATE OF ANY CHANGE IN THE INFORMATION OR VIEWS CONTAINED IN THE SERVICES. THE SERVICES ARE INTENDED SOLELY AS A RESEARCH TOOL AND ARE NOT MEANT AS SPECIFIC GUIDES TO ACTION.

2.506 RESERVED

2.507 RESERVED

2.508 RESERVED

2.509 PHYSICAL MEDIA WARRANTY

Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than thirty-days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Contractor, at Contractor's expense (including shipping and handling).

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.

In addition to any remedies available in law and by the terms of this contract, if the Contractor breaches Sections 2.508, 2.509, or 2.510, such a breach may be considered as a default in the performance of a material obligation of this contract.

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, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to

use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable 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, workaround 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 two-hundred seventy (270) 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 Contractor's 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 270 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, the termination provisions of the Contract shall govern reimbursement. 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) Cooperating with any contractors, vendors, or other entities with whom the State contracts to meet its telecommunication needs, for at least two hundred and seventy (270) days after the termination of this Contract;
 - (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) Freezing all non-critical software changes;
 - (vii) Notifying all of the Contractor's subcontractors of procedures to be followed during the transition out phase;
 - (viii) Assisting with the communications network turnover, if applicable;
 - (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.

Modification of Services by Contractor. In order to remain current and timely in its Service offerings, Contractor may make minor modifications from time to time in the content of any Service. If Contractor discontinues any Service in its entirety, State may, at its option, receive a substitute Service, or obtain a pro rata refund of the fees paid for the discontinued Service.

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.



Products & Prices

**** PLEASE NOTE: PRICES ARE INCLUDED
IN THIS DOCUMENT. DO NOT REVIEW
THIS DOCUMENT IF YOU DO NOT WISH TO
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ON RECYCLED PAPER**

RESEARCH AND ADVISORY SERVICES

PRODUCT AND PRICE LISTING FOR

THE STATE OF MICHIGAN

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Research

GARTNER CORE RESEARCH

Description: Core Research offers a wide variety of coverage on technology trends and issues to help IT and business technology decision-makers.

Reference Seats: consist of the following components:

- Research includes all Topic Areas on www.gartner.com
Executive Summaries of Market Overviews from Gartner Dataquest research

Advisor Seats: consist of the following components:

- All Reference deliverables outlined above
- Un-metered standard analyst inquiry
- Monthly Talking Technology Series CD
- Audio-conference access
- One (1) Gartner Theme conference ticket (Excluding Symposium)

Pricing:

When purchasing a combination of Reference and Advisor seats, add Reference and Advisor seats to determine the total number of seats you are purchasing, then use the total number of seats to determine the price point. For instance, 15 reference seats and 15 seats would be a total of 30 Core Research seats – use the 25-seat price level for each seat type to determine total cost.

REFERENCE SEAT	Price/user (thousand)
1	\$9,000.00
10	\$7,000.00
25	\$4,800.00
50	\$3,900.00
100	\$2,600.00
ADVISOR SEAT	Price/user (thousand)
1	\$15,000.00
10	\$8,600.00
25	\$7,400.00
50	\$6,400.00
100	\$5,600.00

INDUSTRY ADVISORY SERVICES

Gartner Industry Advisory Services help our clients take IT from a business cost to a business asset. Combining IT know-how with industry knowledge, Gartner Industry Advisory Services is a new research formula designed from client feedback.

Clients get access to actionable research and in-depth analysis of the technology vendors, applications and business processes specific to their industry. They also get to help shape the Gartner Industry research agenda to ensure we cover topics that are important to them. Best of all, Advisor Gold clients will be assigned client service representative who facilitates interactions with Gartner Industry analysts and sends you relevant research at the right time.

Industry Advisory Services are available in the following areas:

- ❑ Banking
- ❑ Energy and Utilities
- ❑ Insurance
- ❑ Investment Services
- ❑ Manufacturing
- ❑ Media
- ❑ Retail

The service provides access to four named Users, categorized as follows:

- One Gold Industry Advisor User
- One Industry Advisor User
- Two Industry Reference Users

**Additional Advisor and Reference User access may be purchased. Please contact your Gartner Account Manager for current pricing

Deliverables:

Users at all levels will receive the following deliverables:

- Published Research
- Hype Cycles
- Industry Magic Quadrants
- First Takes
- Teleconferences as needed (at the discretion of the Gartner lead analyst)
- Access to the gartner.com Industry Focus Area, with the ability to search and browse industry content.

The research agenda for the program will be developed by Gartner analysts with client input. Key industry clients will be surveyed every six months to identify significant issues to the industry. In addition, Industry Advisor Gold Users have the following privileges:

- Ability to submit ideas and suggested priorities for the upcoming research agenda.
- Ability to vote on research agenda topics.
- Quarterly, proactive consultations with designated analyst to update strategic priorities and discuss progress.
- Client's own designated "industry specialist" providing "concierge-level" customer service.

Inquiry Access:

Industry Advisor Gold and Industry Advisor Users have the following inquiry access through Standard Analyst Inquiry, limited to named Users only and to topics covered in the product offering:

Advisor Gold User	Standard analyst inquiry.
Advisor User	Standard analyst inquiry; up to 20 inquiries per year.

