

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY MANAGEMENT AND BUDGET November 17, 2010
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE No. 10
TO
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: ujadhav@deloitte.com	TELEPHONE (626) 664-7682 Umesh Jadhav
	BUYER/CA (517) 241-3215 Steve Motz
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2011	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Effective immediately the contract is hereby INCREASED by \$4,103,160.00 for additional and an option is exercised to EXTEND the contract to February 7, 2011. See attached Statement of Work. All other terms, conditions, specifications and pricing remain unchanged.

AUTHORITY/REASON(S):

Per State request, Vendor agreement, and State Administrative Board approval on November 16, 2010.

INCREASE: \$4,103,160.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$124,102,939.00



**MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
STATEMENT OF WORK**

Project Title: Contract change for Bridges Maintenance and Operations	Period of Coverage: 11/11/2010-2/7/2011
Requesting Department: Technology, Management and Budget IT	Date: 9/24/2010
Agency Project Manager: Jim Hogan	Phone: 373-6702
DTMB Contract Administrator: Patty Bogard	Phone: 335-4051

Brief Description of Services to be provided:

BACKGROUND:

The Department of Human Services is currently implementing Bridges (an integrated Eligibility Application). The scope of work and the associated terms and conditions discussed in this Change Notice take precedent over the related items from earlier versions of the contract.

PROJECT OBJECTIVE:

There are three general areas of service for this extension period:

1. Bridges Application Maintenance
2. Release Schedule and Minor Themes
3. Bridges Technology Operations

SCOPE OF WORK:

Please see attached paperwork

TASKS:

Technical support is required to assist with the tasks outlined on the attached document.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project are outlined in the attached document.

PROJECT CONTROL AND REPORTS:

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

1. **Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
2. **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
3. **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

SPECIFIC DEPARTMENT STANDARDS:

N/A

PAYMENT SCHEDULE:

Payments will be made based on the deliverables outlined in the attached document.

Payment will be made based on the deliverables outlined in the attached.. MDIT will pay Deloitte upon receipt of properly completed invoices which shall be submitted to the Project Manager not more often than monthly. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager prior to payment. The invoices shall describe and document to the Project Manager's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, provide a detailed breakdown of each type.

Payment shall be considered timely if made by the DIT within thirty (45) days after receipt of properly completed invoices.

In the event it is necessary for contractual staff to travel for this project, prior approval must be obtained by the project manager. Additionally, travel charges will only be reimbursed at current state-authorized rates as outlined by DMB guidelines (<http://www.michigan.gov/dmb/1,1607,7-150-9141---,00.html>.) and must be accompanied by actual receipts. Travel time will not be reimbursed.

EXPENSES:

The State will not pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:

The designated DTMB Project Manager is:

Name: Jim Hogan
Department: Technology, Management and Budget - IT
Area: Agency Services/DHS/CSES/e-Michigan
Building/Floor: Grand Tower Building, 14th Floor
Address: 235 South Grand Avenue
City/State/Zip: Lansing, MI 48913
Phone Number: 373-6702
Fax Number:
Email Address: HoganJ@michigan.gov

The DTMB Contract Administrator for this project is:

Patty Bogard, Contract Administrator
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations - Stevens T. Mason Building – 2nd Floor
530 W. Allegan Street
Lansing, MI 48933
517-335-4051
Fax: 517-335-0046
Email: BogardP@michigan.gov

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work at 235 South Grand Avenue in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. State holidays will be observed.

No overtime will be permitted.

NATURE OF CHANGE(S):**The following summary of changes:**

The current maintenance and operations contract will be extended contingent upon the State and Deloitte Consulting LLP (Deloitte) reaching mutual agreement on a statement of work and pricing. The extension starts November 11, 2010, and ends February 10, 2011. The contract extension contains:

- Maintenance and Operations Extension Scope:
 - Application maintenance
 - Technical operations
 - Implementation activities
- Revised staffing and payment schedule to recognize reduction in project management roles. Technical staffing levels shall remain unchanged.

Contract Value: increase from \$ 119,999,771 to \$124,102,931.

The following table provides the summary update:

Contract Items	Current	Update
1. 4-Year Hardware & Software	\$4,068,538	\$4,068,538
2. Development & Implementation – Release 1.0	\$36,292,073	\$36,292,073
a. R1 Strategy Change	\$6,864,480	\$6,864,480
3. Development & Implementation – Release 2.0	\$5,276,299	\$5,276,299
4. Development & Implementation – Release 3.0	\$0	\$0
6. 4-Year Ongoing Production Support	\$3,599,118	\$3,599,118
6. 4-Year Enhancements (remaining unallocated)	\$0	\$0
a. Enhancement Funding Allocated	\$39,385,630	\$39,385,630
b. Self Service / IVR + FAP Stimulus	\$4,107,890	\$4,107,890
b2. unallocated	\$15,422	\$15,422
c. Self Service SER Energy	\$1,266,943	\$1,266,943
d. Self Service Interfaces	\$261,538	\$261,538
7. Extension Year (Nov 11, 2009 to Nov 10, 2010)	\$18,861,840	\$18,861,840
8. Short-term Extension (3 month)		\$4,103,160
Total Amount	\$119,999,771	\$124,102,931

Table: Updated summary

Maintenance and Operations Extension Scope of Work

The scope of work and the associated terms and conditions discussed in this Change Notice take precedent over the related items from earlier versions of the contract. There are three general areas of service for this extension period:

1. Bridges Application Maintenance
2. Release Schedule and Minor Themes
3. Bridges Technology Operations

The following sections provide the details for the **In-Scope Services**. Services not included in the extension year are described in the **Out of Scope Services** section.

Each party shall reasonably cooperate with the other party in the performance of the extension year, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities.

1. Bridges Application Maintenance

The three primary functions for the Application Maintenance are:

- A. Work Request Development and Implementation according to established Release Planning/Tracking processes
- B. Functional Testing
- C. Help Desk Ticket Resolution

A. Work Request Development

The development of Work Requests adheres to the following general process:

- i. Analyze the work requests for a release, provide recommendations for inclusion into, and exclusion from the release
- ii. Confirm requirements and design for each included Work Request
- iii. Confirm QAT test scenarios
- iv. Code, Unit, Promote Work Request
- v. Support User Acceptance testing efforts
- vi. Support implementation efforts

Deloitte will provide staff to address the requests regarding the application. Deloitte will acknowledge receipt of production support requests by creating a "work request" with a unique tracking number in the Clear Quest tracking tool. In order to resolve work requests, participation of resources from and coordination with other departments or stakeholders will be the responsibility of the State (DHS/DTMB).

Release Planning - The State and Deloitte will jointly participate in the Release Planning Group meetings. *Please refer to the appendix for a representative process for the Release Planning Group and Process.* It is anticipated that there will be scheduled releases, with immediate production break-fixes performed on rare occasions. It is assumed that there will be monthly releases.

B. Functional Testing

The functional testing efforts include the following activities:

- i. Define QAT test scenarios
- ii. Quality Assurance Testing
- iii. Regression Testing
- iv. Support User Acceptance Testing
- v. Support implementation efforts

Deloitte will provide staff to address the functional testing activities. The activities are part of the overall Release Planning process.

C. Help Desk Ticket Resolution

The State's Help Desk will log their tickets in the Remedy tracking tool. Items requiring Deloitte support will be recorded in Remedy. Deloitte staff will analyze the issue and if development activity is deemed necessary the Remedy ticket will be assigned to the Clear Quest tool. Work Request prioritization is the responsibility of the Release Planning Group. As appropriate, Deloitte will record necessary notes in Remedy or Clear Quest. The automated interface from Remedy will update Clear Quest if a Work Request is required or Clear Quest

1. Release Schedule and Minor Themes

A. Release Schedule

The State and Deloitte will mutually agree on a Release Schedule. It is assumed that there will be 3 regularly scheduled Releases in this extension period. The following are good faith dates for these Releases:

Release #	Date
4.11	November 21, 2010
4.12	December 19, 2010
5.1	January 16, 2011

B. Minor Themes

Minor themes are identified to provide increased focus for a given Release. The State and Deloitte will mutually agree upon the minor themes that will be developed as part of the maintenance and operations resources. Staff resources (State and Deloitte) are the primary factor for determining the types of themes that can be performed without adding undue risk for the scheduled release. Upon request of the State, Deloitte will provide estimates for major themes above and beyond the cost, scope, and resources included for maintenance and operations; additional funds not allocated within this change notice will be secured through a subsequent change notice for adding those requests to the contract.

Joint Application Designs sessions and Requirements/Design documentation will be completed and approved prior to commencing development. A single, designated State "owner" will be responsible for approving and prioritizing enhancements based on business need and estimated effort to complete the work, as well as coordinating the involvement of the State personnel needed for the software development and testing activities.

1. Bridges Technology Operations

The three primary functions for the Technology maintenance and operations are:

- A. Adaptive Maintenance – addresses upgrades to the solution set due to technical changes to system components;
- B. Performance Maintenance – addresses activities to improve the performance of the application.
- C. Configuration Management – addresses the code promotion activities

A. Adaptive Maintenance

System upgrades adhere to the following general process:

- i. Analyze: Identify what upgrade options are needed
- ii. Install: Install the selected upgrade option
- iii. Configure: Make necessary configuration setting changes
- iv. Testing – Technical: Perform technical set-up tests
- v. Development Changes: Make necessary Bridges changes to accommodate the upgrade
- vi. Testing – Functional: Perform Bridges and component Quality Assurance Testing
- vii. Testing – Performance: Verify that relevant volumes will handle the configuration
- viii. Implement: Deploy the upgrade into Production

Operating system level patches and upgrades will be the responsibility of DTMB for all environments and regions. Deloitte will provide assistance upon written request of DTMB/TCO. It is the State's intent to perform (i.e., release) these maintenance changes in a monthly patch release; for major upgrades requiring a more significant amount of time to develop, test, and implement, the changes should be completed as part of a scheduled Bridges software release. The resources involved in performing these activities will be granted administration privileges to all system hardware and software, as needed.

The State and Deloitte will mutually agree upon the services to be provided for Adaptive Maintenance.

B. Performance Maintenance

It is assumed that the current environments and regions will be continually jointly evaluated by the State and Deloitte, with Deloitte as the primary owner of, or supporting, a limited number of environments. If that evaluation increases the level of effort required by Deloitte for providing adequate support for the maintenance and operations, then the Deloitte staff allocation mix may need to be revised, appropriately.

The State and Deloitte will mutually agree upon the services to be provided for Performance Maintenance.

C. Configuration Management

The responsibilities for configuration management are shared between DTMB and Deloitte. DTMB is primarily responsible for the 'higher' environments (e.g., Production) while Deloitte handles the 'lower' environments (e.g., Development). The State will provide all necessary support on a 24x7 basis to meet project needs for promoting changes through the environments in a controlled manner as mutually agreed upon.

Out of Scope Services

Please note that multiple services included in the original Bridges contract ceased at the conclusion of that contract (effective November 10, 2009) and have not been included in this Change Notice #10.

These services include:

- Training activities: course strategy, design, development, and delivery
- Bridges Help Desk staffing, management, and operations
- Site Support staff and management for pre- and post-implementation activities in local offices
- Business process documentation
- Communications (project, stakeholder, user, etc.)
- Bridges online help
- Maintenance of training case data

It is presumed that the State will continue responsibility for on-site and/or Help Desk support for the Bridges application.

The State will be responsible for maintaining the various levels of Security of the Bridges application, including the security set-up for local office and end users, communications, documentation, and troubleshooting as of the beginning of the extension year.

Note: Acquisition for hardware/software, licenses, networks, facilities, computers, phones, printing/copying costs, postage cost, etc. are the responsibility of the State.

Maintenance and Operations Short Term Extension Amount and Payment Schedule

The following table reflects the amount for the Short Term Extension:

Line Item	Amount
Initial Amount for a 3 month extension with staffing level similar to Change Notice #8	\$1,417,720
Reduced staff (PMO)	(\$50,000)
Extended Monthly Amount	\$1,367,720

Table: New Extended Monthly Amount

The following table reflects the payment schedule of monthly invoices.

Bridges Short Term Extension	Invoice Target Date	Invoice Amount
Maintenance and Operations (M&O)	Dec-10	\$1,367,720
	Jan-11	\$1,367,720
	Feb-11	\$1,367,720
	Total	\$4,103,160

Table: Extension Payment Schedule

The invoices will be paid based upon receipt of the monthly maintenance and operations status report as **currently provided.**

Appendix 1 - Release Planning Process as currently defined will be adhered to

This Release Planning Process will be mutually agreed to by the State and Deloitte. The nature of this process requires flexibility. The outlined process below is meant to be a good faith representation of the schedule and process for the extension year.

Roles and Responsibilities

The following are the general roles and responsibilities for each release:

DHS: DHS' roles and responsibilities can be summarized as approving the scope of a release and the priority of the components that make up the release, providing clear requirements from which changes can be made, providing user acceptance testing activities, and finally providing approval of the release's readiness for production.

DTMB: DTMB's roles and responsibilities can be summarized as providing technical support for the release and participating in development and testing activities as directed by DHS.

Deloitte: Deloitte's roles and responsibilities can be summarized as providing scope recommendations, resolution recommendations to work requests, development of code and data changes, deployment of the code into the test environments, testing of changes through QAT, and providing recommendations regarding the release's readiness for production.

Environments

There are six principle environments used for a release. Additional environments may be used for specialized activities such as "aging" testing, where a process needs to be tested over a time period which for expediency is simulated in a dedicated environment (where the computer's "clock" is physically changed to simulate the passage of time), or for isolated testing where other testing activities must not interfere with the specialized test case, or for lengthy development activities that could otherwise not be performed in the scheduled release cycle. These additional environments will simply be parallel to the following principle environments:

Development (DEV): This is the environment where development and unit testing takes place. It is accessible to all Application Development teams and the QAT testers. Builds into this environment are scheduled for multiple times per day.

Integration (INT): This is where integration testing (i.e. application-wide testing) is conducted by the Application team, or where QAT get-ahead testing tasks are conducted.

Quality Assurance Test (QAT) environment: This is where Quality Assurance Testing is conducted. Code is released into this environment once per day

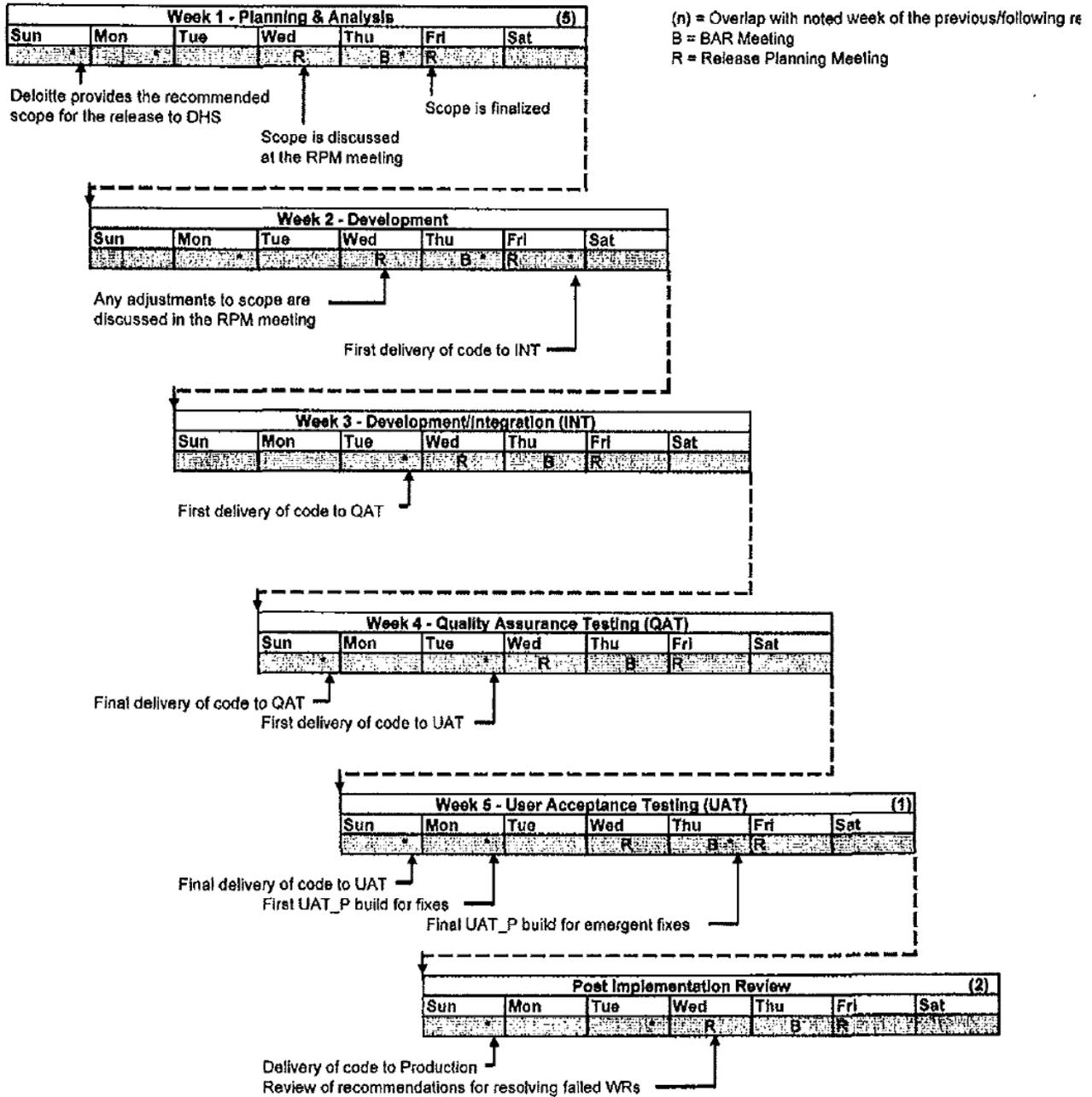
User Acceptance Test (UAT) environment: This is where the State conducts User Acceptable Testing. Code is released into this environment once per day

User Acceptance Test Patch (UAT_P) environment: This is where changes are coded following the freeze of promotions through the stream (due to the start of coding for the next release). Use of this environment begins in the UAT test week for a build.

Immediate Release (PRD_P): This environment is used for code changes which are needed in production more quickly than can be delivered in a scheduled release.

Chart: Release Planning Process

Chart: Release Planning Process



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

May 10, 2010

CHANGE NOTICE No. 9
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: Jskowron@deloitte.com	TELEPHONE (616) 336-7937 John Skowron
	BUYER/CA (517) 241-3215 Steve Motz
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: November 10, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Effective immediately the contract is hereby **INCREASED** by \$261,538.00 for additional interfaces. The new contract value is \$119,999,779.00. See attached Statement of Work. All other terms, conditions, specifications and pricing remain unchanged.

Please note: Buyer is changed from Joann Klasko to Steve Motz (Email: motzs@michigan.gov)

AUTHORITY/REASON(S):

Per State request, Vendor agreement, and Administrative Board approval on May 4, 2010.

INCREASE: \$261,538.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$119,999,779.00



DATE: November 22, 2009

TO: State of Michigan Bridges, Don Mussen

FROM: Deloitte Consulting, LLP

SUBJECT: Impact Assessment for Additional LIHEAP Interfaces
Official Correspondence Reference Number: DS-0733

The State of Michigan and Deloitte have recently engaged in the SER Energy (LIHEAP) Self Service project. The scope of this project is to provide Michigan citizens the ability to request SER Energy assistance using an on-line application.

During the joint application design (JAD) sessions, the State identified, along with its energy partners (Detroit Edison, Consumers Energy, and SEMCO), additional interfaces that would enhance the scope of the project. The purpose for the interfaces would be to exchange data to verify information on a client's application against the account information with the utility companies. Deloitte has been asked to provide an impact assessment for the new interfaces.

The following table summarizes our impact assessment:

Consideration	Impact
Scope	<ul style="list-style-type: none"> Client information from the online application will be sent via nightly batch to the respective utility company (DTE, SEMCO and Consumers Energy). Account information will be received from the 3 utility companies via nightly batch The workers will be alerted to utility-company matches on the relevant screens; using a 'UM' icon, they will view the information received from the utility match. Development effort is: send interface, receive interface, and Bridges integration
Resources	<ul style="list-style-type: none"> Estimated 3 additional developers and 1 tester for 5 months
Timeline	<ul style="list-style-type: none"> This functionality will be released into production in May, 2010; this is one month after the current project release.
Assumptions	<ul style="list-style-type: none"> The 3 companies will send one file each using the same file format. The 3 companies will be sent one file each using the same file format. The data received will be stored in a staging table and will not be automatically populated into Bridges data collection. Requirement and Design will be approved along with the current SER Energy Self Service timeline

The following table summarizes the fixed costs and payment schedule associated with these interfaces:

Role	Total
Developers / Analysts	\$217,582
Tester	\$43,956
Total	\$261,538

The regular payment schedule would apply: Requirements/Design, Quality Assurance Testing, and Production Ready System. Deloitte's invoice would be to the State.

Deliverable #	Deliverable	Amount
DL - 120	Requirements / Design	\$130,769
DL - 121	Quality Assurance Testing	\$65,385
DL - 122	Production Ready System	\$65,385
	Total	\$261,538

Each party shall reasonably cooperate with the other party in the performance of these services, including provision by the State and each energy company partner, of timely access to data, information, and its personnel. The State and the energy company partners shall be responsible for the performance of their obligations and for the accuracy and completeness of data and information provided to us. Our performance is dependent upon the timely and effective satisfaction of the State's and energy company partner responsibilities.

We look forward to this opportunity. Please confirm to Umesh Jadhav if this is impact and cost assessments are approved.

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 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
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November 18, 2009

CHANGE NOTICE No. 8
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: Jskowron@deloitte.com	TELEPHONE (616) 336-7937 John Skowron
	BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: November 10, 2010	
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:	

NATURE OF CHANGE(S):

Effective immediately this Contract is **INCREASED** by \$20,128,783.00 and an option is exercised extending this contract through November 10, 2010. See attached Statement of Work. All other terms, conditions, specifications and pricing remain unchanged.

AUTHORITY/REASON(S):

Per DHS/DIT/DMB and vendor concurrence, and Ad Board Approval on 11/3/2009.

INCREASE: \$20,128,783.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$119,738,241.00

Request for Change Notice to Contract 071B6200149
Deloitte Consulting LLP
Bridges Development/Implementation Contract

NATURE OF CHANGE(S):

The following summary of changes:

The current contract allows for an extension contingent upon the State and Deloitte Consulting LLP (Deloitte) reaching mutual agreement on a statement of work and pricing to govern the option year period. The extension year starts November 11, 2009, and ends November 10, 2010.