Pricing:

Industry Vertical	Annual Investment
Banking	\$35,000.00
Investment Services	\$35,000.00
Insurance	\$35,000.00
Energy & Utilities	\$26,000.00
Retail	\$26,000.00
Media	\$26,000.00
Manufacturing	\$26,000.00
Number of Industries purchased	Discount Applied per industry
2 Industries	5%
3 Industries	12%
4 Industries	16%
5 Industries	18%
6 Industries	21%
7 Industries	24%

ENTERPRISE PLANNING & ARCHITECTURE STRATEGIES

Enterprise Architecture & Planning Strategies is a research and advisory offering targeted at either an individual or team of individuals tasked with enterprise planning and architecture strategy initiatives for an IT organization.

Deliverables:

Enterprise Architecture & Planning Strategies provides the following deliverables to up to five named users:

Focused Research

Related to Enterprise Architecture & Planning Strategies needs

Standard Analyst Inquiry

Up to 20 standard inquiries, shared among all Users, limited to topics covered in the Enterprise Architecture & Planning Strategies offering.

One Enterprise Architecture & Planning Strategies Briefing

A two-hour consultative briefing by a Gartner analyst conducted by phone or videoconference.

Quarterly Teleconferences

One-hour in length, conducted by an assigned Analyst Partner on Enterprise Architecture & Planning Strategies tailored to client-specific issues.

Event Tickets

Client will receive one ticket to attend one Symposium event, transferable among Users. Client will also receive one ticket to attend one Architecture Summit Event

Peer Networking

Client will have the right to attend one onsite Peer Networking session at the Architecture Summit Event (2006)

Monthly Research Review

A monthly summary of all the research Gartner has published in a specific month.

Inside Gartner

A weekly deliverable available via gartner.com that presents a view of upcoming research.

Pricing:

Enterprise Planning & Architecture Strategies	Price
Up to 5 named users	\$36,000.00

STRATEGIC ADVISORY SERVICES

Description: Strategic Advisory Services (SAS) are the direct engagement of a Gartner research analyst for knowledge-based, personal or project advisory assistance, as well as external client speaking opportunities (no half days or teleconferences available for this services)

Internal: SAS Engagement is utilized for the client's internal purposes. Engagements may include:

- Presentation
- Personal Briefings
- Executive Briefings
- Roundtables
- Workshops
- Advisory Sessions.

Examples of Internal SAS include user strategy days in which a plan is reviewed with the analyst (product plan, marketing plan, user deployment plan, etc.) and specific feedback and advice is provided by the analyst.

External: SAS Speaking engagements are normally characterized as speaking engagements/tours or vendor road shows, and is when a Gartner Analyst delivers a presentation covering the client's area of expertise or other client-directed subject matter to external audiences at one or more locations, followed by a Q&A session.

Contracts: All SAS orders must include a signed SAS Contract Agreement.

Pricing:

Strategic Advisory Sessions (SAS)	Price
Internal SAS Day	\$10,000.00
External SAS Day	\$12,000.00

Executive Programs

GARTNER EXP CIO SIGNATURE

Definition: Gartner EXP CIO Signature is an exclusive membership program for the most senior IT executives from the world's largest enterprises. Designed to enhance CIO productivity and professional development, CIO Signature offers highly customized membership privileges, access to strategic research, and true peer-group networking. Membership in CIO Signature is reserved for CIO's who need to qualify through an interview with a Gartner Vice President of the EXP program. Please work with your Gartner account executive to schedule that interview.

CIO Signature is comprised of three service categories: Extended Network, Enhanced Services, and Exceptional Knowledge and Expertise.

Extended Network

One-on-One Networking
Proven Practice Exchanges
VIP treatment at Gartner Symposium

Enhanced Services

Designated Deputy Privileges
Personal Relationship Manager

Exceptional Knowledge and Expertise

Exclusive CIO Research
Access to Gartner Core Research
Analyst Inquiry services (serviced by a dedicated EXP team)
Onsite Briefings

Pricing:

EXP CIO SIGNATURE	Annual Investment
EXP Signature - Government - North America	\$64,230.00
Additional EXP Research Reports - Snap-On (up to 10 Report Sets may be purchased)	\$5,110.00 per set

GARTNER EXP PREMIER

Definition: A preferential membership program for IT executives. The program offers CIOs of medium to large public and private enterprises the best access to Gartner and the opportunity to network with a diverse group of CIOs who share similar issues and challenges.

Gartner EXP is a membership-based program that delivers high touch services to CIOs. There are two levels of membership. EXP Premier provides preferential services and fast answers managed by a relationship manager to a broad community of CIOs worldwide.

EXP Premier offers its members a variety of services, including:

- Personalized inquiry services: managed by a dedicated relationship manager
- Exclusive EXP Premier Research Reports: which offer insight into the effective deployment and management of information technology. EXP uses a variety of inputs to ensure that EXP research reports cover the topics and issues most important to our clients.
- EXP-sponsored Events: prime opportunities for professional development, intellectual stimulation, and professional networking
- Annual Forum and Regional Exchanges: large scale, content-rich events open to both EXP Club and Premier members.
- Local Roundtables: access to locally based educational and networking meetings.
- Gartner Symposia: complementary admission for the EXP member to one Fall and one Spring Symposium in locations chosen by the client. In addition, EXP offers a variety of VIP services for EXP members at Symposium, including a dedicated EXP lounge and EXP-only events and presentations (NOTE: this entry is *not* transferable and is only available to the member).
- Talking Technology Audio Program: an audiocassette or CD-ROM-based audio series on hot IT issues.
- Reference Level Access to Core Research: Core Research Deliverables for Reference Users.

Pricing:

EXP PREMIER	Annual Investment	
Premier Government North America		\$29,750.00
Second member	10% discount	\$26,775.00
Third through fifth member	15% discount	\$25,287.50
Six through tenth member	25% discount	\$23,312.50
More than ten		Contact Gartner

GARTNER EXP HUMAN RESOURCES

Description: EXP HR is an exclusive membership-based program for executive-level information technology (IT) and human resources (HR) professionals. It provides all leading people³ research, access to program executives, and a forum to share best practices from other best-in-class organizations.

Additional Members within an Enterprise:

There are additional discounts for enterprises/institutions large enough to have more than one qualified candidate for membership. Membership is enterprise specific and not site specific. Multiple memberships apply only within the EXP HR program and are applied to base price.

Pricing:

EXP PREMIER	Annual Investment	
Premier Government North America		\$31,500.00
Second member	10% discount	\$28,350.00
Third through fifth member	15% discount	\$26,775.00
Six through tenth member	25% discount	\$23,625.00
More than ten		Contact Gartner

BEST PRACTICE COUNCILS

Description: Gartner Best Practices Councils provide highly interactive peer advisory programs designed exclusively for CIO reports with budget, organization and strategy responsibilities. These thriving communities of senior executives meet to exchange and share best working practices, participate in a member-driven research agenda, and connect with their peers. Their interaction is facilitated by a Gartner Relationship Manager. Through peer guidance and validation, members identify and explore the most successful solutions to common business and technology issues. Councils are aligned with selected IT functions and include members with leadership responsibility for the specified functional areas.

Architecture and IT Planning

Executives who head architecture and planning exchange best practices to obtain practical, actionable advice in a flourishing community. Members share lessons learned on critical issues such as: aligning enterprise architecture with the organization's business strategy; effectively communicating and selling the value proposition of EA to key stakeholders; and preparing for change by focusing on corporate agility and innovation to drive profitability.

Emerging Technology Management

Senior executives of the emerging technology function and of strategic technology planning who lead consensus when mapping business requirements to available and emerging technologies. Council members explore and collaborate on management and technologies issues associated with nurturing emerging technologies with opportunities for new or improved business models; wrestle with the standards, governance, organization and business alignment issues related to the advanced technology management role; and expand their radar screens to prevent adoption of technologies the enterprise is not ready for and to encourage adoption of innovation where it makes solid business sense.

Enterprise Applications - SAP

SAP responsible for ERP applications and platforms are increasingly concerned with how to reduce the total cost of ownership and are actively researching best practices on how to maximize their return on investment. Council members will explore their critical issues including: vendor management strategies for optimal performance, ongoing SAP performance enhancement and tuning, lifecycle planning and how to leverage languages, technology and content within the SAP environment to drive optimal return on investment.

Information Security

Heads of information security who play a pivotal role in bridging the gap between corporate business process, policy directives and security measures connect with peers to develop actionable solutions to their most pressing issues. Members interact and exchange on issues such as: designing an effective information security organization; ensuring that proper governance, compliance practices and enforcement policies are in place; and guaranteeing that security implementation plans are a business enabler, not an inhibitor, of keeping the enterprise agile, flexible and secure.

Infrastructure

Heads of IT infrastructure join to learn and share best practices, enabling more fully informed decision-making. Council members explore and collaborate on issues such as: demonstrating and communicating the value of IT infrastructure investments; dealing with increasing demand to deliver IT services that provide predictable and cost-effective end-to-end performance; and challenges for the infrastructure executive.

IT Sourcing Management

IT Sourcing executives responsible for successful management of large and significant IT outsourcing engagements. Council members explore and collaborate on performance assessment and relationship management in a multi-sourced environment; proper interpretation and enforcement of outsourcing contract terms, conditions and SLAs; fine tuning the right vendor management and retained services organization; management of service providers to balance the contradictory goals of quality, speed and

cost of service delivery; evaluate the scope, risks and benefits of offshore outsourcing; and their contribution to IT sourcing strategy creation and major decisions on whether to provide services internally or externally.

Best Practices Case Profile Research

Member-Driven Agenda: Via an annual survey, members recommend research agenda topics for the Council. Members and the Council research team work together to reach a consensus on the major topics of focus for the year.

Exclusive Research Reports: These custom, multi-client best practices research studies which include analysis of case profile studies and lessons learned. Presentations and final reports are delivered on a quarterly basis at the Peer Exchange Forums.

Best Practices Findings: Members receive an executive summary of key findings of the Council research and discussions of hot topics at Peer Exchange Forums.

Council Web site: Members-only online access to all Council research, Council resources and facilitated online discussion forums.

Member Events

Peer Exchange Forums: Members-only meetings held quarterly to discuss Council research and Members' key issues in an interactive forum designed to elicit peer exchange.

Annual Executive Retreat: Held in conjunction with Gartner U.S. Spring Symposium/ ITxpo®. The agenda for this annual member event includes outside speakers, member presentations and discussions with industry leaders. This deliverable will be effective for transitional Council members in 2006.

Gartner Symposium: Complimentary admission for transitional Council members to Gartner U.S. Spring Symposium/ITxpo® effective in 2006.

Hot Topic Teleconferences: Audio and Web-based conferences on select hot topics.