- Maintenance and Operations Extension Year Scope of work is
 - Application maintenance
 - Technical operations
 - Selected minor enhancements
- Revised staffing and payment schedule to correspond with the scope and pricing
- Identified Major enhancements

Authorized Signature: _____ **date** _____
Michael Scieszka, Information Officer

Contract Value: increase from \$99,609,450 to \$119,783,233.

- Maintenance and Operation Extension Year Pricing is \$17,012,640 (associated staff model is shown in the **Maintenance and Operations Extension Year Staffing Plan** section).
- Identified Major Enhancements Pricing is \$1,849,200 (associated staff model is shown in the **Major Enhancements and Staffing Plan** section).
- Approach to Self Service LIHEAP Application Pricing is \$1,266,943 (associate model is shown in the **Approach to Self Service LIHEAP Applications for Michigan Constituents** attachment).

Table 1 – Overview of Contract Accounting

Contract Items	Original	Update 1	Update 2	Update 3	Update 4	Update 5	Update 6	Update 7	Update 8
1. 4-Year Hardware & Software	\$11,008,898	\$11,008,898	\$5,008,898	\$5,008,898	\$4,068,538	\$4,068,538	\$4,068,538	\$4,068,538	\$4,068,538
2. Development & Implementation – Release 1.0	\$28,860,497	\$32,171,117	\$32,171,117	\$32,171,117	\$32,171,117	\$36,292,073	\$36,292,073	\$36,292,073	\$36,292,073
a. R1 Strategy Change	\$0	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480
3. Development & Implementation – Release 2.0	\$10,345,685	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065	\$5,276,299	\$5,276,299	\$5,276,299
4. Development & Implementation – Release 3.0	\$7,051,364	\$7,051,364	\$7,051,364	\$7,051,364	\$0	\$0	\$0	\$0	\$0
5. 4-Year Ongoing Production Support	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$3,599,118	\$3,599,118	\$3,599,118	\$3,599,118
6. 4-Year Enhancements (remaining unallocated)	\$8,120,576	\$1,256,096	\$7,256,096	\$1,196	\$7,992,920	\$6,037,486	\$1,063,731	\$1,063,731	\$419,496
a. Enhancement Funding Allocated	\$0	\$0	\$0	\$7,254,900	\$7,254,900	\$31,589,378	\$38,321,899	\$38,321,899	\$38,966,134
b. Self Service / IVR + FAP Stimulus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,123,312	\$4,123,312
7. Extension Year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,861,840
Total Amount	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$95,486,138	\$95,486,138	\$99,609,450	\$118,471,290

Overview of Previous Updates:

- Update 1 - Release 1/Release 2 Strategy Change (Legacy Stabilization)
- Update 2 - Move from Hardware/Software to Services
- Update 3 - Invoicing Change Controls revised
- Update 4 - Release 3 descope, hardware/software remaining re-allocated
- Update 5 - Changes in schedule and scope
- Update 6 - Changes in schedule and scope
- Update 7 – Changes for Self Service and FAP stimulus
- Update 8 – Extension Year

Maintenance and Operations Extension Year Scope of Work

The scope of work and the associated terms and conditions discussed in this Change Notice take precedent over the related items from earlier versions of the contract. There are three general areas of service for the extension year:

1. Bridges Application Maintenance
2. Bridges Technology Operations
3. Selected Minor Enhancements

The following sections provide the details for the **In-Scope Services**. Services not included in the extension year are described in the **Out of Scope Services** section.

Each party shall reasonably cooperate with the other party in the performance of the extension year, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities.

1. Bridges Application Maintenance

Work Requests - Deloitte will provide staff to address the issues and questions regarding the application. Deloitte will acknowledge receipt of production support requests by creating a "work request" with a unique tracking number in the ClearQuest tracking tool. In order to resolve work requests, participation of resources from and coordination with other departments or stakeholders will be the responsibility of the State (DHS/DIT).

The State's Help Desk will prioritize their ticket in the Remedy tracking tool; upon receipt in the ClearQuest tool, Deloitte will assign its priority in ClearQuest. Deloitte will record the necessary comments and resolution notes in ClearQuest; the State's Help Desk will update the Remedy tool.

The State and Deloitte will mutually confirm the service level objectives for the Work Request priorities.

Release Planning - The State and Deloitte will jointly participate in the Release Planning Group meetings. ***Please refer to the appendix for a representative process for the Release Planning Group.*** It is anticipated that there will be scheduled releases, with immediate production break-fixes performed on rare occasions. The following is a tentative schedule for Releases:

- December (3.0)
- January (3.1)
- February (3.2)
- April (3.3)
- June (3.4)
- August (3.5) - the final scheduled release is to take place 90 days before the end of the contract

2. Bridges Technology Operations

The State (either through DIT or the Technology Control Office) and Deloitte are responsible for different hardware and software components of the Bridges technical infrastructure. Please refer to the appendix for a complete breakdown of current responsibility of the various environments and regions.

It is assumed that the current number of environments and regions (42) will be jointly evaluated by the State and Deloitte, and that the outcome will be a reduction in regions that the State expects Deloitte to own or support during the extension year. If that evaluation does not reduce the number of regions for the extension year, then the Deloitte staff allocation mix (in the staff organization chart) may need to be revised, appropriately.

Operating system level patches and upgrades will be the responsibility of DIT for all environments and regions. Deloitte will provide assistance upon written request of DIT/TCO. By and large, these changes should be transparent to the end user. It is the State's intent to perform (i.e., release) these maintenance changes in a monthly patch release; for major upgrades requiring a more significant amount of time to develop, test, and implement, the changes should be completed as part of a

scheduled Bridges software release. The resources involved in performing these activities will be granted administration privileges to all system hardware and software, as needed.

Acquisition for hardware/software, licenses, networks, facilities, computers, phones, printing/copying costs, postage cost, etc. are the responsibility of the State.

The State, Deloitte, and the TCO will continue to jointly work together to monitor the performance of the various components of the technical infrastructure.

3. Selected Minor Enhancements

During the extension year, mutually agreed upon minor enhancements will be developed as part of the maintenance and operations resources. Staff resources (State, TCO, and Deloitte) are the primary factor for determining the types of enhancements that can be performed without adding undue risk for the scheduled release. Upon request of the State, Deloitte will provide estimates for enhancements above and beyond the cost, scope, and resources included for maintenance and operations; additional funds not allocated within this change notice will be secured through a subsequent change notice for adding those enhancement requests to the contract.

Within the existing Release Planning process, the State and Deloitte will mutually agree on which enhancements to complete. Joint Application Designs sessions and Requirements/Design documentation will be completed and approved prior to commencing development. A single, designated State "owner" will be responsible for approving and prioritizing enhancements based on business need and estimated effort to complete the work, as well as coordinating the involvement of the State personnel needed for the software development and testing activities.

The below minor enhancements have been identified as "in scope" for the maintenance and operations year:

Tracking #	Requirement listed	Scope Assumptions
93630	Date of Death Edit	Security profile access to modify date of death
19971	MARCS and Income Tax Offset	1 Send file to "Bob Drake's" system
20853	DHS-1440-A, DHS-1440-B, DHS-1440-C Modifications	Combine forms
22687	SVCS: include indiv components of addr in case inquiry	
23137	Need Services Prevention cases for CDC eligibility	1 receive interface from SWSS and an EDBC change
83356	Receive CS after PA date	
9.3i	Michigan Unified Query (MUQ) (one way) – TAN F, SDA payments by recipient loaded into MUQ data warehouse for federal use	1 Send interface
10.24o	Security reports	2 reports
20249	SSN Validation - Periodic Reconciliation with SSA	1 way quarterly file
21943	Expanded View into ASCAP	Web service and screen modification
22753	Add CH-461 Migrant Info by County of Residence	1 report
8.31	Track physical case file/provider file archiving and destruction	Only the tracking of physical case file
11.5m	Program expenditure reports	2 reports

Out of Scope Services

Please note that multiple services included in the original Bridges contract cease at the conclusion of that contract (effective November 10, 2009) and have not been included in this Change Notice #7.

These services include:

- Bridges Help Desk staffing, management, and operations
- Site Support staff and management for pre- and post-implementation activities in local offices
- Training design, development (i.e., course content / training materials), and delivery, including Bridges online help, Bridges security training, and maintenance of training case data (Note: as per the original Bridges contract, the State shall assume training responsibility at the completion of training for the final rollout region of Release 1.0, currently planned for August 11, 2009).
- Business process documentation
- Communications (project, stakeholder, user, etc.)

It is presumed that the State will assume responsibility for on-site and/or Help Desk support for the Bridges application effective the beginning of this contract extension.

The State will be responsible for maintaining the various levels of Security of the Bridges application, including the security set-up for local office and end users, communications, documentation, and troubleshooting as of the beginning of the extension year.

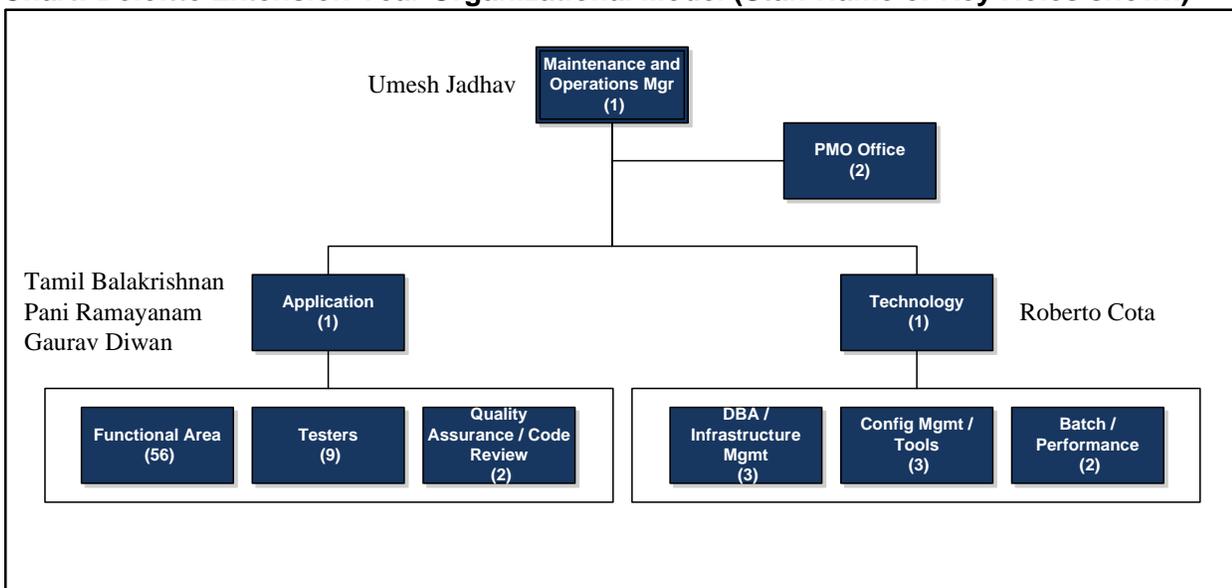
4a. Maintenance and Operations Extension Year Staffing Plan

The Deloitte organizational model is shown in the chart below; there are 80 staff members.

Key Roles

Specific staff are identified as having critical roles for the extension year. These roles are required through the extension year. To the extent these individuals are removed, before the above mentioned timeframe, Deloitte will provide a 30 calendar day notice to the State and will replace those individuals with personnel with substantially similar skillsets. These individuals are not considered Key Personnel as defined in the contract.

Chart: Deloitte Extension Year Organizational Model (Staff Name of Key Roles shown)



The 56 of 80 staff are allocated across several Functional Areas. The following chart provides an initial target breakdown of Functional Area resources. This will continually be evaluated based on the work requests received throughout the extension year.

Chart: Functional Area* Initial Staff Allocation

Functional Area	Lead	Analyst	Developers	Total
Administration and Reference Tables	1	1	2	4
Benefit Issuance / Recovery	1	2	4	7
Correspondence	1	1	2	4
EDBC	1	2	9	12
Front Office	1	2	5	8
Interfaces	1	2	5	8
Provider Management	1	1	3	5
Redeterminatin and Tasks / Reminders	1	1	2	4
Reports	1	1	2	4
Total	9	13	34	56

*Self Service and Interactive Voice Response (IVR) maintenance and enhancements are not part of the extension year scope.

4b. Maintenance and Operations Deliverable Payment Schedule

The following table reflects the payment schedule of monthly invoices.

Table: Extension Year Payment Schedule

Service	Target Date	Invoice Amount
Maintenance and Operations (M&O)	Dec-09	\$1,417,720
	Jan-10	\$1,417,720
	Feb-10	\$1,417,720
	Mar-10	\$1,417,720
	Apr-10	\$1,417,720
	May-10	\$1,417,720
	Jun-10	\$1,417,720
	Jul-10	\$1,417,720
	Aug-10	\$1,417,720
	Sep-10	\$1,417,720
	Oct-10	\$1,417,720
	Nov-10	\$1,417,720
Total	\$17,012,640	

The extension year invoices will be paid based upon receipt of the monthly maintenance and operations status report deliverable. The format and contents of the deliverable will be jointly defined by the State and Deloitte. A representative sample of items that would be included in this monthly deliverable is:

- Calendar of Major Events (e.g., month end batch)
- Technical Monitoring (e.g., computer resource usage)
- Work Requests Statistics (e.g., total number resolved)
- Status of Releases

5. Identified Major Enhancements and Staffing Plan

The State has requested for Deloitte to provide estimates for two specific enhancements beyond the scope of the maintenance and operations plans described within this change notice; additional funds have been allocated for adding these enhancement requests to the contract:

Requirement listed	Scope Assumptions
MiChild referral - Bridges to MiChild and MiChild to Bridges	Requires DCH and Maximus approvals
Office of Child Support (i.e., direct interfacing with MiCSES)	8 Send or Receive files; Mass Update triggers

The State and Deloitte will mutually agree upon the start date and target release for each deliverable, however the assumed duration for each enhancement is 9 months.

MiChild 2-Way Interface	Staff	Months
Team Lead	1	9
Senior Analyst/Developer	2	9
Junior Analyst/Developer	4	9
Tester	2	6
Quality Assurance	0.5	9
Project Manager	Project Manager, DBA, and Configuration Manager are shared resources with the extension year Maintenance and Operations Team	
DBA		
Configuration Manager		
MiCSES Direct Interfaces		
Team Lead	1	9
Senior Analyst/Developer	1	9
Junior Analyst/Developer	2	9
Tester	2	9
Quality Assurance	0.5	9
Project Manager	Project Manager, DBA, and Configuration Manager are shared resources with the extension year Maintenance and Operations Team	
DBA		
Configuration Manager		

Note: These enhancements should be completed before the end of the extension year; otherwise, additional estimates will be provided for the shared resources.

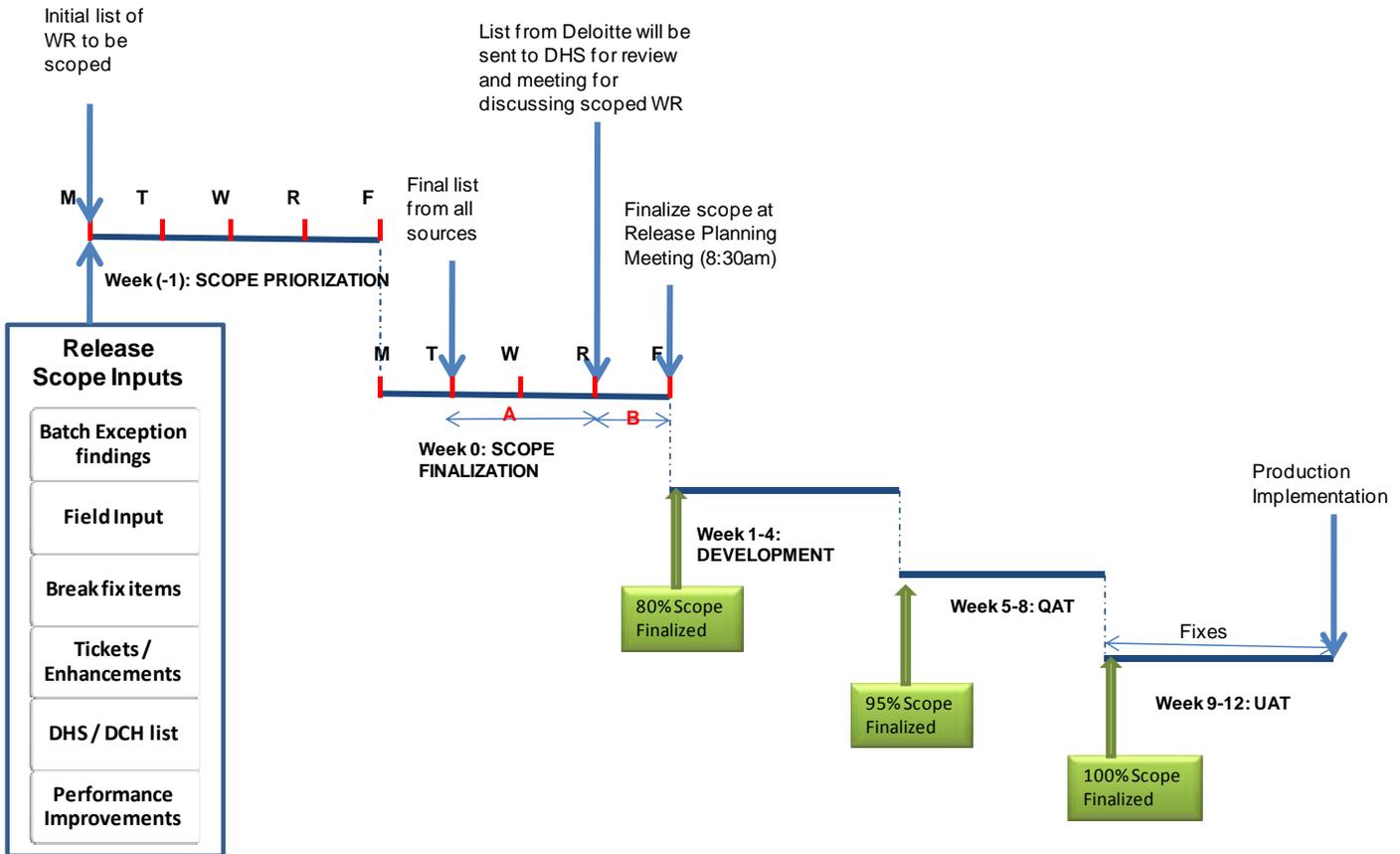
The following table reflects the payment schedule for these items using the standard payment terms:

	Start + 2 Month Requirements / Design	Start + 5 Month Quality Assurance Testing	Start + 9 Month Production Ready	Total
MiChild 2-Way Interface	\$518,880	\$259,440	\$259,440	\$1,037,760
MiCSES Direct Interfaces	\$405,720	\$202,860	\$202,860	\$811,440
				\$1,849,200

A key assumption for the MiCSES direct interfacing enhancement is that the MiCSES application is prepared to receive and send interface files directly with Bridges. An increase in Bridges duration caused by the MiCSES application development timelines may result in increased costs.

Appendix - Bridges Application Maintenance - Release Planning Process

This Release Planning Process will be mutually agreed to by the State and Deloitte. The nature of this process requires flexibility. The outlined process below is meant to be a good faith representation of the schedule and process for the extension year. Modifications to this process outline below will be mutually agreed to by the State and Deloitte.