Dedicated Council Support

Assigned Relationship Manager: Each member is assigned a dedicated Relationship Manager. Via the Relationship Managers, members have access to Council research, source materials and the network of Council members.

Gartner Subject Matter Expert Participation: Each Council has a dedicated Gartner analyst/consultant who participates in Peer Exchange Forums and acts as an advisor to the Council members.

Short-Answer Research Response: On an as-needed basis, the dedicated Relationship Manager will facilitate Council member inquiries that require up to one (1) hour of research related to the Council Agenda, assistance with the Council's frequently asked questions (FAQ) database and/or access to Best Practices Council research in progress.

Pricing:

BEST PRACTICE COUNCIL	Annual Investment
Architecture & Planning Executives	\$23,500
Information Security Executives	\$23,500
Emerging Technology Management Executives	\$23,500
IT Sourcing Management Executives	\$23,500
Enterprise Applications – SAP Executives	\$23,500
Infrastructure Executives	\$23,500

Events

Events offers the world's most comprehensive array of technology conferences for business and IT professionals. Attendees immerse themselves with global thought leaders, peers, and technology vendors to gain actionable advice.

Gartner conferences are highly regarded among IT and business professionals worldwide because our unbiased content-rich sessions, tutorials, analyst One-on-Ones, Best Practices Forums, vendor demonstrations and keynote presentations are all developed to provide immediate solutions to the IT challenges, issues and opportunities facing your client's enterprise.

Terms:

- Tickets are transferable within the organization that purchased the tickets
- Tickets may not be transferred to other organizations outside the State.

THEME CONFERENCES

2-3 Day events that are topic specific, which include, but are not limited to, Security, wireless technology, and outsourcing, etc.

Pricing:

Theme Conference	North America
Public Sector	\$1,000

SYMPOSIUM

Symposium/ITxpo is Gartner's flagship conference for IT and business professionals, featuring the expert analysis of Gartner analysts from around the globe. Symposium/ITxpo is held twice a year (spring and fall) in the United States and Europe and annually in Japan, South Africa and Australia. Symposium provides IT and business professionals with the opportunity to hear experts in the IT industry, including CEOs of top companies and other industry luminaries, as well as interact with Gartner analysts, leading solution providers, and fellow IT decision makers

Pricing:

Symposium / ITxpo®	North America
Public Sector	\$2,000

Human Capital Management

HUMAN CAPITAL MANAGEMENT – COMPENSATION REPORTS

Conventional compensation surveys may provide adequate quantitative data. But to implement the most effective pay strategies, today's IT organizations need both traditional compensation data plus supporting analysis and best practices information. Moreover, they need a guide to formulating comprehensive human capital management strategies that will help them achieve their long-term business goals in an increasingly fluid job market. people³'s IT Market Compensation Study is that guide. The study provides an unparalleled view of compensation data -- current, market-based data -- as well as invaluable insights and analyses of trends and strategies in recruitment, retention, reward, recognition and work life programs and career development/training.

The IT Market Compensation Study addresses the need for up-to-date and in-depth compensation data on nearly 140 IT jobs in the marketplace. This enables clients to ensure they are paying competitively and with the combination of qualitative benchmark data provided (recruitment, retention, reward and work life programs and career development/training). It provides them with a comprehensive source of data to develop an effective Total Reward strategy for their IT staff.

Clients receive a well rounded and in-depth report that serves as a primary source of data in the management of their IT organization. In addition, it provides participants with a substantial discount and the ability (using the Web-enabled compensation platform) to easily compare online their pay practices to those of entire survey population or selected peer groups (based on geographic market, industry, company size and IT organization size).

Market Compensation Studies	Price
IT Market Compensation Study	\$2,900.00
IT Market Compensation Study w/3 Quarterly Trending Reports	\$3,750.00
IT Market Compensation Study (Participant) w/3 Quarterly Trending Reports	\$1,500.00

HUMAN CAPITAL MANAGEMENT WORKSHOPS

Description: Human Capital Management Workshops are an integrated series of highly interactive development programs designed to help IT and HR professionals meet specific workforce management issues. Participants develop customized action plans leading to successful organizational transformation – the first time. Workshops take place on site.

Human Capital Management Workshops: Mission and Values

Description: This one and a half-day workshop is the first step to developing a culture that supports a high-performance IT organization. Defining, documenting and communicating a mission, vision and statement of values will create a common framework, focus and culture that can support business strategy and goals effectively. These statements provide a foundation that will support IT decisions and focus and prioritize IT objectives, goals and key initiatives to support the business.

Human Capital Management Workshops: Communications Strategy and Plan

Description: This two-day workshop assists clients in developing a program to communicate the right message to the right audience at the appropriate time, and deliver consistent messages across the entire organization to support significant change efforts (e.g., outsourcing, transformation and new strategy). This minimizes fear and promotes the acceptance of the leadership team's plan, as well as establishes and maintains shared expectations.

Human Capital Management Workshop: Leadership Development

Description: This two-day workshop helps clients identify the critical leadership competencies for their organization, and assess their leadership team against selected competencies. This workshop also lays the foundation for developing team and individual action plans to close the gap between current and desired leadership performance.

Human Capital Management Workshop: Organization Alignment

Description: This two-day workshop is designed to build the foundation for your career development program. The workshop starts by presenting career development best practices. Participants are then provided with industry-standard competency models developed by people³ for the job families being reviewed. The job family competency models are edited to meet the client's needs through expert panel processes facilitated by the executive facilitator. At the conclusion of the workshop, participants will have selected the critical competencies required for outstanding performance in selected job families.