Appendix – Technology Operations – Responsibility Matrix

Level	Regions	Purpose	SSA		PostalSoft		Opus		LDAP		MQ/Broker/WTX		OpCon	
			Owner	Support	Owner	Support	Owner	Support	Owner	Support	Owner	Support	Owner	Support
EXPERIMENTAL	Exp BW	Bandwidth Testing	DIT	Deloitte	Deloitte	DIT	Deloitte	NA	Deloitte	DIT	Deloitte	NA	NA	NA
	Exp Test Build	Test Deploys												
DEVELOPMENT	Dev	Development	Deloitte	NA	Deloitte	DIT	Deloitte	NA	Deloitte	DIT	Deloitte	NA	Deloitte	NA
	Dev SIM	Simulation												
	Dev MRS	Reference Table Changes												
	Dev MPS	Provider Management												
	Dev MPS MRS	Provider Management												
	Dev BRGSSI	Bridges Self Service Int												
	Dev SSIVR	Self Service/IVR												
INTEGRATION	Int	Integration Req Testing	Deloitte	NA	Deloitte	DIT	Deloitte	NA	Deloitte	DIT	Deloitte	NA	Deloitte	NA
	Int SIM	Simulation												
	Int Conversion	Conversion Testing												
	Int MPS	Provider Management												
	Prod Support	Production Support												
	Prod Support SIM	Simulation												
	Prod Support 2	Production Support Debug												
	Conversion Training	Site Support Training												
	Training Portal	Training Portal												
	Training CBT	Computer Based Trg												
QAT	QAT Basic	QAT Testing	DIT	Deloitte	DIT	Deloitte	Deloitte	NA	Deloitte	DIT	DIT	Deloitte	DIT	NA
	QAT Basic SIM	Simulation												
	QAT Time Travel	Time Travel Testing												
	QAT Conversion 1	Dry Run Testing												
	QAT Conversion 2	Conversion Defects Testing												
	Prod QA	Weekly Release												
	Disaster Recovery	Prod Backup Instances												
UAT	UAT Basic	UAT Testing	DIT	Deloitte	DIT	Deloitte	Deloitte	NA	Deloitte	DIT	DIT	Deloitte	DIT	NA
	UAT Basic SIM	Simulation												
	UAT Time Travel 1	Time Travel Testing												
	UAT Time Travel 2	Time Travel Testing												
	UAT Interim	UAT Patching												
PRODUCTION	Prod UA	Weekly Release	DIT	Deloitte	DIT	Deloitte	Deloitte	NA	DIT	Deloitte	DIT	Deloitte	DIT	NA
	Prod Interim	Break/Fix Release												
	Production	Production												
TRAINING	Production SIM	Simulation	Deloitte	DIT	DIT	Deloitte	Deloitte	NA	Deloitte	DIT	DIT	Deloitte	Deloitte	NA
	Training Dev	Training Cases Dev												
	Training Dev SIM	Simulation												
	Training Prep	Case Prep for Classes												
	Training Practice	Post Class Room Practice												
	Training Class	Classroom Region												
Training Class SIM	Simulation													

Appendix – Technology Operations – Responsibility Matrix (continued)

Level	Regions	Purpose	Web Server		App Server		DB Server		Informatica		Genesys		Unix		Windows	
			Owner	Support	Owner	Support	Owner	Support	Owner	Support	Owner	Support	# of Servers	Owner	# of Servers	Owner
EXPERIMENTAL	Exp BW	Bandwidth Testing	Deloitte	NA	Deloitte	NA	Deloitte	NA	NA	NA	NA	NA	5	Deloitte	1	Deloitte
	Exp Test Build	Test Deploys														
DEVELOPMENT	Dev	Development	Deloitte	NA	Deloitte	NA	Deloitte	NA	Deloitte	NA	Deloitte	NA	7	Deloitte	3	Deloitte
	Dev SIM	Simulation														
	Dev MRS	Reference Table Changes														
	Dev MPS	Provider Management														
	Dev MPS MRS	Provider Management														
	Dev BRGSSI	Bridges Self Service Int														
	Dev SSIVR	Self Service/IVR														
INTEGRATION	Int	Integration Reg Testing	Deloitte	NA	Deloitte	NA	Deloitte	NA	Deloitte	NA	Deloitte	NA	3	Deloitte	1	Deloitte
	Int SIM	Simulation														
	Int Conversion	Conversion Testing														
	Int MPS	Provider Management														
	Prod Support	Production Support														
	Prod Support SIM	Simulation														
	Prod Support 2	Production Support Debug														
	Conversion Training	Site Support Training														
	Training Portal	Training Portal														
	Training CBT	Computer Based Trg														
	Training WBT	Web Based Trg														
	QAT	QAT Basic														
QAT Basic SIM		Simulation														
QAT Time Travel		Time Travel Testing														
QAT Conversion 1		Dry Run Testing														
QAT Conversion 2		Conversion Defects Testing														
Prod QA		Weekly Release														
UAT	Disaster Recovery	Prod Backup Instances	TCO	Deloitte	TCO	Deloitte	TCO	NA	TCO	Deloitte	TBD	TBD	3	DIT	1	DIT
	UAT Basic	UAT Testing														
	UAT Basic SIM	Simulation														
	UAT Time Travel 1	Time Travel Testing														
	UAT Time Travel 2	Time Travel Testing														
PRODUCTION	UAT Interim	UAT Patching	TCO	Deloitte	TCO	Deloitte	TCO	NA	TCO	Deloitte	TBD	TBD	13	DIT	7	DIT
	Prod UA	Weekly Release														
	Prod Interim	Break/Fix Release														
	Production	Production														
TRAINING	Production SIM	Simulation	TCO	Deloitte	TCO	Deloitte	TCO	NA	TCO	Deloitte	TBD	TBD	4	DIT	1	DIT
	Training Dev	Training Cases Dev														
	Training Dev SIM	Simulation														
	Training Prep	Case Prep for Classes														
	Training Practice	Post Class Room Practice														
	Training Class	Classroom Region														
Training Class SIM	Simulation															

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

May 18, 2009

CHANGE NOTICE No. 7
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: Jskowron@deloitte.com	TELEPHONE (616) 336-7937 John Skowron
	BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010	
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:	

NATURE OF CHANGE(S):

Effective immediately this Contract is INCREASED by \$4,123,312.00 and amended to include Online Self-Service and Interactive Voice Response (IVR) functionality for the Food Assistance Program (FAP) (see attachments for details).

AUTHORITY/REASON(S):

Per DHS/DIT/DMB and vendor concurrence, and Ad Board Approval on 5/5/2009.

INCREASE: \$4,123,312.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$99,609,450.00

Approach to Online Self Service and Interactive Voice Response for Michigan Constituents

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1. Introduction

Deloitte Consulting LLP (Deloitte Consulting / Deloitte) is very appreciative of the opportunity to offer our assistance to the Michigan Department of Information Technology (DIT) and Michigan Department of Human Services (DHS) in planning and developing an online self service application as well as an Interactive Voice Response (IVR) system. We understand the importance of these initiatives in supporting DHS' goals of improved quality and timeliness of service levels to the citizens of Michigan while doing so in the most effective and efficient manner possible.

The current economic circumstances are resulting in an increase in the number of applications for public assistance causing more workload for DHS local office staff. With the grim economic outlook and soaring unemployment rates, this situation is likely to continue and will require immediate initiatives to assist local DHS offices in managing rapidly growing caseloads. An online self service application is an initiative that will open new channels for inquiry, application for benefits and change reporting for Michigan citizens. Furthermore, an IVR system will empower Michigan citizens with an automated process that provides information in response to their most common inquiries. These two initiatives align with DHS' goals of supporting local offices as they receive increasing workloads, while also improving access and service for Michigan citizens..

Deloitte recognizes that for initiatives like this, the State needs more than a service provider who is versed in a technology product; the State needs a "partner" that is able to integrate technology with the understanding of human services operations and program drivers so that your business needs can be met. Deloitte can do that - we create leading industry solutions based on hands-on experience, in-depth knowledge of your program operations, with the most current advancements in innovations.

The Deloitte Difference	What this Means to You
Proven implementer of 13 similar self service solutions in 13 states. Extensive experience in implementing large scale IVR solutions for both private and public sector clients, including IVR integration with IE system.	A portal that is functionally rich and meets or exceeds your requirements. Aware of current trends and issues in eligibility and related systems.
Solution will be built upon CMMI compliant Technology Integration playbook	Addresses your critical requirements for metrics reporting, operation readiness, and integrated test planning.
A team who knows your business and has worked with Bridges	Addresses your needs for a compatible solution that meets Michigan's requirements, objectives and timeframes.
Leverages our Book of Knowledge, best practices and lessons learned	Avoids pitfalls and minimizes risks. Aware of current trends and issues in eligibility and related systems.

Table 1: Key Features and Benefits of the Deloitte Team's Approach to the Self Service and IVR Solution

We would be proud to embark on this initiative and to help the State realize its goals of improved operational efficiency, workload reduction, and increased client access to public assistance programs. Deloitte welcomes the opportunity to provide the State of Michigan with an online self service and IVR solution that addresses the State's goals.

2. Our Understanding

Online Self Service

The State is seeking an online application tool to help meet its goal of superior customer care by engaging clients through a variety of channels. The primary impetus behind this initiative is to increase the ease of applying for benefits, reporting changes, and helping clients understand their case and benefit information while not overburdening the eligibility staff in local DHS offices. Using a Web-based Application to facilitate application entry from wherever someone has access to the Internet eliminates the stigma associated with waiting in lines at the welfare office and allows community-based organizations or other providers to enter applications on behalf of clients at various community partner centers. Such automation also reduces the administrative burden associated with mail handling, application processing, and responding to routine inquiries.

Allowing clients to apply for benefits and report certain changes from any location with Internet access offers many benefits to both the client and to DHS. The greatest benefit to the public is improved access and increased

self-sufficiency. Clients will be able to track their application and influence the timeliness of eligibility services and benefit delivery associated with their application. They will also be able to view the list of pending verifications DHS is waiting on to process their application. Clients will have '24x7' access to the inquiry, application, and change system. This will mean they no longer have to wait for an office to open to be available to apply for benefits or report a change.

But the benefits of such an application go far beyond operational efficiencies. When a potential client is unable to apply for social services for reasons ranging from lack of transportation, busy work schedules, or embarrassment perceived in visiting the "welfare" office, an unfortunate and unnecessary disservice occurs. These circumstances often prevent individuals from receiving needed, available assistance, which results in lower participation rates and undermines the mission of DHS and its commitment to serving disadvantaged members of society.

IVR

Deloitte understands that the goal of this initiative is to develop an Interactive Voice Response (IVR) system that will provide an accessible menu of options to respond to certain client inquiries regarding their case information. We understand the current DHS issues related to increased client volumes at a time of budgetary constraints are driving this need for innovative, cost effective, and immediate solutions.

The purpose for the IVR is to leverage leading technologies that will propel that State towards achieving their goals:

Meeting State's Goals	IVR Benefits
Improve Service Delivery to Clients	<ul style="list-style-type: none"> • Provides clients easier access to information • Opens doors to serving more clients simultaneously • Improves response time to clients
Reduce Workload to Maximize Worker Efficiency and Effectiveness	<ul style="list-style-type: none"> • Lessens the burden of mounting voice mails • Allows workers to focus more on processing • Lessens volume of phone distractions in the local office
Manage Program Costs	<ul style="list-style-type: none"> • Automates calls to free up office resources • Allows workers to focus on priority activities

Table 2: Aligning IVR Benefits to Support State's Goals

3. Our Proposed Approach and Solution

Our experience from similar projects and our functional knowledge in implementing multi-channel Integrated Eligibility solutions fits with the State's goals of client service improvement and workload relief for staff. The figure below depicts the various avenues for enhancing the service offerings to Michigan citizens.

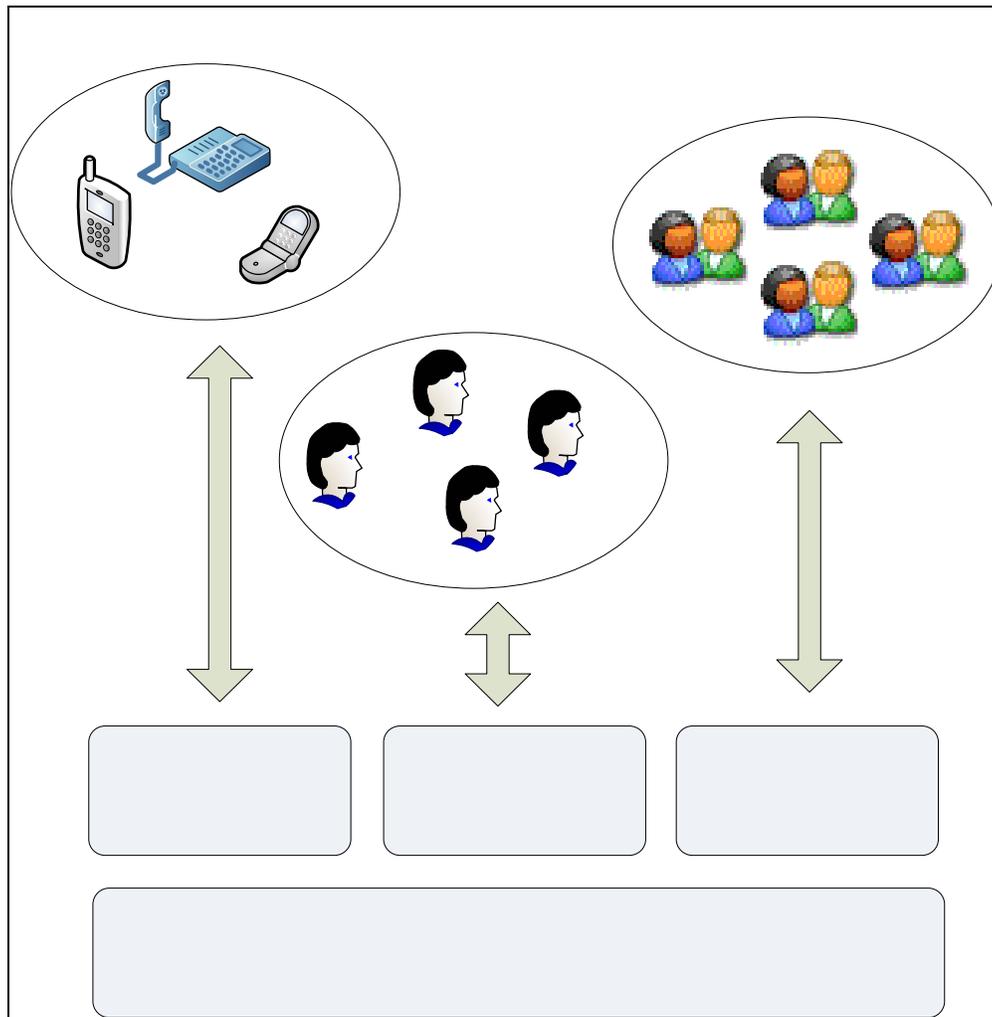


Figure 1: Bridges: Providing Multiple Channels for Superior Client Service

Telepho

The sections below further detail our approach for the online self service and IVR solutions.

Online Self Service

Based upon our understanding of the State's self service plans, as well as the pressing needs facing the State's service delivery, we recommend implementing a solution that integrates Bridges with an online self service solution we developed for the State of Wisconsin, called ACCESS. Our solution is a consumer centric portal created for clients looking to apply for benefits. The impetus behind such a solution is familiar to DHS – to increase citizen understanding of eligibility programs, to improve customer service, and to reduce the workload on eligibility workers. In fact, Michigan is not alone in taking this path: during 2008, three states (New York, Georgia, and New Mexico) engaged Deloitte to implement this award-winning ACCESS solution for enabling self service for their constituents.

Our solution will allow citizens to use the convenience of the Internet for:

1. **Screening (Am I Eligible):** Provide a link to the State's existing Screening Application (MARS).
2. **Online Application (Apply for Benefits):** Citizens can apply for public assistance programs either in one sitting or in multiple sittings by saving their application each time they access it.
3. **Check Benefits (Check my Benefits):** Applicants and recipients can securely check the status of a pending application or the amount of benefits they might receive next month.
4. **Report Changes (Report My Changes):** Clients can report case changes, such as address, income, or household compositions, using a secure user account.

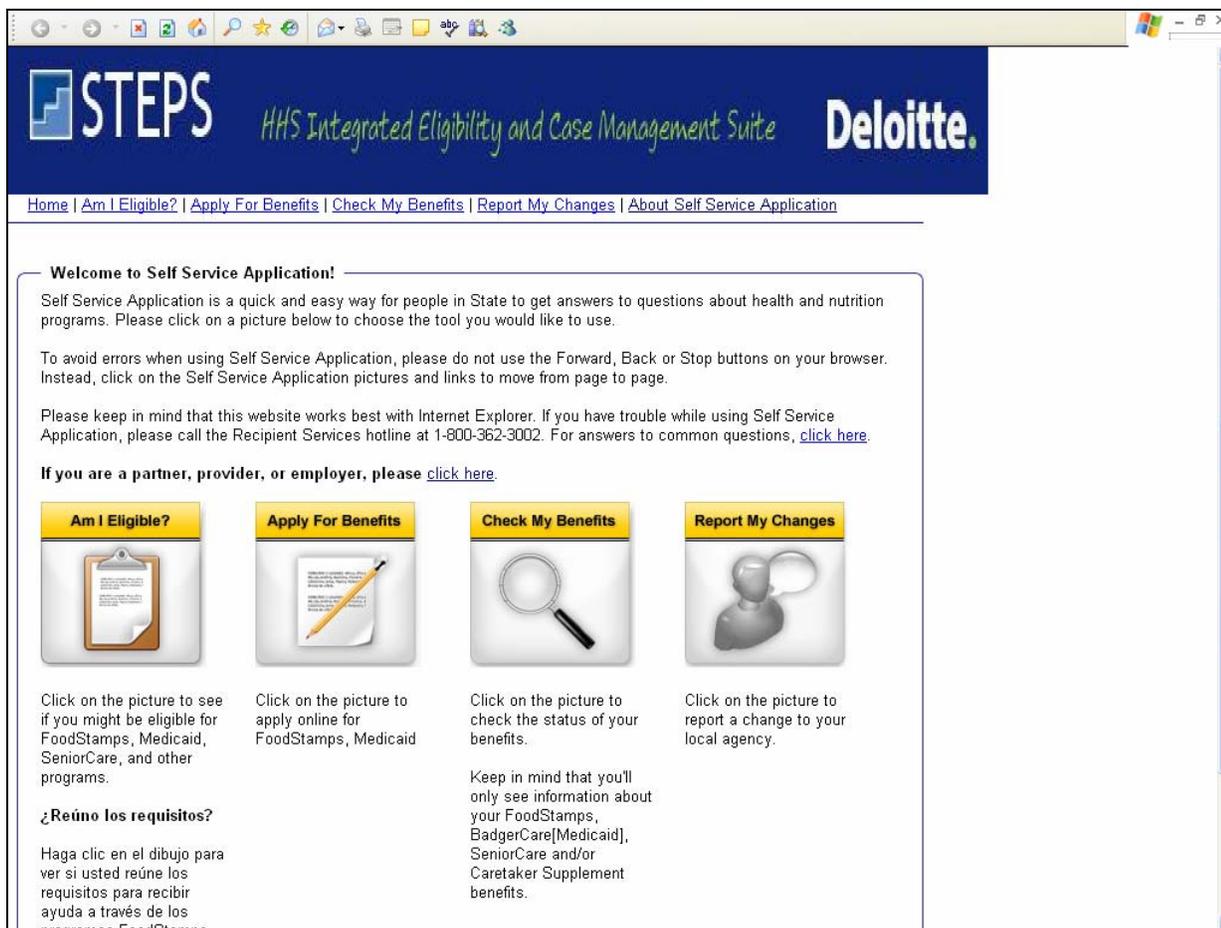


Figure 2: Deloitte's Solution for Online Self Service. The home page of a prototype (STEPS) application developed by Deloitte by integrating MI-Bridges and WI-ACCESS to allow citizens to screen themselves for program eligibility, apply online, check benefits and report changes.

Some distinguishing features of our solution include:

1. Optional account creation allows user to save and complete the application at a later time.
2. Web pages and questions are intelligently scheduled based on eligibility programs requested and demographic information entered.
3. Progress bar and left navigation menu provide status of the user's progress through the application process.
4. Pages provide flexibility to leave questions unanswered while a completeness check strongly encourages users to submit completed applications.
5. Ability to track application made through Community Based Organizations (CBOs) and other providers.
6. Filing date applications are permitted, wherein the user submits a minimum amount of data to get their request for benefits.
7. Clients can electronically sign and submit their application in real time to their local agency.
8. The submission process provides clients with an application number for reference and a printable version of the application after submission.
9. The Application data is brought forward to Bridges as appropriate.
10. The Application / Case is assigned to the appropriate worker.

61% Complete

Print Help

Start

People

Liquid Assets

Other Assets

Job Income

Other Income

Housing Bills

Other Bills

Finish

Submit

More About Maria's Job

You've told us that Maria has a job or has had a job in the last 3 months. Please answer the questions below to tell us more about this job.

Employer

* Name of Employer : Walmart

Employer Address : Address :
 City : State : * Zip Code :
 click here to choose 48917

Employer Phone :

When did Maria start this job? 01/10/2007 Ex: mm/dd/yyyy

Is this a temporary job? Yes No I don't know

What type of position is this job? Manager Staff I don't know

Job End

If this job recently ended or is going to end, please tell us the end date of the job and the date of the final paycheck.

What is the end date of this job? Ex: mm/dd/yyyy

What is the date of Maria's final paycheck? Ex: mm/dd/yyyy

Pay Period

Figure 3: Ease of Use. The application is personalized by referring back to the applicant's name and asking questions in fourth grade level English.

IVR

For the proposed IVR solution, the client will be able to call a Toll-Free Number and retrieve appropriate information. The call tree illustrated in the figure below shows how inquiries will be handled when a citizen interacts with the IVR system. This flow will be confirmed with the State during the requirement and design sessions.

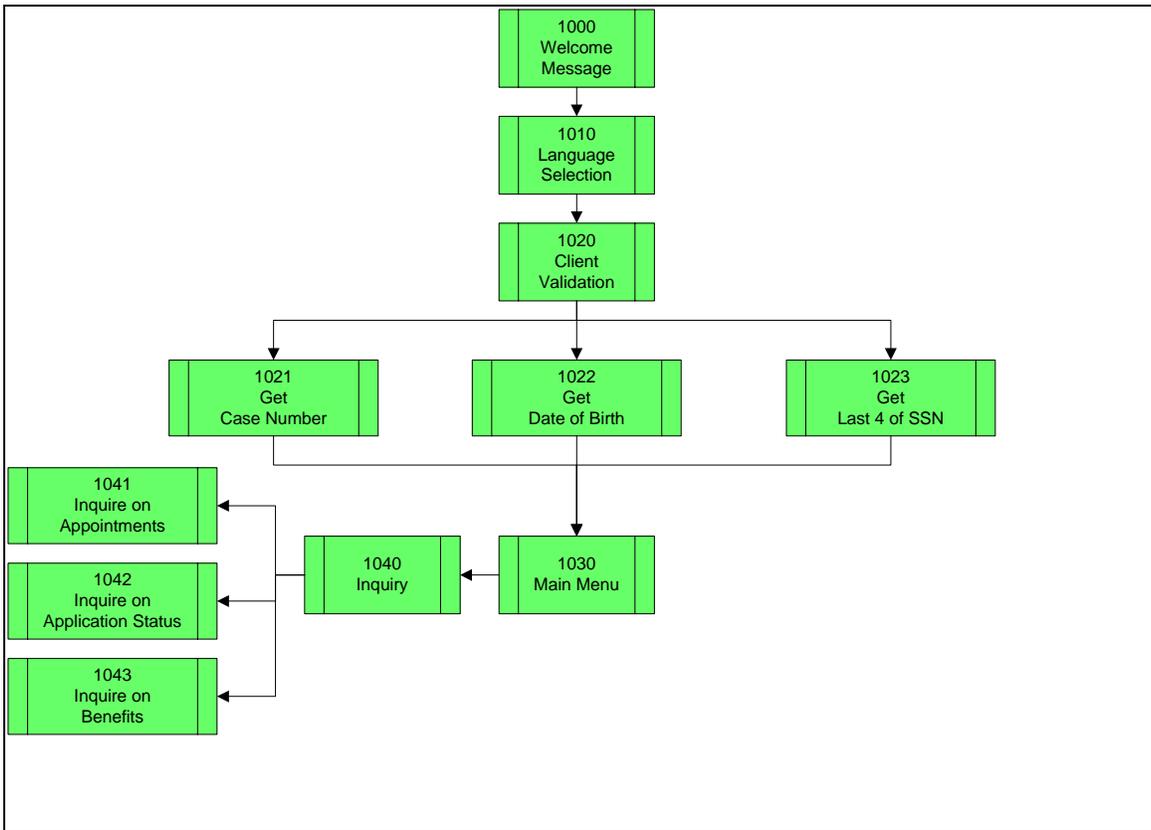


Figure 4: Sample Call Tree showing how calls will be handled

Appendix C briefly describes the call tree design details along with client inputs and IVR response. Please note that this proposal assumes English and Spanish as the only languages.