Human Capital Management Workshop: Human Capital Management Assessment

Description: This one and a half-day workshop helps clients assess their current HCM capabilities, prioritize current and future HCM needs, and develop an action plan that addresses those needs. The program includes the following: (1) a Web-based organization assessment, (2) a review of HCM best practices, (3) an assessment readout, (4) assistance with critical issues prioritization, and (5) action planning. The Web assessment and planning sessions include educational reviews, interactive assessments, and customized solutions that help ensure a successful HCM transition.

Human Capital Management Workshop: Organization Design

Description: This one and a half-day workshop helps clients develop an organization structure that best aligns with their business needs. Key components of the workshop include the following: understanding organization design best practices, developing critical success factors for organizational change, developing and selecting an organizational design model that best represents defined business needs, and creating an actionable

implementation strategy. The workshop includes educational reviews, interactive assessments, and customized design options created and presented by the executive facilitator.

Organization Alignment Workshop: additional Industry Standard Job Family Competency Models may be purchased (this includes an additional half-day workshop).

JOB FAMILY COMPETENCY MODELS

Description: Job Family Competency Models create an operational infrastructure that supports IT professional development, selection and assessment. Employees receive knowledge of the expectations in their current role as well as a clear understanding of the requirements for progression inside and outside their career path and job family. Gartner will work with you to define the below deliverables and provide you a report for the Job Family Competency model of your choice.

Each Job Family Competency Model consists of the following components/deliverables:

- **Job Family General Characteristics** - A formal definition of the job family's general characteristics, outlining the job responsibilities typically performed, with pertinent information regarding the scope of work performed within that job family.
- **Job Family Career Paths** - Specific roles within the job family are identified, including typical responsibilities and complexity of requirements for progression through each level on the career path.
- **Competency Matrix** - The model includes behavioral, business and technical competencies determined to be critical for success within the enterprise and within the job family. The competency model will also include expected proficiency levels required for progression through the career path.
- **Assessment Tool** - The tool assist in determining gaps between required competency proficiency level and an individual's proficiency level within the specific competency, job family and career path level.
- **Learning Maps** - An outline of the developmental activities that an individual can use to enhance or increase performance in a specific competency. The learning maps will include types of training courses, key developmental experiences and other development resources (e.g., books, periodicals, research articles and computer-based training).

Available Job Family Competency Models include:

Applications	Computer Operations	IT Security
Development	Customer Support	Network Management
Architecture	Data Analysis	Project Management
Asset Management	Database Administration	Quality Assurance
Business Analysis	ERP Applications	Quality Process
Business Continuance	Development	Engineering
Business Intelligence	ERP Business Solutions	Release Management
Business Process	Analysis	Systems Administration
Engineering	ERP Systems	Technology Consulting
Client Technology	Administration	Technical Writing
Vendor Relationship Management	IT Leadership	Telecommunications
Web Administration		
Web Design		

Pricing:

Human Capital Management Workshops	Price
Individual Workshops	\$50,000.00
Job Family Competency Models	\$12,500.00
Workshops for EXP HR members	\$45,000.00
Job Family Competency Models for EXP HR members	\$11,250.00

STRATEGIC PLANNING REPORTS

Description: Strategic Planning Reports are a collection of premium, comprehensive reports covering eight of the most-timely IT topics: Data Center, Wireless/Mobile, Business Intelligence, CRM, Web Services, Security, Outsourcing, Software Asset Management.

Written by experts for experts, each high-quality 200+ page report provides an executive overview, how-to's, best practices, actionable advice, forecasts and more than 100 charts. Mission-critical reports package materials from Gartner conferences on a single IT topic into an easy-to-use, convenient format so you can make the right decisions.

Every Strategic Planning Report includes:

- An introduction and executive overview
- How-to's
- Best practices
- Actionable advice
- Case studies
- Strategic Planning Assumptions
- Key issues
- Action items
- Tactical guidelines
- Bottom-line advice
- Business and technology trends
- Magic Quadrants and Hype Cycles
- Timely research
- Detailed table of tables and table of figures
- Glossary
- Vendor index

*Please contact your Gartner account management team to order

Pricing:

Report Options	Investment
Single Report (one report title) One print copy and one CD-ROM copy	\$1,295.
Strategic Planning Series (8-reports) One print copy and one CD-ROM copy of each report	\$6,995.

TALKING TECHNOLOGY SERIES

Description: A monthly audio news program designed for senior Gartner IT executives and Gartner IT consultants to the State. Topics for Talking Technology programs/segments are selected each month based on more than 120,000 annual inquiries. Each full-length program is approximately 60+ minutes in length. Available via CD or streaming audio. (Should you be interested in the audio link please contact your Gartner Sales Executive) **This deliverable is included with each Advisor seat.**

Pricing:

Participants	Price	Price per additional user
3 (Minimum)	\$1,500.00	\$500.00
5	\$2,250.00	\$450.00
10	\$4,000.00	\$400.00
15	\$6,000.00	\$400.00
20	\$7,500.00	\$375.00
50	\$13,500.00	\$270.00
100	\$27,000.00	\$270.00
150	\$40,000.00	\$270.00
200	\$45,000.00	\$225.00
500	\$75,000.00	\$150.00
500+	Request Pricing	

TALKING TECHNOLOGY INTRANET

Description: Clients can now order and place Talking Technology (TT) programs on their Intranets. Clients who sign up for this delivery will have the segments e-mailed to them monthly in RealAudio or Windows Media format. They will then place the files on their Intranet Server and make the program segments available to their participants.

Pricing:

Participants	Price
Unlimited - Intranet	\$15,000

Decision Tools

Gartner Decision Tools deliver services and methodologies which perform cost of ownership analysis, enable users to calculate and compare returns on investment, and make better, faster and more cost effective vendor selections. By understanding the total cost of ownership (TCO), organizations are able to reduce costs dramatically while improving operational efficiency. By understanding the return of technology investments, you are equipped with data to support your organization's IT investment strategy. Decision Tools also provide an ideal way to evaluate and select vendors, and strengthen negotiations.

DECISION TOOLS FOR VENDOR SELECTION (DTVS)

Description: Decision Tools for Vendor Selection is a unique, dedicated service designed to help organizations make better, faster and more cost-effective decisions regarding IT product evaluation and selection and to provide detailed market intelligence for the vendor community. This tool is loaded onto one desktop/laptop but can have multiple access per the PC.

Standard Tool Access: Individual Model Sales to End Users - Access to a single Vendor Selection model: The Decision Tools for Vendor Selection Individual Model programs allow organizations making a specific technology decision to purchase research and services that satisfy an immediate tactical need for assistance in a specific technology selection. Deliverables of this program are only available as a full year, and are based on providing access to one Vendor Selection Model:

- Dedicated and un-metered, standard business hour, support, for the specific model, from industry experts, who assist organizations to reduce the time, costs and risks associated with technology selections.
- The Gartner Decision Engine (DE) - a decision support tool which provides a hierarchical representation of the key evaluation criteria and advanced charting capabilities that allow end users to "interact" with the model and incorporate their own preferences and requirements.
- Monthly data updates, for the specific model, including criteria, metrics, and vendor performance reviews.
- Best-of-breed, technology specific, Request for Information (RFI) templates, for the specific model— which also serves as the foundation for the Vendor Selection model.
- Unlimited, standard business hour, usability support.
- Selection Methodology Guide – a documented, best practices approach to evaluating vendors and products.
- Audio-conference based usability training. Additional custom telephone based training, as well as custom training at a Gartner site or client site is available at an additional fee.

For individual model descriptions or demonstrations please work with your local Gartner Account Executive

Pricing:

Standard Decision Tools for Vendor Selection Pricing	Annual Investment
Financial System Application Software	\$19,100.00
Human Resource Application Software	\$19,100.00
Contact Center Infrastructure Suite	\$26,800.00
Contact Center Infrastructure - Single Component	\$19,100.00
Content Management Solution	\$19,100.00
Convergence Server Solutions	\$19,100.00
CRM Application Suite Model	\$34,400.00
Customer Service and Support	\$19,100.00
Consolidated Service Desk	\$19,100.00
E-Business Intelligence Model	\$19,100.00
Enterprise Content Management	\$19,100.00
Enterprise Information Portal	\$19,100.00
Enterprise Resource Planning Suite	\$34,400.00
Integrated Financials and Human Resources Software	\$26,800.00
Integrated Document Management Software	\$19,100.00
Intel-Based Hardware Suite	\$26,800.00
Intel-Class Hardware - Desktop	\$19,100.00
Intel-Class Hardware - Notebook	\$19,100.00
Mid-Market Enterprise Resource Planning (ERP) Software	\$26,800.00
Multi-Functional Product	\$19,100.00
Marketing Automation	\$19,100.00
Provisioning-Accounts, Identities, Permissions, Web SSO	\$19,100.00
Sales Force Automation	\$19,100.00
Enterprise Server Platforms	\$19,100.00

DECISION TOOLS FOR VENDOR SELECTION STRATEGIC LICENSE PROGRAMS

Description: Concurrently Used Vendor Selection models

The Decision Tools for Vendor Selection Strategic License programs allows clients making multiple technology decisions the benefit of a volume discount and the flexibility to exchange models as needed. The Standard Strategic Program allows concurrent usage of a predefined number of models. Clients may swap among available Decision Tools for Vendor Selection models, provided concurrent usage does not exceed the Strategic License Tier. ***For example***, a Strategic License-4 (SL-4) allows organizations to use any four models simultaneously; these models may be exchanged/swapped with other available models throughout the duration of the contract. Strategic Tiers are available from SL-1 through SL-7.

Deliverables of this program are only available as a full year, and are based on providing concurrent access to one or more Vendor Selection Model(s) simultaneously:

- Dedicated and un-metered, standard business hour, support, interchangeable to different model areas on request, but limited to actual models in use, from industry experts who assist organizations to reduce the time, costs and risks associated with technology decisions
- Gartner Decision Engine (DE) - a decision support tool which provides a hierarchical representation of the key evaluation criteria and advanced charting capabilities that allow end users to "interact" with the model and incorporate their own preferences and requirements. A license is provided to access the specific model(s) licensed during a given time period, and is interchangeable to different model areas on request, but subject to a count of actual models in use, and license provisions for concurrent model usage.
- Monthly data updates, including criteria, metrics, and vendor performance reviews for the specific models requested, interchangeable to different model areas on request, but subject to a count of actual models in use, and license provisions for concurrent model usage.
- Best-of-breed, technology specific, Request for Information (RFI) templates, interchangeable to different model areas on request, but subject to a count of actual models in use, and license provisions for concurrent model usage, which also serve as the foundation for each Vendor Selection model.
- Unlimited, standard business hour, usability support.
- Selection Methodology Guide – a documented, best practices approach to evaluate vendors and projects.
- Ability to add up to three questions is included in price of Model, additional question would be considered model customization.