NOTE: Based on preliminary analysis, the current IVR Infrastructure is not scalable to integrate and support the Bridges IVR implementation you desire. The State needs to procure all Hardware and Software for implementing Bridges IVR. Our understanding at this point is that the State will procure the Genesys Product which will be scalable to meet call volume requirements for the State.

The figure below illustrates the proposed Technical Architecture and the main components involved with this IVR implementation:

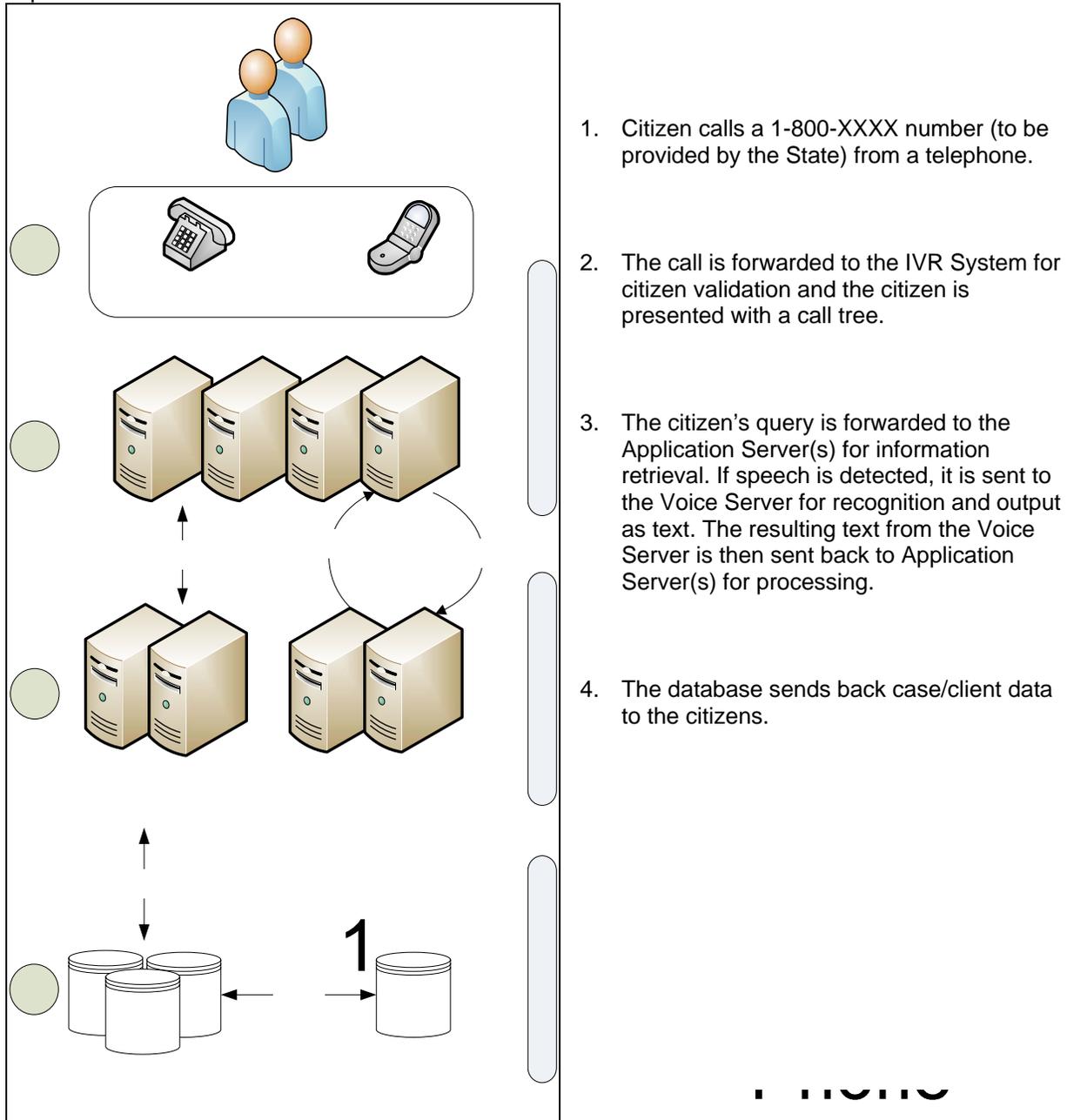


Figure 5: High-level Architecture Diagram for the Bridges IVR Application

Assumption: We will use the same Database for Self Service and IVR.

Additional information about the hardware and software components required for the IVR solution is available in Appendix B.

4. Implementation

Deloitte understands that the rapid increase in applications for assistance require an accelerated implementation of the online self service and IVR solution. This is not only important to provide immediate relief for local DHS offices and staff workers but also to prevent any possible delay in processing the incoming applications. Based on the State's stated priorities and funding sources, this project assumes a focus on the FAP program only, although our solution is scalable to support the incorporation of additional programs in the future. With all these considerations, we propose a 3 phase implementation of the solution:

Phase 1 - Check My Benefits (Online Self Service and IVR):

This phase will be implemented using both the online self service channel as well as the IVR channel, as detailed below.

Online Self Service

Applicants will be able to check the following FAP related Information online:

1. Worker Information
2. Application Status
3. Case Status
4. Benefit Status
5. Appointment Information
6. Pending Verifications

IVR

Clients will be able to call a Toll-Free Number and retrieve the following FAP related information:

1. Worker Information
2. Application Status
3. Case Status
4. Benefit Status
5. Appointment Information
6. Pending Verifications

Phase 2 – Apply for Benefits (Online Self Service Only): With this phase, applicants will be able to apply for FAP program online. These applications will appear in a Bridges worker's inbox for further processing.

Phase 3 – Report My Changes (Online Self Service Only): This phase will allow FAP clients to submit the following changes in their circumstances using the online application:

1. Changes in Household Address and Phone
2. Member moving into the household
3. Member moving out of the household
4. Member becoming disabled
5. Change in Job or Self-Employment
6. Change in Unearned Income
7. Change in Housing or Utility Bills
8. Change in other expenses

The figure below illustrates the phased rollout of the solution.

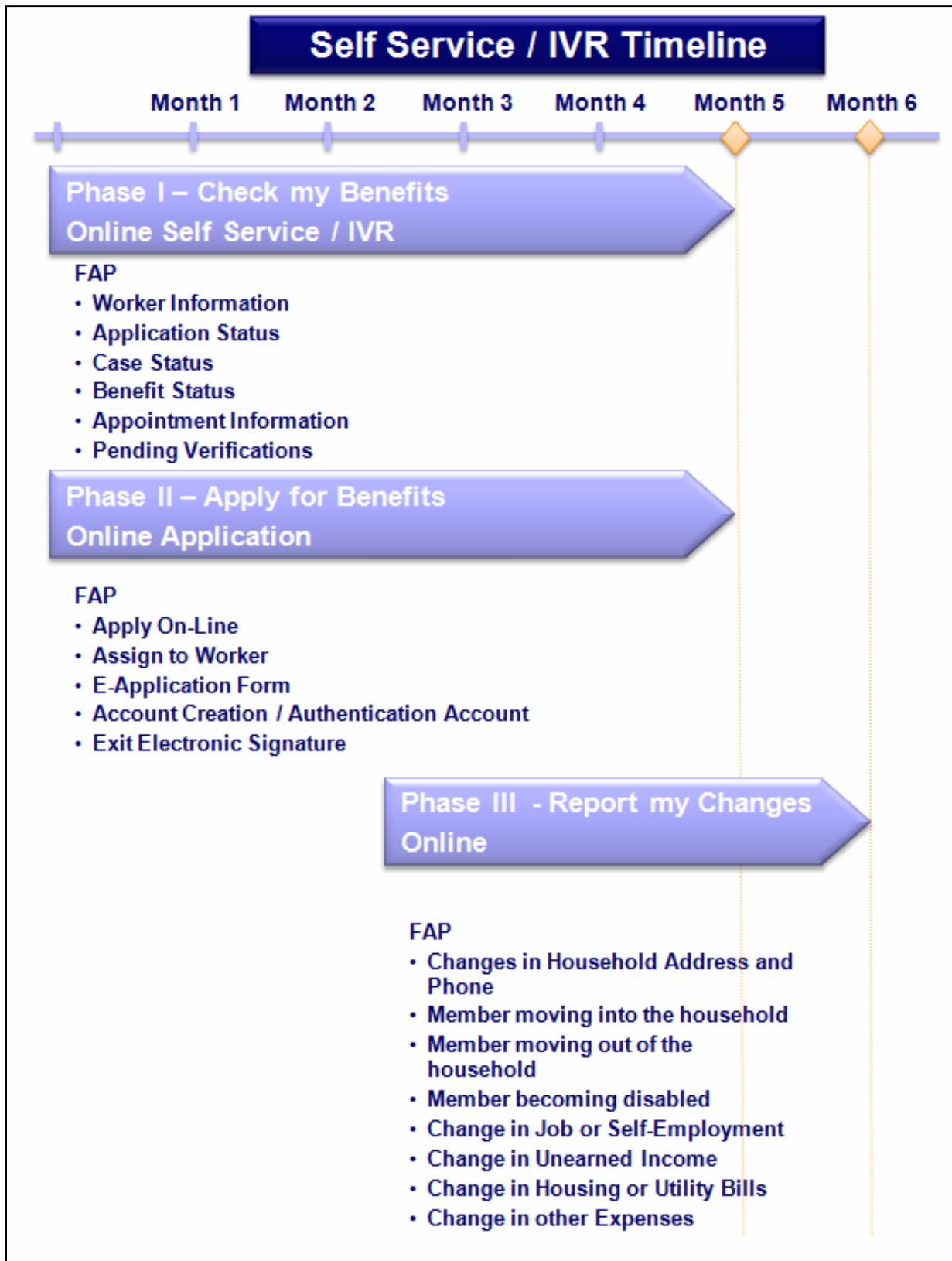


Figure 6: Phased rollout of the Online Self Service and IVR solution

Furthermore, Appendix E shows the detailed functionality which will be implemented in each phase of the project and what can be reused from our online self service transfer solution.

5. Staff, Cost, and Assumptions

By merging the implementation timelines for Check my Benefits between the two channels (SS, IVR) we are able to identify opportunities for combining resources. This will result in significant cost savings for the State. The detailed resource sheet below shows the resources:

Self Service and IVR			
Role	Shared Self Service and IVR Resources	# of Resources	# of Months / Resource
Configuration Management	Yes	1	8
DBA	Yes	1	8
Developer - IVR	No	5	7
Developer - Self Service	No	9	7
Functional Architecture Lead	Yes	1	8
Implementation Lead	Yes	1	6
Quality Assurance	Yes	1	6
Spanish Language Translator	Yes	1	5
Technical Architect	No	2	5
Testers	Yes	4	7
Track Leads (1 Self Service; 1 IVR)	No	2	8

The following table allocates the associated costs for each Phase:

Phase	Channel	Amount
Check My Benefit	Self Service	\$801,330
	IVR	\$908,040
Apply On-Line	Self Service	\$1,072,168
Report My Changes	Self Service	\$1,016,775
Total		\$3,798,312

Assumptions

General Self Service and IVR

- Deloitte understands that the State wants to implement the 3 phases of the proposal as described in this document by September 2009. This will require all of the following:
 - Start the planning phase immediately.
 - Begin requirement gathering as per the schedule.
 - The State (DHS and DIT) needs to dedicate appropriate resources to help define a complete set of requirements, approve the functional and technical requirements, and provide adequate and timely resources for User Acceptance Testing (UAT) on a timely basis.
 - The State needs to make available seating space and desktops for the staff.
 - The TCO needs to provide Bridges-like environments for development, testing, and production, etc.
- The proposal addresses functionality for the FAP program only.
- Cost of hardware, desktop computers, licenses and similar infrastructure needs are not included and are the responsibility of the State. This includes software and hardware to

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support the development and initial implementation of the solution, as well as for ongoing/future operations and maintenance.

- One consolidated Database structure will be used for self service and IVR; During Technical Requirement Validation Sessions, the data refresh strategy and frequency for the Database will be confirmed; The Database will only provide information stored in Bridges; Legacy data will not be accessible through the proposed solution.
- The timelines will require adequate support and involvement from DIT and DHS resources for requirements validation, design and testing phases per the project workplan. The State will create and execute user acceptance test scenarios. The State will designate respective Project Leads from DIT and DHS who will be responsible for securing and coordinating required State resources and for assuring necessary performance to meet project needs. The State will assume responsibility for directing other State contractors or vendors in accordance to the needs of the project.
- The Deloitte Implementation scope is to:
 - Facilitate a user focus group exercise to assist in validating the usability of the functionality being designed into the self service / IVR enhancements.
 - Document new work procedures (in the form of Bridges “wizards”) to instruct staff on the step-by-step procedures they must follow related to the self service / IVR enhancements. The production and distribution of any associated training materials is not included as part of the estimated effort.
 - Design a training webinar (or other electronically-delivered training module) to instruct DHS front office and/or eligibility staff on new Bridges functionality and associated procedures. It will be the State’s responsibility to deliver this webinar to staff.
- The development and delivery of communications to citizens (e.g., media campaigns) is not included as part of the estimated effort.
- The proposal assumes that the self service application and IVR will only be available in English and Spanish. The State will provide a Spanish speaking expert who will validate English to Spanish translations.

Self Service Specific

- The State is going to procure the necessary internet addresses and then handle the integration of this new portal within the State’s and DHS’s existing internet sites.
- There will be no data exchange with MARS. A link to MARS will be provided in the online self service application.
- The proposed solution will provide a Summary Report for the number of applications received online and a Summary Report for the number and types of changes reported online.
- For online applications, if the file clearance process determines that this is an existing Bridges client, information entered by the client will be sent to the worker for review and processing and a new case will not be created automatically. If the file clearance process determines that this is a new client, then a new case will be created automatically and assigned to the appropriate worker.
- Changes reported by clients will be queued for workers through an Inbox, so that workers can review them before applying the changes to the case.
- New Applications and changes will not automatically impact the benefits to clients. Worker will review and certify these changes before they take effect.
- The State will provide a technical resource to the project for developing the security protocols to be followed in the online self-service application.

IVR Specific

State is responsible for procuring and installing the Toll Free Number as well as sufficient number of ports. State is also responsible for getting necessary permissions and approvals for connectivity between Telephone Trunks and IVR.

State is responsible for procuring, configuring and installing the necessary Hardware and Software and making a good faith effort to have it available for development by 5/1/2009.

If for whatever reason it is not available at this time then an additional analysis may be needed to determine if there are any impacts to schedule or cost.

State is responsible for workstations and supporting infrastructure for the customization, test, and deployment of the IVR system.

Solution will provide a Summary Report of how many calls were received by inquiry type.

6. Deliverables and Payment Schedule

Costs have been allocated across the various deliverables as described in the table below:

Self Service and IVR Deliverable Pay Points	Target Date	Invoice Amount
Requirements/Design Check My Benefits	May	\$854,685
Requirements/Design Apply On-Line	May	\$536,084
Requirements/Design Report My Changes	June	\$508,387
Quality Assurance Testing Check My Benefits	July	\$427,342
Quality Assurance Testing Apply On-Line	July	\$268,042
Quality Assurance Testing Report My Changes	August	\$254,194
Production Ready System Check My Benefits	August	\$427,342
Production Ready System Apply On-Line	August	\$268,042
Production Ready System Report My Changes	September	\$254,194
Total		\$3,798,312

7. Appendix

Appendix A – Self Service Screenshots and Statistics

The following screenshots are from a prototype (STEPS) of a solution developed by Deloitte by integrating MI-Bridges and WI-ACCESS to allow individuals to apply online, check benefits and report case changes.



STEPS *HHS Integrated Eligibility and Case Management Suite* **Deloitte.**

[Home](#) | [Am I Eligible?](#) | [Apply For Benefits](#) | [Check My Benefits](#) | [Report My Changes](#) | [About Self Service Application](#)

Welcome to Self Service Application!

Self Service Application is a quick and easy way for people in State to get answers to questions about health and nutrition programs. Please click on a picture below to choose the tool you would like to use.

To avoid errors when using Self Service Application, please do not use the Forward, Back or Stop buttons on your browser. Instead, click on the Self Service Application pictures and links to move from page to page.

Please keep in mind that this website works best with Internet Explorer. If you have trouble while using Self Service Application, please call the Recipient Services hotline at 1-800-362-3002. For answers to common questions, [click here](#).

If you are a partner, provider, or employer, please [click here](#).

Am I Eligible?	Apply For Benefits	Check My Benefits	Report My Changes
			
Click on the picture to see if you might be eligible for FoodStamps, Medicaid, SeniorCare, and other programs.	Click on the picture to apply online for FoodStamps, Medicaid	Click on the picture to check the status of your benefits. Keep in mind that you'll only see information about your FoodStamps, BadgerCare[Medicaid], SeniorCare and/or Caretaker Supplement benefits.	Click on the picture to report a change to your local agency.

¿Reúno los requisitos?

Haga clic en el dibujo para ver si usted reúne los requisitos para recibir ayuda a través de los programas FoodStamps

Online Application Process

STEPS *HHS Integrated Eligibility and Case Management Suite* **Deloitte.**

Print **Help**

Apply For Benefits

Welcome! Please click one of the buttons to tell us what you would like to do. Then click the Next button at the bottom of the page.

- Start a new application for FoodStamps or Medicaid.** For most people, it will take between 30 and 60 minutes to fill out the a pplication.
- Keep working on an application that you have already started.**
- Check the status or view an application that you have already submitted.**

As you use Apply For Benefits, **please do not use the Forward, Back or Stop buttons on your web browser** to move from page to page. Instead, use the buttons on this website.

If you have problems while using Apply For Benefits, please call the Recipient Services hotline at 1-800-362-3002.

Back **Next**

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Getting Started
Let's get started on the application! First, please give us some basic information about you.

Information About You

* First Name : Middle Initial : * Last Name :

Gender : Male Female

Date of Birth : Ex: mm/dd/yyyy

After you apply for benefits, you will get letters from your worker. Please click the button to let us know whether we should write your letters in English or Spanish. English Spanish

* What county do you live in?

If you live on tribal lands, you may be able to apply for benefits through a tribal agency instead of a county agency. If you would like to do this, click the box to see if the tribe is on the list. We've only listed the tribes with agencies that accept applications for these kinds of benefits. If the tribe where you live isn't on the list, or you would rather apply through the county, leave this question blank.

Where You Live

Please tell us where you live. If you are homeless right now, please check the "I am homeless" box. If you are homeless but you have a mailing address, please check the box and type your address in here.

* Street Address :

* City : * State : * Zip Code :

STEPS *HHS Integrated Eligibility and Case Management Suite* **Deloitte.**

11% Complete

Start

People

Liquid Assets

Other Assets

Job Income

Other Income

Housing Bills

Other Bills

Finish

Submit

Print **Help**

Keep Working or Set Filing Date

At this point, you may want to set your filing date. Your filing date is the date that your benefits will start if your application is approved (unless you've asked for your health care coverage to begin earlier than this month). By law, you will get an answer about your application within 30 days of your filing date.

You have two choices right now:

- You can set your filing date after we ask you just a few more questions. This should take about 5 minutes. If you set the filing date now, you will need to finish the application with a worker from your local agency.
- Or, you can keep working on your application and set your filing date when you submit your full application. By working on your application and giving more information now, you can reduce the amount of information a worker will need to ask you for later. For most people, the rest of the application will take about 30 minutes -- but you can always save your information and come back later.

What would you like to do?

Keep working on the application

Set my filing date

Back **Save & Exit** **Next**

15% Complete

Start

People

Liquid Assets

Other Assets

Job Income

Other Income

Housing Bills

Other Bills

Finish

Submit

Print **Help**

People In Your Home

You have already told us about the following people :

 Maria  Anna

Please tell us about the next person in your home.

Personal Information

If this person has the same first name as someone else in your home, [click here](#) .

* First Name : Middle Initial : * Last Name :

* Gender : Male Female

* Date of Birth : Ex: mm/dd/yyyy

* What is this person's marital status? ▼

What language does this person prefer to use? ▼

Program Selection

Please check the box for each program this person would like to apply for. If you don't check a box, this person will not be applying for that program.

FoodStamps

Health Care

Citizenship Information

Keep in mind that you don't have to answer these questions if this person is not asking for

80% Complete

- Start
- People
- Liquid Assets
- Other Assets
- Job Income
- Other Income
- Housing Bills**
- Other Bills
- Finish
- Submit

Print Help

Housing and Utility Bills Summary

Here is a summary of what you've told us. If a section below has a check mark, you have given all of the information we have asked for. If you would like to change your answers or finish a section that doesn't have a check mark, click on "Change" or "Add." If you would like to remove something, click on "Erase."

Review Your Answers: Housing Bills

Who Pays	What Bills	How Much	Complete?	Change or Erase
 Maria	Rent or Lot Rent	\$200		Change or Erase

Add a Housing Bill

To add a housing bill, please choose the name of the person who pays it and the type of bill, then click the Add button.

Name: Type:

Review Your Answers: Utility Bills

Who Pays	What Bills	How Much	Complete?	Change or Erase
You've told us that no one in your home pays for utilities.				

Add a Utility Bill

To add a utility bill, please choose the name of the person who pays it and the type of bill, then click the Add button.

Name: Type:

100% Complete

Print Help

Signing Your Application

You're just a few minutes away from submitting your application. To do so, you'll need to:

- Read the Rights and Responsibilities we've listed below.
- Check the signature box and type your name below to sign your application.

Rights and Responsibilities

Please read the following information carefully. We also suggest that you print out your application on the next page so you have a copy of this information.

Recipient Rights

As a FoodStamps applicant and recipient, you have the right to:

- ? Be treated with respect by agency staff,
- ? Have your civil rights upheld,
- ? Have your private information treated confidentially,
- ? Have your application accepted immediately or on the first available business day following submission to the FoodStamps office,
- ? Receive a decision about your application within 30 days,
- ? Get FoodStamps benefits within 7 days of applying if you are in immediate need and qualify for faster service,
- ? Be told 10 days before your benefits are going to be reduced or ended,
- ? Have a home visit or telephone interview if you cannot get to the FoodStamps office or find someone to go for you,
- ? Ask the agency worker for an explanation of anything on this application or other materials that you do not understand,

Your FoodStamps Interview

In most cases, people who are applying for FoodStamps have an in-person interview with a worker. If it's hard for you to get to the local office, you may be able to have a phone interview instead. Would you prefer to talk with a worker in person or by phone?

In person By phone

If you would prefer to talk with a worker over the phone, please check the box to tell us what makes it hard for you to come to the local agency.

Electronic Signature

Other - I am unable to go to the local agency because:

Electronic Signature

If you have a legal guardian, he or she should sign below. If you have a power of attorney or an authorized representative, either you or that person may sign this application. If anyone else is helping you fill out the application, you should sign the application yourself.

I have agreed to submit this application by electronic means. By signing this application electronically, I certify under penalty of perjury and false swearing that my answers are correct and complete to the best of my knowledge, including information provided about the citizenship or alien status for each household member applying for benefits. I also certify that:

- I understand the questions and statements on this application.
- I have read and understand my Rights & Responsibilities in the box above.
- I understand the penalties for giving false information or breaking the rules.
- I understand that the agency may contact other persons or organizations to obtain needed proof of my eligibility and level of benefits.
- I understand that I am not required to report a reduction or loss of income, but that I may be able to get a higher FoodStamps benefit if I do. I understand that as long as I do not report this reduction or loss in income, my FoodStamps benefit will not increase.
- I understand that failure to report or verify any listed expenses will be seen as a statement by me that I do not want to receive a deduction for the unreported or unverified expenses.

I understand that an electronic signature has the same legal effect and can be enforced in the same way as a written signature.

* By checking this box and typing my name below, I am electronically signing my application.

* First Name : Middle Initial : * Last Name :

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100% Complete

Thank You!

Thank you! Your online application has been sent to the following local agency for processing:

Physical Address:

Department of Human Services
(517)33-3400
235 South Grand Avenue
Lansing, MI 48893

Mailing Address:

Department of Human Services
(517)33-3400
235 South Grand Avenue
Lansing, MI 48893

Keep in mind that your worker may ask for proof of some of the things you told us in your application. We've created a list of the types of proof that you may need to provide. Click the Types Of Proof button to see and print this list.

Types Of Proof

You may also need to talk with a worker by phone or in person. For FoodStamps benefits, you must talk with a worker in order to get benefits. For health care benefits, a worker may contact you if he or she needs more information.

Keep track of your application

Your tracking number for this application is **6000011369**.

Be sure to write this number down or print this page for your records.

By law, you will get an answer about your application within 30 days. Keep in mind that it may take close to 30 days before you hear from your local agency by phone or mail.

If you have a question about the status of your application, contact the local agency listed above. If you give the local agency your tracking number, it can help you get an answer more quickly. If you haven't heard back about an application you've submitted, please be sure to contact the local agency before submitting another online application.

Bridges Self Service Inbox

The screenshot shows a web browser window displaying the 'Self Service Inbox' application. The address bar shows the URL: `http://localhost:9080/ControllerServlet?PAGE_ID=ARSAP&ACTION=SearchApp&VLH_COLL_KEY=steps_coll&VLH_COUNT=7`. The user is logged in as 'Deloitte User' with 'USER ID: user01' and is viewing the 'ISD2R Project'. The search criteria are set to 'APPLICATION' with a value of '0'. The search results table is as follows:

Application Id	SelfService Application Id	Status	Received Date
T40022149	5000011369	Completed	2009-03-06 17:17:17.0
T40022099	5000011350 Steps Applications	Completed	2009-03-06 14:01:38.0
T40022049	4000011341	Completed	2009-03-02 10:55:44.0
T40021999	2000011322	Completed	2009-03-02 00:24:23.0
T40021899	11304	Completed	2009-01-15 10:01:14.0
T40021851	5000011252	Completed	2009-01-15 01:18:09.0
T40021850	2000011225	Completed	2009-01-15 01:04:29.0

The interface includes a navigation menu on the left with options like 'ISD2R Home', 'Reception Log', 'Application Registration', 'Self Service Inbox', 'Maintain Application', 'Front Desk', 'Scheduling', 'Data Collection', 'Eligibility', 'Simulation', 'Benefit Issuance', 'Benefit Recovery', 'Correspondence', 'Redetermination', 'New Mexico Works', 'Interfaces', 'Transaction Logs', 'Security', 'Inquiry', 'Tasks/Reminders', 'Manage Office', 'Resources', 'Reference Tables', 'Reports', 'Batch Reports', and 'Case Reads'. The search results table has a 'Record Set 1 of 7' indicator at the bottom right.

Address http://localhost:9080/ControllerServlet?REQUESTED_PAGE_ID=ARSAR&reqPageId=restart Go

Deloitte User USER ID: user01 ISD2R Project Search By APPLICATION 0 Go 06 March 2009

History Case Info Navigation Organizer

- ISD2R Home
- Reception Log
- Application Registration
 - Register an Application
 - Self Service
 - Inbox
- Maintain
 - Application
 - Search Application
 - Maintain Application
 - Maintain Individual
 - Maintain Program
 - Application Disposition
- Front Desk
- Scheduling
- Data Collection
- Eligibility
- Simulation
- Benefit Issuance
- Benefit Recovery
- Correspondence
- Redetermination
- New Mexico Works
- Interfaces

Search Application ? ★ 📄

Reset Search

Application Search Criteria

Prefix: [v] First: [] Middle: [] Last: [] Suffix: [v]

SSN: [] - [] - [] Application Number: T40022149 Case #: []

Begin Date: [mm / dd / yyyy] End Date: [mm / dd / yyyy]

Program: [v]

Head of Household:

Reset Search

Application Search Results

Application #	Head of Household	Program	Date Received	Application Status
T40022149	Garcia, Maria 25F	FAP,Medicaid	03/06/2009	Application Complete

Record Set 1 of 1

Done Local intranet

Address <http://localhost:9080/ControllerServlet> Go

Deloitte User USER ID: user01 ISD2R Project Search By APPLICATION 0 Go 06 March 2009

Search Application

Search Application - Application Detail ? * 📄

* Application #: Reset Search

Application Summary

Application: [T40022149](#) Status: Application Complete Date Received: 03/06/2009

Head of Household: Garcia, Maria 25F Expedited: Yes

Name	SSN	Individual #	Date of Birth	Program	Alias Name (s)	SSCII/ RRII(s)
Garcia, Maria 25F	223-23-2323	0400023258	12/10/1983	FAP Medicaid		
Garcia, Anna 3F	343-34-4343	0400023259	02/20/2006	FAP Medicaid		

Application Assignment Details

Employee User ID	Employee Name	County	Office	Unit	Phone
user001	Deloitte User		ISD2R Project	118	0

Done Local intranet

Check Benefits

The screenshot shows a web browser window displaying the STEPS application. The header features the STEPS logo, the text "HHS Integrated Eligibility and Case Management Suite", and the Deloitte logo. Below the header, there are "Print" and "Help" buttons. The main content area is titled "MyBenefits" and contains a "Check My Benefits" section. This section includes the instruction "First, Please fill in your Application Number or Case Number" and two input fields: "Application Number" (empty) and "Case Number" (containing "140021149"). At the bottom of this section are "Back" and "Submit" buttons. At the bottom of the page, there are links for "Legal Notices", "Privacy Notice", and "Acceptable Use Policy". The browser's status bar at the bottom shows "Done" and "Local intranet".

YES NEW MEXICO - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://localhost:9080/access/accessController?id=0.6633913140861917> Go

STEPS *HHS Integrated Eligibility and Case Management Suite* **Deloitte.**

MyBenefits Help

Welcome to My Benefits. This page gives you a quick look at your benefits.

What is the status of my benefits?

Here is a summary of the benefits you have requested. If you recently applied for benefits, the status of your application is given. This information is current as of Friday March 6, 2009.

Which benefit?	What is my status?
FoodStamps	In March 2009, Maria, Selma and Jose are getting a total benefit of \$ 268.00 per month.
Low Income Families (LIF) Medicaid	In March 2009, Maria, Selma and Jose are getting Low Income Families (LIF) Medicaid benefits.

Back

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Done Local intranet

start C:\Startup scripts C:\WINDOWS\system... 3 Internet Explorer Document1 - Microsof... 9:59 AM

Report Changes

Welcome to Report My Changes! As part of getting benefits, you may need to tell your worker if you have changes in your household, your income and/or your bills. This tool will help you report those changes.

For most changes, you'll need to mail, fax or bring proof to your worker within 10 days of when your worker asks for it. Without this proof, your changes cannot be made and your benefits may end. [Click here](#) to read more about the kinds of proof you may need to give to your worker.

Reporting Changes Through Self Service Application

Please check the boxes for all of the changes that you want to report through Self Service Application.

Based on the benefits you are getting, here are the changes you **must** report:

<input checked="" type="checkbox"/> Your address or phone number has changed	<input type="checkbox"/> Someone moved into your home
<input type="checkbox"/> Someone moved out of your home	<input type="checkbox"/> Someone became pregnant
<input type="checkbox"/> Someone's pregnancy ended	<input type="checkbox"/> Someone became disabled, blind, or unable to work because of illness or injury
<input type="checkbox"/> Someone got married	<input type="checkbox"/> Someone got divorced
<input type="checkbox"/> Someone had a change in a job, in-kind job, or self-employment	<input type="checkbox"/> Someone's housing or utility bills changed
<input type="checkbox"/> Someone had a change in another type of income (other than a job or self-employment)	

Keep in mind that you should only report changes that have already happened or are going to happen within the next 30 days. If you have a change that will happen after Sunday April 5, 2009, you should wait to report the change.

FUNCTION	STATISTICS
Screening <i>(Aug 2004 – Jan 2009)</i>	a. Started to date: 356,986 b. Average started per month: 13,943 c. Completed to date: 333,202 d. Average completed per month: 13,098 e. On average, it took between 15 to 20 minutes to complete a self assessment
Online Applications <i>(June 2006 – Jan 2009)</i>	a. Applications <ol style="list-style-type: none"> i. Started to date: 262,195 ii. Average started per month: 15,727 iii. Submitted to date: 150,053 iv. Average completed per month: 9,158 v. Full applications: 125,391 vi. Applications with just filing date: 24,662 vii. Priority Service Eligible: 24% b. Applications by Program <ol style="list-style-type: none"> i. Food Stamp: 101,262 <ul style="list-style-type: none"> • Expedited: 30,657 • Non-expedited: 70,605 ii. Medicaid: 109,288 iii. Family Planning Services: 32,317
Check Benefits <i>(Sep 2005 – Jan 2009)</i>	a. Number of MyACCESS accounts created: 138,110 (92,760 unique accounts)
Report Changes	a. Started in Jan 2009: 3,498 b. Submitted in Jan 2009: 2,287

Appendix B - IVR Hardware / Software Components

The following is a list of required hardware and software for each environment of the IVR application that will be required. Our assumption is that the State will procure Hardware and Software as needed.

List of Hardware/Software Components that will be needed by environment:

Hardware/Operating System (OS)	Development	Quality Assurance Test	User Acceptance Test	Production
Hardware: Telephone Server for IVR System (Scaling / Number - based on capacity analysis)	✓	✓	✓	✓
Hardware: Server – Voice Recognition (Scaling/Number - based on capacity analysis)	✓	✓	✓	✓
Load Balancer		✓		✓
Software: Voice Recognition Server	✓	✓	✓	✓
Software: IVR Server Software	✓	✓	✓	✓
Voice Application IDE	✓			
Rational Configuration / Change Management Tool	✓	✓	✓	✓
Application or Event Monitoring Tools	✓	✓	✓	✓
Hardware: Database Server – Oracle (reuse Self Service Database and extend based on capacity analysis)	✓	✓	✓	✓
Hardware (Application Servers – To retrieve IVR information from Database) (reuse Self Service Servers and extend based on capacity analysis)	✓	✓	✓	✓
Phone System Load / Stress Testing Tools		✓		
Toll – Free Number				✓
Toll-Free Number with X Ports (based on capacity analysis)				✓
Telephony Connectivity to Environments	✓	✓	✓	✓
TDD/TTY Testing Equipment (Accessibility)		✓	✓	

Assumption: This proposal doesn't include cost estimates for any additional hardware and software licenses determined to be required based on analysis during the requirements gathering and design sessions. Any future hardware or software requirements to support ongoing maintenance or changes in usage of these solutions are also the responsibility of the State.

Appendix C – IVR Sample System Prompts

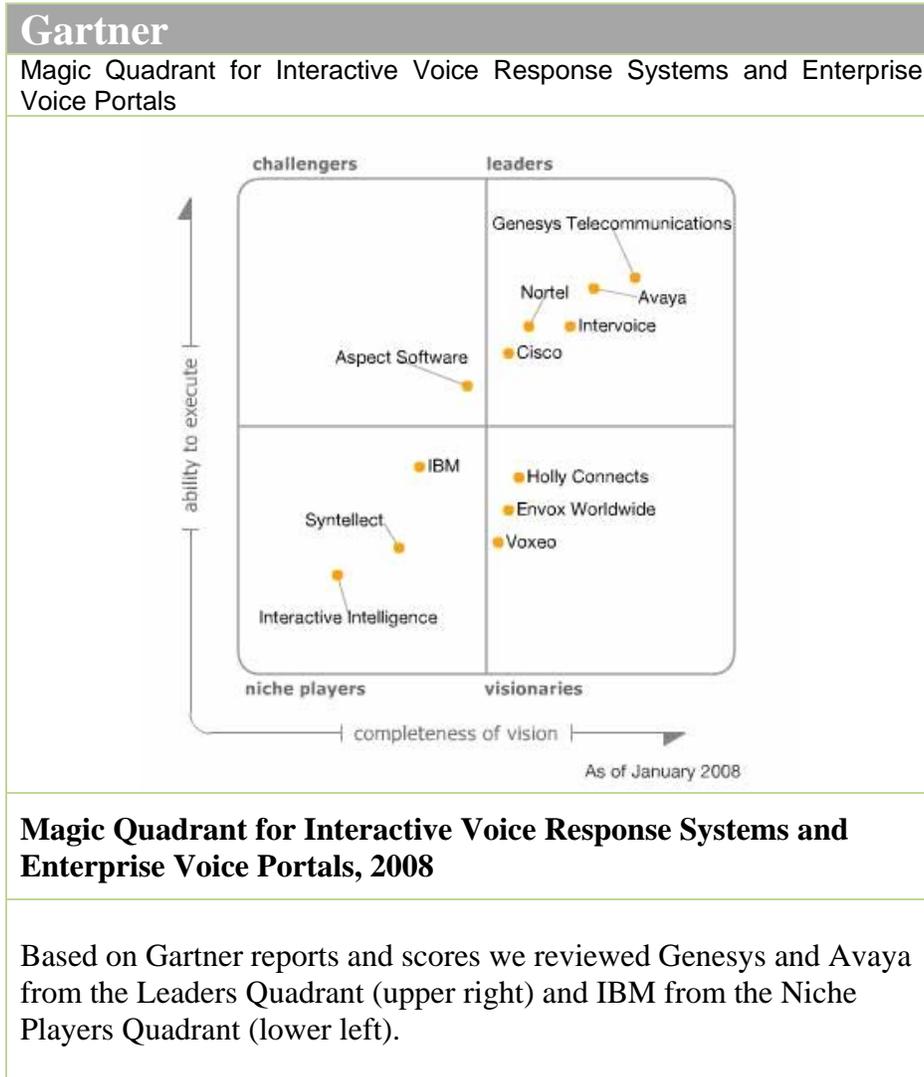
The sample diagram below describes the key processes in the system and some of the prompts that the client will receive in the proposed system:

S. No.	Pre-defined Process	Prompt Detail
1.	1000 Welcome Message	“Welcome to Michigan Bridges Interactive Voice Response System.”
2.	1010 Language Selection	“To continue the call in English, press 1” (in Spanish) “To continue the call in Spanish, press 2”
3.	1020 User Validation	“To verify your identity, please enter the case number, last 4 digits of your social security number, followed by your date of birth.” <i>Requirements for Security, Authentication and Account Management Features will be confirmed during requirements</i>
4.	1030 Main Menu	“If you are calling about a recent application, please allow 30 days for your application to be processed before calling about its status.” <i>Expedited FAP / programs with different SOP (Standard of Promptness) will have a separate message</i> “For the status of a recent application or information regarding your current benefits, press 1.” “To inquire about a recently reported change, press 2.”
5.	1040 Inquiry	“To inquire on your application / case status, press 1” “To inquire on benefits that are approved, press 2” “To inquire on your upcoming appointments with the Department of Human Services, press 3.”
7.	1041 Inquire on Application Status	“You have the following applications in Bridges: Case number X – Pending for verifications for following Individuals... Case number Y – Approved for Food Assistance Program and Cash Benefits”
8.	1042 Inquire on Benefits	“As of xx/dd/yyyy you are eligible for Food Assistance Program. Your monthly benefit amount is \$x.xx. The review for this assistance program is xx/xx/xxxx.”

Appendix D – IVR Infrastructure Product Market Analysis

As part of our preparation for this Proposed IVR solution, we conducted research of currently existing IVR products in the marketplace. Our research included:

- Interviews with a number of Deloitte Experts with expertise in IVR, Call Center and Eligibility Industry Experience
- Multiple Research and Rating Papers from premier agencies such as Gartner and Forrester
- Current Bridges Architecture
- Current DIT Expertise with IVR



Deloitte Consulting LLP

Based on the external research and analysis:

Vendor / Offering / Summary	Pros	Cons	Estimated Cost including software / hardware
<p>Genesys Genesis Voice Platform (GVP)</p> <p>A market leader with support for all current as well as emerging standards.</p>	<p>Genesys consistently leads the way on features and functionality for implementing voice self service within a multi-channel strategy.</p>	<ul style="list-style-type: none"> • Genesys solutions are often expensive compared with those of other vendors. 	<p>Note: associated costs for these items are not currently a part of the IVR Proposed Solution Cost Estimate. Deloitte will provide an estimate at the request of the State, if desired.</p>
<p>Avaya Avaya Voice Portal (AVP)</p> <p>DIT has expertise on an older version. Newer version uses Web Services Approach to Integration.</p>	<ul style="list-style-type: none"> • Transferable licensing from IR to AVP lowers the barriers for customers planning to migrate from Avaya's legacy Conversant platform to AVP as well as support for 28 languages. • Dialog Designer (DD), Avaya's Eclipse-based application development tool, allows easy design and development of Voice Applications. 	<ul style="list-style-type: none"> • Pricing is competitive but higher than that of other players, excluding Genesys. 	
<p>IBM WebSphere Voice Response (WVR)</p> <p>A niche player with deep integration capabilities with current Bridges Architecture and high scalability.</p>	<ul style="list-style-type: none"> • WebSphere Voice Response integrates easily with WebSphere (current Bridges Server). • Considered when requirements call for a large-scale platform with strong integration with WebSphere. 	<ul style="list-style-type: none"> • IBM has no specific telephone products. Need 3rd Party Integration. • WVR only supported on AIX and Windows. 	

Appendix E – Functionality Included in Online Self Service and IVR

The chart below shows detailed functionality which will be implemented in each phase and what can be reused from our online self service transfer solution.

PHASE	Functionality	Details	SELF-SERVICE		IVR	
			Front-end Reuse	Back-end Reuse (Separate Database)	Front-end Reuse	Back-end Reuse
CHECK MY BENEFITS	Worker Information	Who's my worker?	No	No	No	Partial
	Application Status	Application Status	Partial	No		
	Case Status	Case Status	Yes	No		
	Benefit Status	Program Benefit Status	Yes	No		
	Appointment Information	Future Appointments Only	No	No		
	Pending Verifications	Pending Verifications specific to a case	Partial	No		
APPLY FOR BENEFITS	Language Conversion / Proof Reading	* English * Spanish	Partial	N/A	Phone Tree Spanish/English Authentication Load Balancing Configuration	Cannot use existing State IVR Software Cannot connect to EJB/Web Service State needs to buy new software
	Apply On-Line	Apply for Benefits	Partial	No		
	File Clearance		No	No		
	Assign to Worker	Worker Assignment	No	No		
	E-Application Form	Application Summary PDF	Partial	No		
	Generic Verification Checklist	Post Application Verification Checklist (generic for all applications)	Partial	N/A		
	Office Locator	Location of closest local DHS Office	Partial	No		
	On-Line Help	Page / Field Specific Help	Partial	N/A		
	Account Creation	Creating new User Accounts	Partial	N/A		
	Authenticate Account	Authenticating User Account Information during logon	No	N/A		
	Save and Exit		Yes	N/A		
	Electronic Signature	Electronic Sign and Submission	Yes	N/A		
REPORT MY CHANGES	Changes in Household Address		Partial	No		
	Member moving into the household					
	Member moving out of the household					
	Member becoming disabled					
	Change in Job or Self-Employment					
	Change in Unearned Income					
	Change in Housing or Utility Bills					
Change in other Expenses						

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

February 9, 2009

CHANGE NOTICE No. 6
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: Jskowron@deloitte.com		TELEPHONE (616) 336-7937 John Skowron
		BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract		
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010		
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

Effective immediately the following changes are made to this contract (see attachments for details):

1. **Scope Updates:** Change Control Groups 10 and 11, along with Release 2 requirements, were analyzed for swamping with new items.
2. **Wave Roll-out Schedule:** an extended Pilot is created, along with a revised county roll-out strategy.
3. **Release Schedule:** a listing of the major scheduled release dates for planning purposes.
4. **Remaining Deliverables (i.e. "Release 2");** revised Release 2 requirements are phased into the existing Release 1 timeline for a more seamless implementation
5. **Revised Payment Schedule:** the payment schedule is now more closely aligned with the major scheduled release dates.