Workshops are designed to give you assistance in beginning your vendor or technology selection project. The workshops are specifically focused on vendor selection. These workshops can be customized based on the your critical issues, but are not as intensive as a Consulting engagement. The workshop can provide a quick-start and also learn the strategic aspects of the technology and future trends.

Audio-conference based usability training. Additional custom telephone based training, as well as custom training at a Gartner site or client site is available at an additional fee (please see page 11 for pricing).

Decision Reference Library (DRL) Program

The Decision Reference Library offers access to Gartner Decision *Reference* Software Tools called Graphical Reference Models (GRMs). GRMs are abbreviated or "light" versions of our traditional "heavy" selection models. GRMs can be used as a reference tool to gain buy-in from the rest of the client's organization to quickly achieve a vendor short list. The Decision Tools for Vendor Selection Decision Reference Library Program provides unlimited access to any available Graphical Reference Models (GRM), and un-metered, standard business hour, access to a Decision Tools for Vendor Selection GRM specialist dedicated to the Decision Reference Library Program. GRM specialist support is specifically limited to guidance in using the GRM model and usability training. Support by the GRM specialist does include detailed Decision Engine software instruction.

Deliverables of this program are only available as a full year contract, and are based on providing concurrent access to all Vendor Selection Graphical Reference Models simultaneously:

- Gartner Decision Engine (DE) - a decision support software tool which provides a hierarchical representation of the key evaluation criteria and advanced charting capabilities that allow end users to "interact" with the model and incorporate their own preferences and requirements. A specific license is provided to access all available GRM model(s).
- Monthly data updates, summarized into the GRM product format, and individual GRM models, including criteria, metrics, and vendor performance reviews.
- Unlimited, standard business hour, usability support.
- Selection Methodology Guide – a documented, best practices approach to evaluate vendors and projects.
- Audio-conference based usability training. Additional custom telephone based training, as well as custom training at a Gartner site or client site is available at an additional fee.

For individual descriptions or demonstration please work with your local Gartner Account Executive

Pricing:

Model / Strategic License	Pricing
1 Model	\$38,250.00
2 Models	\$55,250.00
3 Models	\$63,800.00
4 Models	\$80,800.00
5 Models	\$97,800.00
6 Models	\$110,500.00
7 Models	\$127,500.00
Decision Reference Library	\$21,300.00
Model Training via Audio Teleconference (max 3 hours)	\$850.00
Model Training at Gartner Office (max 4 hours, 8 individuals)	\$2,600.00
Model Training On Site (4 hours, 8 individuals, Analyst travel included)	\$5,100.00
Model customization (per day)	\$2,600.00
Workshop On Site (includes Analyst travel)	\$10,200.00

DECISION TOOLS FOR COST MANAGEMENT

Gartner's Decision Tools for Cost Management services provide a comprehensive set of methodologies and TCO® Manager models that help enterprises better measure, manage and reduce costs as well as improve the overall value of their IT investments. This service provides a holistic assessment of IT costs over time.

Description:

The Decision Tools for Cost Management services enables the client to drive continuous cost reductions and improvements. Thus, value is derived from IT investments with the Decision Tools for Cost Management services that help enterprises provide awareness and confidence through quantification of where enterprises are, how they compare, where they can be and how they can improve over time. The tools can be loaded on one PC with multi access available.

The suite of Decision Tools for Cost Management models comprises the following topics:

- Data Network
- Voice Telecom
- Help Desk
- Contact Center
- Distributed Computing
- Enterprise Operation Center
- Enterprise Storage Management

These models embody the latest in Gartner research and experience to provide decision support for the analyzing the TCO of various infrastructure environments. The tools allow the user to input actual cost data, which can then be compared to Gartner database information. Variances in costs, performance, workload and service levels can be analyzed to continuously improve total cost of ownership. Gartner's suite of Decision Tools for Cost Management is intended to address the varied needs of prospects and clients as they relate to TCO.

Selecting appropriate Decision Tool for Cost Management product for a given client is primarily driven by:

- The functional environments that the client is interested in evaluating.
- Clients can choose from a total of six modeling tools to analyze any of the following functional environments:
 - Data Network (i.e., the wide-area data network)
 - Voice Telecom (i.e., the wide-area voice network)
 - Help Desk (usually help desks devoted to IT support, but may support other functions)
 - Contact Center (often referred to as external call center or customer service center)
 - Distributed Computing (the client/server environment)
 - Enterprise Operation Center (mainframe/Unix platforms and environment)
 - Enterprise Storage Management (Storage technologies and practices)
- Analyst is available for client as needed.

Strategic License-3 (SL-3) allows organizations to use any 7 models simultaneously; these models may be exchanged/swapped with other available models throughout the duration of the contract. Strategic Tiers are available from SL-1 through SL-3.

TCO Manager Plus Review

This product offers the Cost Management tool as well as phone assistance for up to four analyst reviews of the results generated by the tool. Each review will last no longer than two hours. Total analyst support may not exceed a total of 20 hours. Phone support will also include ongoing development and analysis of Cost Management scenarios. Clients may want to institute quarterly reviews. No on-site visit is included.