Authority/Reason(s):

Per DHS/DIT/DMB and vendor concurrence.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$95,486,138.00

**Request for Change Notice to Contract 071B6200149
Deloitte Consulting LLP
Bridges Development/Implementation Contract**

NATURE OF CHANGE(S):

The following summary of changes:

1. Scope Updates: Change Control Groups 10 and 11, along with Release 2 requirements, were analyzed for swapping with new items
2. Wave Roll-out Schedule: an extended Pilot is created, along with a revised county roll-out strategy
3. Release Schedule: a listing of the major scheduled release dates for planning purposes
4. Remaining Deliverables (i.e. "Release 2"): revised Release 2 requirements are phased into the existing Release 1 timeline for a more seamless implementation
5. Revised Payment Schedule: the payment schedule is now more closely aligned with the major scheduled release dates

Authorized Signature: _____ **date January 22, 2009**
Michael Scieszka, Information Officer

Contract Value: remains \$ \$95,486,138:

Table 1 – Overview of Contract Cost

Contract Items	Original Contract	Update 1	Update 2	Update 3	Update 4	Update 5	Update 6
1. 4-Year Hardware & Software	\$11,008,898	\$11,008,898	\$5,008,898	\$5,008,898	\$4,068,538	\$4,068,538	\$4,068,538
2. Development & Implementation – Release 1.0	\$28,860,497	\$32,171,117	\$32,171,117	\$32,171,117	\$32,171,117	\$36,292,073	\$36,292,073
a. R1 Strategy Change	\$0	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480
3. Development & Implementation – Release 2.0	\$10,345,685	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065	\$5,276,299
4. Development & Implementation – Release 3.0	\$7,051,364	\$7,051,364	\$7,051,364	\$7,051,364	\$0	\$0	\$0
5. 4-Year Ongoing Production Support	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$3,599,118	\$3,599,118
6. 4-Year System / Service Enhancements	\$8,120,576	\$1,256,096	\$7,256,096	\$1,196	\$7,992,920	\$6,037,486	\$1,027,099
a. Enhancement Funding Allocated	\$0	\$0	\$0	\$7,254,900	\$7,254,900	\$31,589,378	\$38,358,531
TOTAL 4-YR PRICE FOR BRIDGES PROJECT	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$95,486,138	\$95,486,138

Overview of Previous Updates:

Update 1 - Release 1/Release 2 Strategy Change (Legacy Stabilization)

Update 2 - Move from Hardware/Software to Services

Update 3 - Invoicing Change Controls revised

Update 4 - Release 3 descoped, hardware/software remaining re-allocated

Update 5 - Changes in schedule and scope

Update 6 - Changes in schedule and scope

Additional details for the 3 areas modified for the Bridges contract:

1. Scope Updates and Associated Release Schedule

Scope Updates

Some requirements from the Change Control Groups 10, 11 (Change Notice # 5 Appendix and Official Correspondence DS-0447), and Release 2 are de-scoped from the Bridges Contract. In place of these de-scoped requirements, many new requirements are added to the Contract. The following tables summarize what is removed and added to the contract:

Total Amount Removed

Invoice Item	Cost	% Reduced	Amount
Group 10 Reduction Estimate	\$6,296,104	3%	\$196,753
Group 11 Reduction Estimate	\$5,756,438	30%	\$1,726,931
Release 2 Reduction Estimate	\$7,035,065	25%	\$1,758,766
Total Amount Removed			\$3,682,451

Total Amount Added

Invoice Item	Cost	Expense	Amount
Changes in Release 1.0 - 1.2 (Calhoun)	\$1,176,704	\$176,506	\$1,353,210
Changes for Release 1.3 - 1.4 (Barry/Eaton)	\$3,037,600	\$455,640	\$3,493,240
Change in Release 1.5 (Ingham)	\$1,337,874	\$200,681	\$1,538,555
Change in Release 1.6 - 2.0 (Wave Roll-outs)	\$2,006,811	\$301,022	\$2,307,833
Total Amount Added			\$8,692,838

Total Amount Remaining Un-Allocated

Category	Amount
Total Added	\$8,692,838
Total Reduced	\$3,682,451
Total Net Added	\$5,010,387
Existing Enhancement Allocation	\$6,037,486
Total Remaining Un-Allocated	\$1,027,099

2. Wave Roll-out and Release Schedule

The Wave Roll-out schedule is revised to accommodate an Extended Pilot for a larger county (Ingham). The following table illustrates the revised Roll-out Schedule:

	Expanded	Expanded							
	Pilot A	Pilot B	Wave 1	Wave 2	Wave 3	Wave 4	Break	Wave 5	
Go Live Date:	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	June 2009	July 2009	Aug 2009	
Rollout Sequence:	Calhoun	Barry/ Eaton	Ingham	Western Area (Remaining 18 offices)	Genesee Kent	Northern Area Oakland	Eastern Area		Wayne and Macomb

Please note that further changes to this schedule subsequent to the approval of this Change Notice might impact the cost estimates. It is presumed that DHS will provide supplemental implementation resources (e.g., trainers) in addition to Deloitte implementation staff in order to accomplish Wave 5.

3. Associated Major Release Schedule

The current Major Release dates are:

- 1.4 – January, 2009
- 1.5 – February, 2009
- 1.6 – March, 2009
- 1.7 – April, 2009
- 1.8 – May, 2009
- 1.9 – June, 2009
- 1.10 – July, 2009
- 2.0 – August, 2009

4. Remaining Deliverables (i.e. “Release 2”)

The above Scope Update revisions and the Associated Major Release Schedule modify the current notion of “Release 2”. Release 2 requirements are now merged with the remaining Release 1 schedule; this is to facilitate the management of a single list of requirements to be implemented for the remainder of the contract. The existing Release 1 processes (such as Requirements Validation or Quality Assurance Testing) will be used in lieu of separate “Release 2” deliverables. The Appendix details the target schedule for the remaining original Release 2 requirements. When the Model Payments (i.e., Providers or MPS) requirements are moved into Production, Bridges will move to the naming convention of Release 2.0.

5. Revised Payment Schedule

Due to the changes in scope and schedule, the following Table reflects the revised payment schedule for the remaining payments on the contract:

Remaining Bridges Service Pay Points	Target Date	Invoice Amount			
Revised Scope for Release 1.0 - 1.2	Preparing Invoice for Jan-09	\$1,353,210			
Revised Scope for Release 1.3 - 1.4 (includes portions of original Groups 10 and 11)	Preparing Invoice for Jan-09	\$7,235,050	REQ/DES	QAT	PROD
Revised Scope for Release 1.5 (full amount by)*	Feb-09	\$4,222,707	\$2,111,353	\$1,055,677	\$1,055,677
Revised Scope for Release 1.6 (full amount by)*	Mar-09	\$1,489,110	\$744,555	\$372,277	\$372,277
Revised Scope for Release 1.7 (full amount by)*	Apr-09	\$809,978	\$404,989	\$202,494	\$202,494
Revised Scope for Release 1.8 (full amount by)*	May-09	\$1,890,202	\$945,101	\$472,551	\$472,551
Revised Scope for Release 1.9 (full amount by)*	Jun-09	\$2,358,475	\$1,179,238	\$589,619	\$589,619
Revised Scope for Release 2.0 (full amount by)*	Aug-09	\$4,702,631	\$2,351,315	\$1,175,658	\$1,175,658
Wave 1	Mar-09	\$2,010,184			
Wave 2	Apr-09	\$2,010,184			
Wave 3	May-09	\$2,010,184			
Wave 4	Jun-09	\$2,010,184			
Wave 5	Aug-09	\$2,010,184			
Production Support month 5	Dec-08	\$224,945			
Production Support month 6	Jan-09	\$224,945			
Production Support month 7	Feb-09	\$224,945			
Production Support month 8	Mar-09	\$224,945			
Production Support month 9	Apr-09	\$224,945			
Production Support month 10	May-09	\$224,945			
Production Support month 11	Jun-09	\$224,945			
Production Support month 12	Jul-09	\$224,945			
Production Support month 13	Aug-09	\$224,945			
Production Support month 14	Sep-09	\$224,945			
Production Support month 15	Oct-09	\$224,945			
Production Support month 16	Nov-09	\$224,945			
Miscellaneous Production/Training Items*	as incurred	\$21,880			
Total remaining allocated		\$36,833,503			
System and Service Enhancement - currently unallocated	TBD	\$1,027,099			
Total remaining in budget		\$37,860,602			

* This invoice amount may be submitted at the schedule to the right of the line item

† This cost is being swapped from a previous deferred Group 2 change; includes Training cassett disks

APPENDIX:

- **Add/Keep Items for Release 1.0 – 2.0**
- **Swap-out Requirements from Group 10/11/Release 2/Future Revisit**

Please note: subsequent additions to the Appendix items shall be mutually agreed upon by the State and the Contractor, to the extent, that it does not impact schedule and total effort. Target Releases may change due to management prioritization. Change Requests assigned to DIT are not included in the list.

APPENDIX: Release 1.0 – 2.0

Tracking #	Requirement listed	Target Release
22502	SDX Addresses updates	1.0
22814	TMA changes for Pilot	1.0
23054	CSHCS & MOMS Security	1.0
23349	Expand BI-500 into Separate Reports	1.0
23540	Exceptions - additional changes	1.0
23557	Determining Dates for SER Roll-up Reports	1.0
23641	SWSS - potential modifications to cross-walk	1.0
23655	FAP semiannual mid cert date in the month of conversion	1.0
23724	Additional MiCSES Absent Parent Fields	1.0
95767	Redet date setting for QMB, SLMB, ALMB	1.0
23778	TANF Reauthorization for October 2008	1.1
119635	Exceptions - HKP approved for Feb, Mar & Apr via an exceptions	1.1
124439	QC Fixes for Active Sampling and AM-762	1.1
98579	FAP Pending for Proof of Disability/Second month	1.2
106521	DCH - Bridges pends for Full Coverage for person	1.2
106537	DCH Bridges requires inappropriately pends for alien documentation	1.2
123786	DCH MMSI Cross-walk changes	1.2
124024	All prior SERS display as Requested back to 2005.	1.2
124312	Case# 100037294-Bridges is disqualifying the adult	1.2
125012	EDBC-isn't showing deductible met	1.2
125016	T/R-text is incomplete	1.2
125060	Error received indicating income was too old to us	1.2
125447	SER-entire history is printing with denial letter	1.2
126410	HB 5814 Indigent Burial Rates Annual	1.2
126412	Annual LOA2/Bridges SER Budget	1.2
126414	FAP Ann COLA Stds and Issuance Tables Update	1.2
126419	Deletion of Dependent Care Expense Cap for FAP	1.2
126579	CV should not create closed SSI/Active SSP cases	1.2
126678	Issues with IN_SERVICES_STATUS mapping	1.2
126803	Bridges Correspondence	1.2
126977	Plan first is getting denied due to FIP non-compli	1.2
127088	Conversion-SER-was converted as approved, but shou	1.2
127160	R1.2 PDA Development Request BRGUS00112445	1.2
127424	T/R-FIP-closed due to non-completion of fast. wor	1.2
127520	Correspondence-Delete DHS-3503 -Targeted FAP	1.2
127982	Eligibility-SER-shows pending in legacy, but doesn	1.2
128275	Conversion - When OHK converts it is supposed to c	1.2
128616	Conversion - MA Ad Care - client's Adcare was clos	1.2
128721	Correspondence-DHS-2063-B Filing Date	1.2
129088	Changes to Program Request Screen	1.2
129346	Eligibility-FAP-Dependent Care Deduction	1.2
129356	Redetermination-SSI-showing an old QMB redet date	1.2
129457	DCH: RACE and Ethnicity changes	1.2
129518	DHS-3503 Exp FAP Month Incorrect	1.2
129632	Create the Java utility to optimixe AU_TXN_LOG	1.2

Tracking #	Requirement listed	Target Release
129694	Display QC Active FAP Monthly Random Start Numbers	1.2
130383	ES-111 prod run wrong	1.2
130434	DLEG 2 par - 1 referred	1.2
130445	DC MICSES Ability to delete an AP in DC	1.2
130543	Eligibility-Redet-DHS-1605 Medicaid	1.2
130546	Correspondence-Medicaid-G2S EDG up for review not	1.2
130592	DSS / FAP E&T transportation reimbursement	1.2
130679	DCH - No Automatic QMB eligibility	1.2
130778	Read-Only 'button'	1.2
131047	MH-632 Report Changes- Report based on SER Service	1.2
131231	DHS-22-A - Stop generating for AFC/HFA	1.2
131377	EN-290 report for SER	1.2
131960	Case Load Search ScreenPrint Options Modifications	1.2
132341	Development Request# - BRGUS00106521 & # 106537	1.2
132610	EL2503 - Text Changes	1.2
20754	Protective Payee / Authorized Rep	1.3
20979	Soundex for providers	1.3
72910	SER required payments group size	1.3
98127	edbc-assets-csv of life insurance	1.3
106306	Correspondence-DHS-1605 CDC deny ongoing	1.3
117258	DHS-1010 Central Reprints	1.3
126348	Annual RSDI/SSI Update - 2008	1.3
126389	Non-Coop Screen and Sanctions FSSP Conversion	1.3
130033	Changes to logic to handle DQM = F	1.3
130302	Conversion matching logic update - FIP/FAP	1.3
130770	TIP of the day	1.3
131235	Benefit Issuance-FAP-need to allow user to delete	1.3
132347	DCH Submitted - Changed language - MMIS not updated	1.3
133114	Impl. ann. RSDI & SSI notice (DHS-4066) (CR 22438)	1.3
134483	Annual RSDI/SSI Income Limit Update	1.3
135420	DHS-1010 - Redetermination	1.3
135615	Date Pop-up Window	1.3
136431	Remove edit on Program Request from Summary and Individual	1.3
20060	Offset underissuance and overissuance with the same ED/BC run	1.4
20172	Send 1099 file to IRS annually	1.4
20449	County Needed for Out fo State Benefits	1.4
20536	Provider Assignment Screens	1.4
20591	Changes to Homeless Reason Table	1.4
20680	Medical Review Process and Verification Checklist - Manual Form Need	1.4
20749	Lump Sum Screen (and Liquid Assets)	1.4
20841	Add Decision Table for FIP Temporary Absence	1.4
20842	Non-Saleable Assets - SSI-Related MA	1.4
21108	MWA Referral & Self-Sufficiency data display	1.4
21593	Streamline Newborn Entry -	1.4
21726	Calendaring and Scheduling -	1.4
21920	EBT Demographic Records	1.4

Tracking #	Requirement listed	Target Release
22277	DCH Delete Future Eligibility Segments from MMIS -	1.4
23112	manual reassignment	1.4
99367	Eligibility-TMA-Plus Eligibility	1.4
110954	Correspondence-SER-Missing denial reason	1.4
117731	849 missing information	1.4
124976	DCH SSI Manual case maintenance (new changes to 22242)	1.4
128943	Send JET Terminations on Negative Action Effective	1.4
129455	DCH - PACE changes	1.4
129552	FAP Heating/Cooling Standard	1.4
130302	Conversion matching logic update - MA	1.4
132339	TMA Plus changes	1.4
134538	CDC Union Dues	1.4
134679	Special Medicaid TOAs shown based on roles	1.4
134686	Recipient Annual Statement	1.4
134729	Warn user on session time out	1.4
135333	Dispose existing VCL related T & R when VCL due date is extended	1.4
135340	Adding the category to separate Informational Task and Reminders	1.4
135424	DHS-170 - Appointment Notice	1.4
136421	DHS-3503 - Verification Checklist/VCL	1.4
136445	Mass case reassignment transferring cases with pending appointments	1.4
98055	MH-632	1.5 (1.4.1)
139708	Changes to CONVERSION_DT	1.5 (1.4.1)
20152	Winter Protection & Restoration Pgms	1.5
20646	Associating Clients to Denied, Closed and Ongoing cases	1.5
20678	DRA Citizenship Verification Requirement Using Birth Registry	1.5
20897	MRT Review Date	1.5
21252	CDC Provider Assignment Detail Screen	1.5
21574	Missing Release 1 Reports	1.5
22108	SSN/ Armed Forces & Alien/Refugee Screen Changes	1.5
22155	Daily MAIN Reconciliation Report for BoA -	1.5
22234	DCH Interface - Death Match	1.5
22462	All Questions Pages -	1.5
22991	Case status display	1.5
23095	Generic Denials for MA, MCS, & Cash	1.5
23197	Utility requires 1-to-1 in records rec'd vs sent	1.5
23910	DCH BCCP Redetermination Changes	1.5
24069	Change PT Codes in MMIS Interface	1.5
51181	Manage Office Resources-MA-Case Transfers of Companion Cases Error	1.5
79233	track SDA repays	1.5
96246	IAA (Initial Asset Assessment) updates	1.5
102658	Correspondence-Medicaid-no reason message printed for patient pay increase	1.5
104693	ED-ALMB review dates	1.5
109996	CDC - Dude Houser was paid at wrong DP% out of wrong time block	1.5
111203	ED-SDA-Income increase shows no change	1.5
112643	Eligibility-SDA-eligibility should not be pending for AFC customer	1.5
112839	Data created by Bridges for transfer to AuthentiCare incorrect	1.5

Tracking #	Requirement listed	Target Release
113686	Provider payment may begin up to 10 days before SDA application	1.5
115822	BI-CDC-Needs to be Consistent and With Priority	1.5
115835	BI-CDC-Consistent and Priority2	1.5
120119	Exceptions Improvements holder (specific item for this DR: DSS-EDG does not appear on policy exception screen)	1.5
128807	Michigan Coordinated Application Project (MiCAP)	1.5
134673	Edits on MMIS pre-conversion details	1.5
134676	Allow units to be build without programs	1.5
134683	User should be made active and inactive	1.5
134742	Refactor tip of the day and release notes position	1.5
134746	Repayment of State Funded FIP	1.5
135169	change to the conversion logic to accomodate FRC (special accomodation code)	1.5
136318	FG-41 SER resolving emergency 4 servic in same grp	1.5
136414	DHS-1605 – Notice of Case Action	1.5
136425	DHS-1514 - SER Application (add to Bridges as a template)	1.5
136427	SER Required Payments Verification	1.5
136428	Automatic SER closures after 60 days	1.5
136429	SER Pending Payments Report	1.5
136430	Separate Notice for Manual SER Denial (This will be similar to DHS-1150)	1.5
136433	Individual Inquiry to allow SOLQ request for Local Office workers	1.5
136435	SOLQ report changes	1.5
136437	Data Collection screen to show whole SOLQ report	1.5
136440	SOLQ need to be modified to show historic SSI income information	1.5
136442	Authorized staff should be able to request SOLQ from Left Nav	1.5
136443	Companion case assignment vs. Special Skill and TOA assignment hierarchy	1.5
136444	Consider experience level in case reassignment; incorporate % when rebalancing	1.5
136446	Manual case assignment warning for companion cases	1.5
136451	New summary screen to display summary of Programs and TOAs	1.5
138718	Energy Cap Incr, Inc Need Std Chge for Energy Serv	1.5
140974	additional T/R text changes for the TR Focus Group changes.	1.5
###	Need a capability to retain certain special worker's case assignment	1.5
###	Another capability to require second party review for certain percentage (as opposed to 100%)	1.5
###	Add Case Mode Summary to HomePage	1.5
20412	Add FIP to Simplified Reporting	1.6
21220	Maintain Mystery Shopper Accounts for OIG	1.6
21659	Update Bridges as TOP Debts are Validated Detailed Description	1.6
23169	Iraqi and Afghan Special Immigrants	1.6
65873	Interfaces - MMIS - Aliens should never be coded for any Buy-In Coverage	1.6
79449	Assets-Medicaid and IAA-life insurance policies incorrectly counted	1.6
81151	Front Desk-All Programs-Homeless question needed on Address Search screen	1.6
85060	Assets-Medicaid-Real Property life estate homestead incorrectly queued	1.6
91742	Entered trust as a non revocable trust	1.6
97902	Plan for reunification	1.6
99401	Redeterminations-FAP-Manually sending DHS-1046	1.6
110047	SWSS-FAJ and A.S. needs Services Worker information displayed in the Services Inquiry in Bridges.	1.6

Tracking #	Requirement listed	Target Release
110742	Eligibility-Medicaid-incorrect decision table for COBRA widow(er)	1.6
111418	ED-Adding Newborn to FIP without verifications received	1.6
112590	ED-MA LTC-Homestead asset over 500,000.00	1.6
112664	Redet-DHS-2063-B Triggered in Error	1.6
115578	Eligibility/FAP/head of household	1.6
116179	Eligibility-sanction removed from AD Care-not QMB	1.6
117048	FM Pending SER report	1.6
117484	CO-DHS-1605 Suppress FAJ-MA Denials	1.6
120479	Exceptions - FIP/FAP exceptions with payments not on the benefit issuance file	1.6
120485	Exceptions - Unable to put on exceptions without making demographic changes to pull up elig months	1.6
130729	Eligibility-SER-employment income expense counted incorrectly	1.6
132457	Manual Issuance Approval screen - remove employ ID# and add emp name in pop-up	1.6
133746	BSSA02S File layout	1.6
134202	BV-change claim type and increase overpay amount	1.6
134759	Unit to have begin and end date	1.6
###	Reprint jobs need to be separate like the original print files	1.6
20900	MA for Children aging out of FC	1.7
62231	EDBC-FAP-destitute migrant and seasonal farm worker not budgeting correctly	1.7
84200	correspondence	1.7
85055	Eligibility-Medicaid-Asset summary screen does not show assets transferred for penalty	1.7
89338	NA-120 Not Produced	1.7
99845	IPV Sanctions Details - invalid date fields	1.7
104461	No SSI Final Appeal Drop downs or selections	1.7
107344	corres-FAP-supp amount	1.7
111782	DC lack of Citizen. verif. should only DQ indiv.	1.7
112798	Correspondence-DHS-1605-FIP Supp	1.7
114701	Task 1042 generated incorrectly to DHS worker instead of DCH	1.7
114788	Report VB-9602-Not showing from data	1.7
115312	Pending child coverage for parents alien status verification	1.7
116160	DC ED rental income problems	1.7
117662	Security-Edit for employee id number does not update	1.7
120142	Mass Error Report	1.7
133607	ED/BV-Discrepancy Thresholds Requested	1.7
6.29	Revised requirement: Provide a link from Bridges to an existing State application Family Self-Sufficiency Plan, FSSP.	1.8
8.23	Provide case rebalancing processes to more equitably redistribute cases across a unit or office, to be used at the discretion of supervisory staff. If a case weighting algorithm is used, it must provide equitable redistribution of caseloads.	1.8
20860	Restore Hearing Benefits (rework the exceptions (this is on the exit list))	1.8
21176	Add DCH MMA interface for Buy-In	1.8
22003	Alien & OI Edits	1.8
23071	Consolidate Services Alerts to Bridges Worker	1.8
23113	Wayne Call Center	1.8

Tracking #	Requirement listed	Target Release
8.1.36	BRIDGES must generate an alert as per the following details: Description: Fair Hearing Request – Food Stamps – Send Hearing Packet to Local Office Hearing Coordinator Days till Due: 7 Escalate Switch: Y Escalate After # of days: 7 Auto Dispose Flag: M	1.8
8.1.38	BRIDGES must generate an alert as per the following details: Description: Fair Hearing Request For TANF - Send Hearing Packet to Local Office Hearing Coordinator Days till Due: 7 Escalate Switch: Y Escalate After # of days: 0 Auto Dispose Flag: M	1.8
8.1.39	BRIDGES must generate an alert as per the following details: Description: Fair Hearing Request for FMA – Send Hearing Packet to Local Office Hearing Coordinator Days till Due: 7 Escalate Switch: Y Escalate After # of days: 0 Auto Dispose Flag: M	1.8
8.1.45	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Client Requests Continued FMA Benefits During Appeal. Days till Due: 0 Escalate Switch: Y Escalate After # of days: 2 Auto Dispose Flag: M	1.8
8.1.46	BRIDGES must generate an alert as per the following details: Description: Fair Hearing Request has been made for Food Stamps – Send Form 4800 to the Fair Hearing Officer. Days till Due: 0 Escalate Switch: Y Escalate After # of days: 2 Auto Dispose Flag: M	1.8
8.1.47	BRIDGES must generate an alert as per the following details: Description: Fair Hearing Request has been made for TANF – Send Form 4800 to the Fair Hearing Officer Days till Due: 0 Escalate Switch: Y Escalate After # of days: 2 Auto Dispose Flag:	1.8
8.1.48	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Client Requests Continued Food Stamp Benefits During Appeal Days till Due: 0 Escalate Switch: Y Escalate After # of days: 2 Auto Dispose Flag: M	1.8
8.1.49	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Client Requests Continued TANF Benefits During Appeal. Days till Due: 0 Escalate Switch: Y Escalate After # of days: 2 Auto Dispose Flag: M	1.8

Tracking #	Requirement listed	Target Release
8.1.53	BRIDGES must generate an alert as per the following details: Description: Hearing decision REVERSED-ME. Days till Due: 10 Escalate Switch: Y Escalate After # of days: -1 Auto Dispose Flag: S	1.8
8.1.54	BRIDGES must generate an alert as per the following details: Description: Fair Hearing decision made-ME Days till Due: 10 Escalate Switch: Y Escalate After # of days: -1 Auto Dispose Flag: M	1.8
8.1.58	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Decision Reversed for Food Stamps (Form 4807). Days till Due: 10 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
8.1.59	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Decision Reversed for TANF (Form 4807). Days till Due: 10 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
8.1.60	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Client Requests Reversed for FMA (Form 4807). Days till Due: 10 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
8.1.61	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Made for Food Stamps (Form 4807) Days till Due: 5 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
8.1.62	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Decision made for Food TNAF (Form 4807). Days till Due: 5 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
8.1.63	BRIDGES must generate an alert as per the following details: Description: Fair Hearing – Decision made for FMA (Form 4807) Days till Due: 5 Escalate Switch: Y Escalate After # of days: -2 Auto Dispose Flag: M	1.8
10.16	Archive historical standardized reports electronically.	1.9
10.17	Generate fraud reports. (Need to define the new reports - address matches, zero income getting FAP, etc)	1.9
19553	ED - FIP Disaster Relief	1.9
21283	Changes When a Hearing Is Pending	1.9
21890	Automate DLEG referral notices	1.9
21909	HK Presumptive Eligibility	1.9
22330	Actions on FIP cases related to FC & CPS children being re-unified	1.9
22834	Supplemental Applications for CDC, SER, & BCCP	1.9

Tracking #	Requirement listed	Target Release
73291	CO-Reason EL0113-Not printed - very unlikely that MRT & MA would be disposed on same day => probably live without this for awhile (PRG)	1.9
10.25	Provide required interface files for DHHS TANF reporting and CDC reporting. (Direct connection to send this electronically)	2.0
12.1	MAIN to get EFT information	2.0
12.12	Record any restrictions or limitations that resource may have (e.g. age ranges, maximum number of children, areas served, eligibility requirements, capacities, etc.)	2.0
12.13	Track and communicate provider availability information.	2.0
12.16	Maintain and report contract and provider data.	2.0
12.17	Track status of provider and contracts as necessary.	2.0
12.18	Close providers for long periods of inactivity, failure to renew licenses, etc.	2.0
12.2	Cross-match/ interface to Child Protective Services system to verify CDC provider is not a CPS perpetrator.	2.0
12.20	For providers who are also clients, maintain appropriate security to prevent access to assistance case.	2.0
12.22	Generate tasks/ reminders in situations such as providers who are also clients, address of relative provider becomes address of beneficiary, etc.	2.0
12.24	Provide licensing and certification/ recertification processes, including tracking of violations, incidents, and revocations for foster care adoption, day care, and residential care facilities. Track status of enrollment.	2.0
12.25	Provide weekly cross-match/ interface to Child Protective Services system to verify CDC provider is not a CPS perpetrator.	2.0
12.26	Provide monthly cross match/ interface to State Police system to verify CDC provider is not a felon.	2.0
12.28	Allow only Central Office staff to modify profiles for providers for whom the requesting registration employee is "Central Office". When any change is made in a provider profile, if the address has not been changed in the same transaction, provide a warning message to the user to change the address if needed.	2.0
12.3	Cross match/ interface to State Police system to verify, CDC provider is not a felon. (CP250)	2.0
12.6	Maintain provider service eligibility rules (e.g. relative daycare).	2.0
12.7	Track feedback about or from provider and track any corresponding actions taken.	2.0
12.9	Provide basic summary information of programs, services, and agencies (e.g. characteristics of provider, location, telephone and fax numbers, contact persons, email addresses, hours of operation, brochures, internet links, fee structure, etc.).	2.0
20775	New Form for SER Process	2.0
21222	Automate Medicare Enrollment for 65+	2.0
22356	Display Old Members on Screen	2.0
22399	Add Mass Update Triggers	2.0
22734	DCH Mandate - Enroll Foster Care Children	2.0
23105	DHS-2240-A and DHS-1046	2.0
23187	CDC - When/How to notice the clients that claim has been recorded in Bridges	2.0
23219	Split State-Federal Funding for FIP 19 Year Olds	2.0
23808	Cross edit for HCBS & LTC	2.0
23817	OI Begin Date at Intake (108209, 130713)	2.0
84348	MMIS - 4E Medicaid level of care begin date should be first of the month.	2.0
89559	Report RD094 - Labeling	2.0

Tracking #	Requirement listed	Target Release
103442	AdoptionSubsidy - Death notice and MA closure sent did not update date of death for IND in Bridges.	2.0
111424	Eligibility-Multiple Programs-2nd Party Reviews-Supervisor Returning 2nd Party Review to Worker	2.0
114629	Correspondence-DHS-1605 SLMB Suppress	2.0
115251	Tasks and Reminders-FAP-1150 not being generated	2.0
116141	DCH - No choice of the DCH-1088 application	2.0
117145	MOR Search Summary Only Brings Back 100 Results	2.0
130556	CDC-Two-Party Warrants for Day Care Aides	2.0
130929	MWA Assignment for Wayne County CR 23533	2.0
136426	Changes to SER Fiscal Year CAPs <Not Needed until September 2009>	2.0
136449	Usability changes to end date TOAs for an employee	2.0
12.1.b	<p>Provide the capability to create new providers and update information for existing providers in the provider resource directory. This applies to the following provider types:</p> <ol style="list-style-type: none"> 1. Child Day Care, Licensed Day Care Center, Registered Family Day Care Home, Licensed group Day Care Home, Day Care Aids Relative Care Providers, Unlicensed Daycare Center- Parent on Site, Unlicensed Daycare Center on Federal Land, Unlicensed Family Daycare home on Federal Land, Unlicensed Group Daycare Home on Federal Land 2. Federal Energy, Fuel (LIEAP enrolled energy provider, Maintenance, Repair, and Furniture, County Treasures 3. Heat Electric and Shelter Vendors, Non –LIEAP Enrolled Energy Provider, Shelter 4. Medical Services, Medical Services Provider, Photocopying Services Provider, Adoption Medical 5. Funeral Services, Funeral homes, burial services, etc 6. Families First <p>Provider Maintenance Outside Data Collection 20862 20733 CDC IVR Questions/20632 Also need to match for CDC grantees & providers as part of the CDC Integrity Plan.</p>	2.0
12.21.b	<p>When registering new providers, require user registering the provider to specify the employee who requested the registration. When modifying existing providers, allow modification of the employee (to specify who requested the change). Capture the services provided by the provider as part of provider registration. Allow only Central Office staff to modify provider, if the provider address has not been changed in the same transaction, provide a warning message to the user to change the address if needed.</p>	2.0
12.23.b	<p>The provider profile needs to include the provider address, When requesting new providers, require the address of beneficiary, etc.</p>	2.0
3.16k/9.3j	<p>3.16kCorrections 9.3j Department of Corrections (DOC) (two way) – incarcerated individual match NEED DS agreement - assigned to George Noonan <i>1 - format was changed. 2 - are we going to use their algorithm? Rose Perry, DIT might be handling the format, might be able to get the algorithm from them. DCH is concerned that we are mis-identifying clients as being in either prison or jail from the DoC interface. The interface was discontinued until we can verify that our client matching meets DCH needs & can separate jail & prison as 2 different living arrangements with 2 different provider IDs. Also need to match for CDC grantees & providers as part of the CDC Integrity Plan. Re-instate Dept of Corrections (DoC) Interface</i></p>	2.0
3.16l/9.3n	<ul style="list-style-type: none"> • Bureau of Citizenship and Immigration Services (BCIS), also need to include the interface to them. 	2.0

Tracking #	Requirement listed	Target Release
3.16m/9.3m	3.16m FNS disqualified recipients 9/3m Disqualified Recipient Subsystem (DRS) (two way) – FNS nationwide database to identify individuals disqualified from Food Stamp eligibility; also FNS state file for Michigan. <i>2 parts:</i> <i>1 - We have to send 3rd time fraud offenders to national db. Also need to read national db for new applicants.</i>	2.0
4.3.4	BRIDGES must provide the capability to generate DHS-4481. Generate notices to Child Day Care providers as well as providers / venders to whom clients' cash payments are diverted. This includes notice for enrollment or dis-enrollment, for change in elig	2.0
9.1j	The following existing system interfaces will no longer be needed when the functionality of the interfaced systems is integrated into BRIDGES. Depending on the vendor's approach, temporary interfaces may be required to/from the following applications until the functionality is completely integrated into BRIDGES: Central Registry (immediate and overnight) – check for perpetrators applying as day care providers/ aids/ family care providers	2.0
9.2b	State Police (two way) – criminal history for day care providers/ aids/ family care providers	2.0
9.2i	Provider Energy Treasury Interface	2.0
9.3g	SSA Prisoner Record query (two way) – verification of incarceration	2.0
9.3h	SSA Death Data Exchange (two way) – verify dates of death (need to use the DCH file for this please see the following closed defects 61515, 61517 and closed CR20315 for more detail)	2.0
TBD	CDC Union Dues - Part II	2.0

APPENDIX: Swap-out Requirements from Group 10/11/R2/Future Revisit

Tracking #	Requirement listed	Original Source
21257	Verification Requirements at Redetermination	Group 10
93630	Date of Death Edit	Group 10
19971	MARCS and Income Tax Offset	Group 11
20249	SSN Validation - Periodic Reconciliation with SSA	Group 11
20853	DHS-1440-A, DHS-1440-B, DHS-1440-C Modifications	Group 11
21710	Location of the facility screen in Bridges	Group 11
21781	DCH MMIS change size of fields	Group 11
21943	Expanded View into ASCAP	Group 11
22437	2 of 5 barcode enhancement	Group 11
22637	Change QC Negative sampling from case based to event based	Group 11
22687	SVCS: include indiv components of addr in case inquiry	Group 11
22753	Add CH-461 Migrant Info by County of Residence	Group 11
23064	Addr Screen search needs postal screen validation	Group 11
23137	Need Services Prevention cases for CDC eligibility	Group 11
83356	Receive CS after PA date	Group 11
3.16b	<ul style="list-style-type: none"> DLEG Unemployment Insurance 	Release 2
3.16e/9.2a	<p>3.16e Secretary of State vehicle match 9.2a Secretary of Sate (SOS) (two way) – vehicle and other asset verification</p> <p><i>Nancy will work with George N on a Data Sharing agreements 10/9 George will see what DS agreements we have. Nancy will schedule a meeting for 11/10, 12/10 as a touch point.</i></p>	Release 2
3.16g/9.2j	<p>3.16g Michigan Subsidized Housing Authority (MSHDA) 9.2j Michigan State Housing Development Authority (MSHDA) (two way) – shelter verification from MSHDA; benefit amounts/eligibility to MSHDA Bridges does not have much work to do for this one. The work will be on the DW side. Lou Ann will submit a request.</p>	Release 2
3.16j	<ul style="list-style-type: none"> National New Hire data 	Release 2
3.79	Provide for the matching of placement needs of clients with available resources. Include the flexibility to seek alternative options by changing characteristics or client, resource, or need. (matching with daycare provider based on criteria)	Release 2
4.26	Avoid re mailing to households for which mail has been returned until address corrected.	Release 2
6.30	Log, monitor, track FSSP activity hours. Maintain required data for federal reporting.	Release 2
6.66	Provide a planned change function to consider all or part of state caseload for any or all programs. This functionality will assist the State in applying “what if” scenarios to policy changes under consideration.	Release 2
7.5	Provide capability to disqualify an authorized representative for the FAP program.	Release 2
7.13a	The capability to post payments using the following modes will be developed in later release: 1) Credit Cards 2) Debit Cards 3) Wire Transfer 4) internet payments.	Release 2
8.1.80	<p>BRIDGES must generate an alert as per the following details: Description: To provide notice of monthly unemployment compensation to TANF and FS advisors from TEC files. Days till Due: 10 Escalate Switch: N Escalate After # of days: 0 Auto Dispose</p>	Release 2

Tracking #	Requirement listed	Original Source
9.2.c.7	<p>For individuals that are referred to DLEG MW, the activity enrollment information needs to be sent to BRIDGES for review and action. There are approximately twenty activities the client can enroll in. DLEG will send to BRIDGES information on what activities the client enrolled in. The activity enrollment record (that is sent to BRIDGES) will contain the following fields:</p> <ol style="list-style-type: none"> 1. Recipient ID 2. Activity Code 3. Planned Hours of participate by week 4. Wages per hour 5. Employer Name / Educational Provider list 6. Activity start date 7. Activity End Date <p>When this information is received from DLEG, BRIDGES will update this information for the corresponding individuals. This information has to be used for FSSP (Family Self Sufficiency Plan) Program.</p>	Release 2
9.2d	<p>DLEG Unemployment Compensation Benefits (two way) – applicant/ client unemployment income match - CR #20612 (?)(Unearned Income/UCB Match) - is currently "On-Hold". The receive file from DLEG is not being processed by Bridges. DHS is researching Design Requirement changes. Currently functions per requirements, but not accurate when the results are compared to Consolidated Inquiry.</p> <p>CR #20613 - Earned Income-Wage Match is OK - with a tentative schedule for mid-Nov. 2008, Data Warehouse is stuck.</p> <p>Per Jim Dougherty: The data exchanges between Bridges & DLEG are already in Production (w/ pilot) for #2 & #3.</p>	Release 2
9.2e	<p>DLEG Workers' Compensation Benefits (two way) – applicant/ client workers' compensation income match CR #20612 (?)(Unearned Income/UCB Match) - is currently "On-Hold". The receive file from DLEG is not being processed by Bridges. DHS is researching Design Requirement changes. Currently functions per requirements, but not accurate when the results are compared to Consolidated Inquiry.</p> <p>CR #20613 - Earned Income-Wage Match is OK - with a tentative schedule for mid-Nov. 2008, Data Warehouse is stuck.</p> <p>Per Jim Dougherty: The data exchanges between Bridges & DLEG are already in Production (w/ pilot) for #2 & #3.</p>	Release 2
9.3i	Michigan Unified Query (MUQ) (one way) – TAN F, SDA payments by recipient loaded into MUQ data warehouse for federal use	Release 2
10.4	DW: Allow reporting tools to access all applicable data.	Release 2
10.9	DW: Provide standard/ ad hoc and aggregate/ disaggregate reporting capabilities.	Release 2
10.11	Provide the capability to archive ad hoc report query parameters.	Release 2
10.19	Provide the capability to record, categorize, track, and report on communications received from the public (e.g. complaints and fraud).	Release 2
10.20	Provide the capability to produce and disseminate management reports that contain descriptive, statistical, and trend data on clients by specific programs.	Release 2
10.21	Provide the capability to publish certain status and other statistical reports to the DHS website for public viewing.	Release 2
11.2	Provide the capability to report on spending by varying and multiple factors such as client, case, provider, office, program, etc.	Release 2
11.5m	Program expenditure reports	Release 2

Tracking #	Requirement listed	Original Source
11.5n	State Senate/House financial reports	Release 2
12.10	Provide Internet functionality to facilitate query and retrieval of provider resources. (providers can go online to see who is in the area)	Release 2
12.19	Allow providers to maintain their own business and service-related information, vacancies, etc. online.	Release 2
14.8	Identify, modify, and disseminate error prone profile (after disposition) characteristics as a result of trends identified through the Quality Control process.	Release 2
14.10	Report on program effectiveness and Quality Control measures. (trends)	Release 2
8.28	Track case file/provider file retention requirements	Release 2
8.29	Provide electronic case file/provider file archiving and purging, taking into consideration required case file activity (e.g date of closure, outstanding overpayment claims, existing fraud claims, etc)	Release 2
8.30	Provide methods of retrieving case/client/provider data from archives within 24 hours of request.	Release 2
8.31	Track physical case file/provider file archiving and destruction	Release 2

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

May 6, 2008

CHANGE NOTICE No. 5
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504		TELEPHONE (616)336-7937 Dennis Nickels
Email: dnickels@deloitte.com		BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract		
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S): Effective immediately this contract has been increased by \$25,500,000.00. Four areas on the contract have been modified: 1. Schedule; 2. Scope; 3/ Deliverable and Payment Schedule; 4. Release 1 Pilot and Statewide Rollout Waves – Entrance Criteria. Please see detail below.

Authority/Reason(s): Per DHS/DIT/DMB and vendor concurrence and approval of the 5/6/2008 Administrative Board.

Amount of Increase: \$25,500,000.00

REVISED CONTRACT VALUE: \$95,486,138.00

The following 4 areas are modified for the Bridges contract:

1. Schedule

- Revised Release 1 and Release 2 implementation dates
- Revised contract completion date is now November 10th, 2009

2. Scope

- New scope added for Change Controls (Groups 8-11), as per the Attachment
- Additional Implementation staffing

3. Deliverable and Payment Schedule

- Based on the above revisions and the removal of Release 3 (all R3 associated tasks and deliverables) with Contract Change Notice #4, Deliverables and new associated Amounts are provided in Table 2
- The revised Payment Schedule for the Deliverables is provided in Table 3

4. Release 1 Pilot and Statewide Rollout Waves - Entrance Criteria

- Changes identified in Groups 9 – 10 may be a requirement for implementing a particular Wave only to the extent documented in this section of the change notice.
- Changes identified in Group 11 are targeted for completion by July 31st, 2009.

Table 1 – Overview of Contract Cost

Contract Items	Original Contract	Update 1	Update 2	Update 3	Update 4	Update 5
1. 4-Year Hardware & Software	\$11,008,898	\$11,008,898	\$5,008,898	\$5,008,898	\$4,068,538	\$4,068,538
2. Development & Implementation – Release 1.0	\$28,860,497	\$32,171,117	\$32,171,117	\$32,171,117	\$32,171,117	\$36,292,073
a. R1 Strategy Change	\$0	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480	\$6,864,480
3. Development & Implementation – Release 2.0	\$10,345,685	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065
4. Development & Implementation – Release 3.0	\$7,051,364	\$7,051,364	\$7,051,364	\$7,051,364	\$0	\$0
5. 4-Year Ongoing Production Support	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$3,599,118
6. 4-Year System / Service Enhancements	\$8,120,576	\$1,256,096	\$7,256,096	\$1,196	\$7,992,920	\$6,037,486
a. Enhancement Funding Allocated	\$0	\$0	\$0	\$7,254,900	\$7,254,900	\$31,589,378
TOTAL PRICE FOR BRIDGES PROJECT	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$95,486,138

Overview of Previous Updates:

- Update 1 - Release 1/Release 2 Strategy Change (Legacy Stabilization)
- Update 2 - Move from Hardware/Software to Services
- Update 3 - Invoicing Change Controls revised
- Update 4 - Release 3 descoped, hardware/software remaining re-allocated
- Update 5 - Changes in schedule and scope

Additional Comments on Update 5

Implementation Staffing

Additional Implementation staffing for statewide rollout, as outlined below is part of this revised cost estimate. This cost is added to Release 1 Deliverable and Rollout Wave payment schedule, respectively:

- Site Support: 25
- Trainers: 5
- Team Lead/Business Process: 5
- Manager: 1

Key Roles

The following staff have been identified as having critical roles on this project. These roles are required through State wide implementation of Release 1. Contractor agrees that to the extent these individuals are removed, before the above mentioned timeframe, Contractor will provide a 30 calendar day notice to the State and will replace those individuals with personnel with substantially similar skillsets. These individuals are not considered Key Personnel as defined in the contract.

Tamil Balakrishnan	Roberto Cota
Sreshta Wickramasinghe	Gaurav Diwan
Ravi Nagisetty	Umesh Jadhav
Pani Ramayanam	Gajendra Prasad (GP)

Additional details for the 4 areas modified for the Bridges contract:

1. Schedule

Revised Release 1 implementation dates:

Milestone	Begin	End
Pilot	Aug-08	Oct-08
Wave 1 - 6 Rollout	Nov-08	May-09

Wave 1 – 6 Rollouts will adhere to the following schedule:

	Pilot	Wave 1	Wave 2	Wave 3	-	Wave 4	Wave 5	Wave 6
Go-Live Month	August 2008	November 2008	December 2008	January 2009	February 2009	March 2009	April 2009	May 2009
Rollout Sequence:	Barry, Eaton, & Calhoun Counties	Region 3	Kent & Genesee Counties	Oakland & Macomb Counties	-	Wayne County	Region 4	Regions 1 & 2

Revised Release 2 implementation dates:

Milestone	Begin	End
Requirements	Nov-08	Dec-08
Design	Dec-08	Jan-09
Code	Jan-09	Mar-09
QA Test	Mar-09	May-09
*UAT Scenarios Written	Mar-09	May-09
UAT	May-09	Jul-09
Go-Live	August 10, 2009	

* UAT scenarios will be written by the State prior to the start of the given UAT for all releases.

2. Scope Changes

Please refer to the Change Request Attachment. The Group 8 list is final. For Groups 9-11, subsequent changes to the lists must be mutually agreed upon by the State and the Contractor, to the extent, that it does not impact schedule and total effort. The target implementation dates are for:

- Group 8: Pilot
- Group 9: Wave 1
- Group 10: Wave 4
- Group 11: July 31st, 2009

Please refer to the Schedule Attachment for additional details. UAT scenarios will be written by the State prior to the start of the given UAT for all releases including Group 8 through 11.