TCO Manager Plus Workshop

Research and Advisory Service Product and Price List for the State of Michigan
Gartner, Inc ©2005

This product offers the Cost Management tool and two on-site sessions (not to exceed a combined total of three days) to assist the client in building a single TCO analysis using the client's actual data. Analysts will share best practices related to data collection and verification. Analysts will provide a "walk through" of the completed analysis, including assistance with the proper categorization of costs in Gartner's defined Charts of Accounts. The "walk through" may or may not include complete data collection and in some cases estimates may be used. Expectations of each on-site will be handled up-front with some assistance provided by phone as clients' needs vary. The following is an example of how this process may work:

- Client is given Cost Management worksheets and definitions and begins preliminary data collection
- Client reviews project schedule and resource allocation by phone with Gartner analyst
- First on-site includes hands-on assistance to build views while simultaneously addressing data collection issues
- Client resolves data questions and gaps and completes user survey activities

The second on-site is scheduled as data collection is completed or near completion. Reviews are completed using either actual data or estimates. The session with the analyst focuses on analytical charts and tables and generating Cost Management reports.

Pricing:

Number of Software Copies 1 Model / Multiple Copies	Investment
1 software license	\$16,150.00
2 to 5 software licenses	\$15,300.00
6 to 9 software licenses	\$14,450.00
10 to 20 software licenses	\$13,600.00
20+ software licenses	\$12,750.00
Add-ons or Exceptions to TCO Manager Solution Plan	
Additional client attendees sent to training (per attendee)	\$2,000.00
On-site training (up to 10 attendees)	\$8,000.00

Strategic License - Interchangeable Models	Investment
SL1 (1 person with Multi-model access)	\$29,800.00
SL2 (2 people with Multi-model access)	\$41,650.00
SL3 (3 people with Multi-model access)	\$48,450.00
Review option (1-off review)	\$2,500.00

**Cost management models are exchangeable and client can have concurrent users up to licensed amount under strategic license program

Product / Model	Annual Investment
TCO Manager Distributed Computing	\$16,150.00
TCO Manager Distributed Computing Review	\$22,150.00
TCO Manager Distributed Computing Workshop	\$32,150.00
TCO Manager Data Network	\$16,150.00
TCO Manager Data Network Review	\$22,150.00
TCO Manager Data Network Workshop	\$32,150.00
TCO Manager Voice Telecom	\$16,150.00
TCO Manager Voice Telecom Review	\$22,150.00
TCO Manager Voice Telecom Workshop	\$32,150.00
TCO Manager Contact Center	\$16,150.00
TCO Manager Contact Center Review	\$22,150.00
TCO Manager Contact Center Workshop	\$32,150.00
TCO Manager Help Desk	\$16,150.00

TCO Manager Help Desk Review	\$22,150.00
TCO Manager Help Desk Workshop	\$32,150.00
TCO Manager Enterprise Operations Center	\$16,150.00
TCO Manager Enterprise Operations Center Review	\$22,150.00
TCO Manager Enterprise Operations Center Workshop	\$32,150.00
TCO Manager Enterprise Storage Management	\$16,150.00
TCO Manager Enterprise Storage Management Review	\$22,150.00
TCO Manager Enterprise Storage Management Workshop	\$32,150.00

INVESTMENT PLANNING - INCLUDING TVO

Description: Enterprises today are faced with the challenge of justifying, in business terms, IT investments. Business cases for proposed initiatives need to illustrate not only the costs of the initiative, but also the financial benefits derived from business performance improvements

Our **Total Value of Opportunity (TVO)** product leverages the Gartner Business Performance Framework(TM) to allow investment decisions and evaluations to occur within a common language between technology and the business.

Gartner's Investment Planning models analyze the impact of innovations that are of strategic importance to today's IT managers and buyers.

TVO is a template-driven tool based on the Gartner Business Performance Framework™, a set of precisely defined business metrics that represent a complete and holistic view of an enterprise's operations and financial performance. This critical framework holistically evaluates how well a business is functioning from two inter-related dimensions: vertically – from executive to operational management perspectives, and horizontally – from business function to business function.

Total Value of Ownership (TVO)	Annual Pricing
First User	\$35,000
Additional User	\$4,500

Gartner Consulting

CONSULTING ENGAGEMENTS

The Consulting engagements described below are individually priced based on the scope and specific tasks for the project. Please work with your Account Executive to initiate any discussion concerning consulting engagements. Typically, consulting engagements are conducted in one of the following areas:

Strategy & Architecture	Sourcing Execution and Management
IT Strategy Sourcing Strategy Organization & Governance Architecture Portfolio Management Data Center Consolidation ERP Strategy	Transaction Brokering Sourcing Management Services
Risk Management Services	Critical Program Management
Business Continuity Planning Information Security Regulatory Compliance	Project Management Office Project Assessment Project Oversight
Performance Optimization	Go-To-Market Strategies
Benchmarking IT Process Reengineering Service Management Performance Management	Marketing Strategy Channel Strategy

Consultant Titles Applicable to Statements of Work	Hourly Rates
Associate consultant	\$156
Consultant	\$156
Senior Consultant	\$225
Associate Director	\$275
Director	\$340
Senior Director	\$370
Vice-President	\$402
Research Analyst	\$500