Additionally, Change Requests that are date-dependent will be managed accordingly.

The Change Request Attachment does not include Changes Requests assigned to DIT.

3. Deliverable and Payment Schedule

Table 2 – Revised High-Level Deliverable List

Deliverable / Change Control Item	Amount	
Hardware and Software	\$4,068,538	Invoiced Total
Technical Environments	\$4,684,272	Invoiced Total
R1 Conversion Plan (DL-37) R1 Training Plan/ Needs Analysis (DL-39)	\$3,513,204	Invoiced Total
R1 Design (DL-33) Master Plan Template (DL-042)	\$3,513,204	Invoiced Total
QAT Acceptance (DL-45)	\$9,368,543	Invoiced Total
Production Ready System (DL-48)	\$4,842,136	
R1 Pilot Implementation	\$7,184,273	
R1 Statewide Roll-out Complete	\$10,060,922	
R2 Statewide Roll-out Complete	\$7,035,065	
Production Support	\$3,599,118	
Change Controls (Group 1 - 2); this excludes 4 deferred changes; 12 changes completed at no additional cost	\$2,685,676	Invoiced Req/Des
Change Controls (Group 1 - 2); this cost is for 1 of the 4 deferred changes; the other 3 deferred changes are now part of Groups 9 - 11	\$21,860	
Change Controls (major legislative: Welfare Reform and DRA)	\$4,219,824	Invoiced Req/Des
Change Controls (Group 3 - 5); no additional cost	\$0	
Change Controls (Group 6, 6+); no additional cost	\$0	
Change Controls (Group 7, 7+); price shown is after reduction	\$5,773,685	Invoiced Req/Des
Change Controls (Group 8); no additional cost	\$0	
Change Controls (Group 9 - 11); price shown is after reduction; price includes 3 deferred changes from Group 1-2.	\$18,888,312	
Total allocated	\$89,448,652	
System and Service Enhancement - currently unallocated	\$6,037,486	
Total budget	\$95,486,138	
Amounts previously invoiced	\$31,499,552	
Total remaining in budget	\$63,986,586	

System and service enhancements (i.e., Change Controls/Requests) will continue to go through the Bridges change control process. Each change must be formally approved by both parties prior to the commencement of work.

Remaining Release 1, Release 2, Change Control and Production Support deliverables will be invoiced as per the Table 3 – Revised Payment Schedule. The following payment schedule changes have been incorporated into the revised payment schedule:

1. **Statewide rollout money to UAT and Pilot** – a portion (\$5.0M) of the “R1 Statewide Rollout Complete” milestone payment is moved to:
 - “Production Ready System” milestone (i.e., Pilot UAT completion) - \$2.5M
 - “R1 Pilot Implementation” milestone - \$2.5M
2. **UAT progress payment** - 50% of “Production Ready System” milestone (i.e., Pilot UAT completion) to be paid immediately based on current status of UAT (70% of Pilot UAT test cases have passed)
3. **Statewide rollout paid in waves** - divides “R1 Statewide Rollout Complete” milestone payment into 6 equal “wave payments” based on implementation of each wave
4. **Change control payment schedule change** - 25% for delivery to UAT and 25% for successful implementation in production rather than 50% upon implementation in production (note: 50% for requirements and design completion remains the same)
5. **Release 2 payment schedule change** - 50% for Requirements approval, $16.\frac{2}{3}\%$ for Design approval, $16.\frac{2}{3}\%$ for delivery to UAT, and $16.\frac{2}{3}\%$ for implementation in production, rather than 50% for "Package B" completion (i.e., Design approval) and 50% for implementation in production

Table 3 – Revised Payment Schedule

Due to the changes in schedule and scope, the following Table reflects the revised payment schedule:

Remaining Bridges Service Pay Points	Expected Submit Date	Invoice Amount
Progress Payment for work completed of 50% UAT	Apr-08	\$2,421,068
Change Request Group 1-7 QAT	Apr-08	\$3,163,697
Change Request Group 9 Req/Des	Jun-08	\$3,417,885
Change Request Group 9 QAT	Jun-08	\$1,708,942
Production Ready System (DL-48)	Aug-08	\$2,421,068
R1 Pilot Implementation	Aug-08	\$7,184,273
Change Request Group 1-7 into Production	Aug-08	\$3,163,697
Change Request Group 10 Req/Des	Sep-08	\$3,148,052
Wave 1 Implementation	Nov-08	\$1,675,154
Change Request Group 9 into Production	Nov-08	\$1,708,942
Wave 2 Implementation	Dec-08	\$1,675,154
Change Request Group 10 QAT	Jan-09	\$1,574,026
Release 2 - Requirements	Jan-09	\$3,517,533
Wave 3 Implementation	Jan-09	\$1,675,154
Change Request Group 11 Req/Des	Feb-09	\$2,878,219
Release 2 - Design	Feb-09	\$1,172,511
Wave 4 Implementation	Mar-09	\$1,675,154
Change Request Group 10 into Production	Mar-09	\$1,574,026
Wave 5 Implementation	Apr-09	\$1,675,154
Wave 6 Implementation (R1 System Documentation)	May-09	\$1,675,154
Release 2 - Code / QAT	May-09	\$1,172,511
Change Request Group 11 QAT	May-09	\$1,439,109
Release 2 - UAT (R2 System Documentation)	Aug-09	\$1,172,511
Change Request Group 11 into Production	Aug-09	\$1,439,109
Production Support month 1	Aug-08	\$224,945
Production Support month 2	Sep-08	\$224,945
Production Support month 3	Oct-08	\$224,945
Production Support month 4	Nov-08	\$224,945
Production Support month 5	Dec-08	\$224,945
Production Support month 6	Jan-09	\$224,945
Production Support month 7	Feb-09	\$224,945
Production Support month 8	Mar-09	\$224,945
Production Support month 9	Apr-09	\$224,945
Production Support month 10	May-09	\$224,945
Production Support month 11	Jun-09	\$224,945
Production Support month 12	Jul-09	\$224,945
Production Support month 13	Aug-09	\$224,945
Production Support month 14	Sep-09	\$224,945
Production Support month 15	Oct-09	\$224,945
Production Support month 16	Nov-09	\$224,945
Change Controls (Group 1 - 2) 1 deferred change	TBD	\$21,880
Total remaining allocated		\$57,949,100
System and Service Enhancement - currently unallocated	TBD	\$6,037,486
Total remaining in budget		\$63,986,586

System and service enhancements (i.e., Change Controls/Requests) will continue to go through the Bridges change control process. Each change must be formally approved by both parties prior to the commencement of work.

4. Release 1 Pilot and Statewide Rollout Wave Entrance Criteria

4A. Pilot Entrance Criteria

The following table identifies criteria to evaluate for the readiness of the application for Pilot:

Criteria Required to Enter into Pilot
<ul style="list-style-type: none"> • 100 % Accurate benefit calculations by EDBC based on data entered and the then currently approved rules for Eligibility • No known severity 1 defects • All agreed on test scenarios have been passed in accordance with Attachment E listed below, and any remaining scenarios are assessed and mutually agreed to. Test scenarios that may not have met the threshold outlined in Attachment E will be assessed and mutually agreed to if they are adequate for Pilot • 30 day code freeze for regression testing
Evaluation Criteria (Operational Goals)
<p>Operational Goal #1: 30 days prior to Pilot</p> <ul style="list-style-type: none"> • Target % of “UAT passed for Pilot” is achieved or mutually agreed upon • Exception process in place • Manual Issuance is in place • Remaining severity “1” and “2” defects are assessed
<p>Operational Goal #2: 15 days prior to Pilot</p> <ul style="list-style-type: none"> • Final build for severity ‘1’ and ‘2’ defects • No severity ‘1’ defects • Severity ‘2’ defects are mutually agreed to

The following table identifies the procedure to evaluate the readiness of the application for Pilot:

Evaluation Procedure (Operational Goals)
<p>Ninety (90) days from the target Pilot implementation date, open severity ‘1’ and ‘2’ defects not yet in UAT (i.e., in development or needs information) are assessed and mutually agreed upon for their target fix date (i.e., target fix before Pilot begins, or decide to defer defect to the Production Support Team for a post-Pilot fix date).</p> <p>The intent of this assessment is to identify a baseline of severity ‘1’ and ‘2’ defects that need to be addressed before the Pilot begins. Any severity ‘1’ and ‘2’ defects identified after this assessment should be mutually agreed upon to be added to the list of defects needing to be completed before Pilot.</p> <p>Note: Severity ‘1’ and ‘2’ defects will be determined per the currently approved project severity definitions.</p>
<p>Thirty (30) days from the target Pilot implementation date, the State and Contractor will jointly review:</p> <ul style="list-style-type: none"> • Pass percentage goal for Pilot is achieved, and any remaining scenarios are assessed and mutually agreed to • Exceptions functionality in place • Manual Issuance functionality in place • All open severity ‘1’ and ‘2’ defects (whether in development, UAT, or other); assess and mutually agree upon a target fix date for each.
<p>Fifteen (15) days from the target Pilot implementation date, there will be a final delivery of code to UAT for any defect; severity ‘1’ and ‘2’ defects should either be closed or deferred to the Production Support Team for a post-Pilot fix.</p>

4B. Statewide Rollout Wave Entrance Criteria

Please note that Activity 4 – Task 6 of this Contract is hereby amended with the following addition:

“In terms of “readiness of the software for statewide use”, the following clarifications, roles, and responsibilities have been agreed upon:

Requirements & Design

We recognize this is a shared State/Deloitte responsibility – both parties have a vested interest in completing this in a timely manner. The Change Requests for Pilot (Group 8), Wave 1 (Group 9), Wave 4 (Group 10) and Group 11 are documented in the attachment A, B, C and D respectively.

A timely formal Requirements and Design document submission is required by Deloitte for each Change Request as per the attachment F “Revised Schedule”. A timely formal approval by the State is required for the Requirements and Design document for each Change Request as per the attachment F “Revised Schedule”. The Change Requests for which timely formal approval by the State has been received will be deemed as “committed” for the wave as per the attachment F “Revised Schedule”.

Change Request for which a timely formal approval for the Requirements and Design document has not been received as per the attachment F “Revised Schedule”, will not be a requirement for entry into a specific wave unless mutually agreed upon by both parties.

Delivery to UAT

Deloitte is responsible for delivering to UAT as outlined in attachment F “Revised Schedule”, in accordance with the contract, the functionality associated with the “committed” Change Requests. User Acceptance Test scenarios shall be identified and entered into the project’s UAT test tracking tool by the State prior to the schedule start of UAT as per the attachment F “Revised Schedule”. Test scenarios shall be written to test the approved requirements and design for the Change Request. State shall deliver a test plan to complete test scenarios within UAT timeframe specified in the attachment F “Revised Schedule” so that progress against the plan can be tracked by the PCO. Any additional User Acceptance Test scenarios identified after this time must be jointly agreed to by the State, PCO, and Contractor.

UAT Testing

The State is responsible for UAT testing, including the assignment of sufficient resources (i.e., staff), to complete the testing in a timely manner. More specifically, the State is responsible for executing all relevant, documented test scenarios within UAT timeframe specified in the attachment F “Revised Schedule”. All of the scenarios must be exercised 2 weeks prior to completion of UAT. However, the quality of the delivered application plays a role in the State’s ability to complete the testing activity in a timely manner. The responsibility to deliver a quality application to UAT is with Deloitte. Test scenarios unable to be executed due to defects in the application will be put in a “hold” status after mutually assessing them in a timely manner, and the State will not be held accountable for the timely execution of these test scenarios.

Pieces of the entire delivery may be considered “poor quality” if there are more than some mutually agreed upon number of severity ‘1’ and ‘2’ defects discovered during the given UAT. The mutually agreed upon severity ‘1’ and ‘2’ defects will be commensurate with systems of similar size and scope of Bridges.

In addition to the above, a draft of the DL-057 Pilot Review Report Deliverables Expectation Document (DED) is provided below. The purpose of attaching this draft DED is to communicate representative expectations of the criteria the State intends to use to make a Wave 1 rollout “go/no-go” decision. A similar process would occur for each subsequent wave.

Item #	Description	Evaluation Criteria
1	Application Readiness - readiness of the software for statewide use	
	a. UAT Pass % for Wave 1 met?	Test scenario status (open, passed, failed, etc) - Pilot test scenarios - New Wave 1 functionality test scenarios
	b. Defect criteria for Wave 1 met?	Open defects (UAT and PRD): - severity (likelihood, impact to business) - volume; overall impact to Field Workers
	c. Required Wave 1 functionality developed and tested?	CRs whose Rqmts & Designs are approved X months prior to targeted implementation date
	d. System performance acceptable?	See performance requirements in RFP
2	Data Conversion - data conversion activities and current status	
	a. Pilot conversion issues required for Wave 1 resolved?	Specific issues itemized; identify and mutually agree on the "required to be resolved" items
	b. Wave 1 dry run results acceptable?	Specific issues itemized; identify and mutually agree on the "required to be resolved" items
3	Training - training activities and current status	
	a. Pilot training feedback addressed?	Specific issues itemized; identify and mutually agree on the "required to be resolved" items
	b. Wave 1 training materials updated to reflect Wave 1 functionality?	CRs whose Rqmts & Designs are approved X months prior to targeted implementation date
4	Site Support - site support activities	
	a. Pilot site support feedback addressed?	Specific issues itemized; identify and mutually agree on the "required to be resolved" items
	b. Wave 1 site support plan acceptable?	By office, number of resources, start and end dates of support
5	Help Desk - help desk support activities	
	a. Help Desk support feedback addressed?	Specific issues itemized; identify and mutually agree on the "required to be resolved" items
	b. Help Desk Guide updated to reflect Wave 1 functionality?	CRs whose Rqmts & Designs are approved X months prior to targeted implementation date
	c. Help Desk staff training on Wave 1 functionality?	CRs whose Rqmts & Designs are approved X months prior to targeted implementation date

ATTACHMENT A: Change Requests**Group 8:** This is the final list for Group 8.

CR#	CR Headline
88681	MA/Newborn
95435	Benefit Issuance-Request Medical payments
77376	DHS 22A spend-down notices
84665	RAP First Non-Compliance
89404	SSI: Display SSI Recoup and Recoup Type, Alert Worker, update in EDBC
75113	Correspondence-DHS-3503-Reference Table
51510	DC-SER-utility information
89442	Develop SP-020
93254	Income - Disable Employment Payment Client Discovery Date
90530	Task & Reminders - FAP - # 139 Expedited FAP requires changes
90639	MU Trigger to Remove Penalty Income
96918	BV FIP and FAP member removal due to CPS notification
64392	Changes to Medical Bills in Budgeting
84485	Eligibility - Medicaid - LIF
89747	Eligibility-FIP-VCL
96158	Eligibility-Medicaid-Level of care code and end date
88378	DCH Submitted - Not able to change county code on mailing address
65287	Medicaid for newborns
95045	Correspondence-DHS-4639
95248	EDBC - Incorrect O/P months calculated for cash (37 days)
73642	Correspondence-CDC-negative action
89572	Employment Services Detail/Deferral Reason
92986	SER service status
83837	Task and Reminder-day care alert for over bill
83503	DC-Non Cooperation
94629	FSSP Non Coop - Application
79095	Non Coop-job refusal at appl
94709	CO-4639 generated for sponsor family
84297	Eligibility-FIP FAP MA-ReDet Dates
89066	SSI related deductible with no MSP eligibility
88155	data collection-fap-medical expenses
22790	post direction for alternate payee addresses
23068	provider not current edit for BIBO interface
52273	because of community spouse questions must be mandatory
66557	fix who gets notices so no HIPAA problems
79125	DLEG interface non-coop applied to both FIP & FAP
91434	CS sanctions
23190	1/9 CDC PSP changes
22558	Absent Parent
22660	1440 - page 2 of form
83877	Merged with 84665
87977	Merged with 77376
79448	Merged with 84665
21049	All Electric Household Caps
correspondence	add / delete member without changing benefit

ATTACHMENT B

Group 9: Please note: some discussion remains on the final groupings of 9-11, subsequent changes to the list shall be mutually agreed upon by the State and the Contractor, to the extent, that it does not impact schedule and total effort. Change Requests assigned to DIT are not included in the list.

CR#	CR Headline
19663	Benefits Expungement and Dormancy Process
20285	MRT disqualification for SDA & eligibility around SATC non-coop
20335	5140RD80 file -duplicate ids
20486	Check digit routine for Cash/SER vendor/provider assignment
20573	Security for Other State Benefits
20695.2	Other items - not the DCH screen - Implement Recommended Redetermination
20826	Application Assignment as a result of Budget Changes -
20870	FAP SOP Calculations
20974	Verification Checklist - Due Date for SER
21945	New Bridges inquiry screen to view cases w/ vendoring assigned to a provider
22693	Include the 'Converted to Bridges' item in the Indv. Details Webservice
20338	Chg Auto Create SSP Notices from monthly to quarterly -
20626	Functionality to 'extend' due dates for FAP, Disability MA and SDA, per policy -
20864	Absent Parent Screen Revision
20924	Provider Verification Field - Added to the Provider Assignment Screen
21330	Licensed or Certified
21999	SER Summary of Required Payments Screen -
22190	Changes for the MMIS daily send (AH for segments > 5 yrs old)
20799	FIP FAP MA Military Family -
20703	SDX Processing - IAR Creation (See DH & BR response to 2/4e)
21234	DCH Put Medicare Buy-In for Cost Sharing on SSI MA case -
21801	Separate Medical Expenses by Hospitalization, Inpatient, and Nursing Care -
22013	Seperate Request Capability for WTP -
22279	Task and Reminder 1003 Functionality
22335	MI Child Referrals
20413	DC labels for employment related activities
20503	prevent LO rewrite of legacy checks -
20640	active heat customer file -
21590	switch SER funding source for new FY; incorporate in 2008 FYE reports
22340	county wards
22802	FYE reporting
23069	MA cascading
23070	drop ineligible periods from MMIS file -
21301	Data Collection-CDC-Issuance Details
23206	Bridges alerts to SWSS & adoption subsidy
23220	DCH - simplify entry of Medicare Parts A & B
23221	Disposition of MA by DCH on multi--program cases
83337	Security - Local Security Coordinator

ATTACHMENT C

Group 10: Please note: some discussion remains on the final groupings of 9-11, subsequent changes to the list shall be mutually agreed upon by the State and the Contractor, to the extent, that it does not impact schedule and total effort. Change Requests assigned to DIT are not included in the list.

CR#	CR Headline
73291	CO-Reason EL0113
20449	County Needed for Out of State Benefits -
20591	Changes to Homeless Reason Table -
20695.1	DCH screen
20754	Protective Payee / Authorized Rep (close when payee not provided)
22462	All Questions Pages -
20678	DRA Citizenship Verification Requirement Using Birth Registry -
20680	Medical Review Process and Verification Checklist - Manual Form Need
20685	Worker needs ability to view DOC interface details
20749	Lump Sum / Liquid Assets Screen
20841	Add Decision Table for FIP Temporary Absence -
21593	Streamline Newborn Entry -
21659	Update Bridges as TOP Debts are Validated -
22155	Daily MAIN Reconciliation Report for BoA -
20412	Add FIP to Simplified Reporting
20536	Provider Assignment Screens
20646	Associating Clients to Denied, Closed and Ongoing cases -
20842	Non-Saleable Assets - SSI-Related MA
21220	Maintain Mystery Shopper Accounts for OIG -
21257	Verification Requirements at Redetermination
22234	DCH Interface - Death Match
22277	DCH Delete Future Eligibility Segments from MMIS -
20979	Soundex for providers
21726	Calendaring and Scheduling -
22108	SSN/ Armed Forces & Alien/Refugee Screen Changes -
20060	offset OI & UI within the same run -
20897	MRT review date
23254	implement DoC interface with jail vs. prison changes
79233	track SDA repays
23112	manual reassignment
96246	IAA (Initial Asset Assessment) updates
22991	Case status display
23113	Wayne Call Center
20752.2	CDC Provider Assignment Detail Screen, part 2 - redirect checks
93630	Death date update

ATTACHMENT D

Group 11: Please note: some discussion remains on the final groupings of 9-11, subsequent changes to the list shall be mutually agreed upon by the State and the Contractor, to the extent, that it does not impact schedule and total effort. Change Requests assigned to DIT are not included in the list.

CR#	CR Headline
21195	Reports to automatically print out of Bridges.
23064	Front Desk - Address Search screen needs Postalsoft validation -
21710	Location of the facility screen in Bridges
21890	DLEG Interface - Referral Improvements/ automate appts
22637	Changes to QC Negative Sampling
22687	Include individual components of Address in Case Inquiry
23071	Consolidate Services Alerts to Bridges Worker -
19553	ED - FIP Disaster Relief -
20172	IRS 1099 files
20860	Hearings Restore Benefits.
20900	Children Aging Out of FC and Transitioning to MA
21781	Pending Medicaid Application RECIPIENT-NAME - change field size to 45 -
21920	Demographic records -
22003	Alien & OI Edits -
22437	Post Pilot 2of5 Barcode Enhancement -
22618	Wage Match Earned Income Threshold Changes -
21176	Add DCH MMA Interface for Buy-In -
21909	Healthy Kids Presumptive Eligibility -
22834	Supplemental Applications -
19971	MARCS & ITO
20152	winter protection
20249	SSN validation
20853	DHS 1440 (TOP) notices
21108	Add display of data coming from DLEG/MWA for referral & self-sufficiency
21283	Changes for a 2nd hearing when a hearing is pending -
21943	expanded view into ASCAP
22330	FIP actions when CPS reunification planned -
22753	Migrants by county of residenc
23095	generic denials for cash, MA, MCS -
83356	Receive CS after PA date
23137	Services Prevention Case Update to MCI
95767	Redetermination date setting

ATTACHMENT E– Pilot User Acceptance Test Targets identified by the State

Major Grouping	Pass and Review % Goal for Pilot
File Clearance	100%
Application Registration	100%
Application Assignment/Case Reassignment	90%
Eligibility Determination (General)	90%
Income	100%
Eligibility Determination Groups	100%
FIP/TANF	100%
FAP	100%
CDC	95%
MA - FIP-related	100%
MA - SSI-related	100%
TMA Plus	100%
SDA	90%
RAP	50%
SER	90%
Minor Programs	90%
DSS	90%
Benefit Calculation (General)	100%
Disposition	100%
Redeterminations	90%
Inquiry	80%
Hearings	50%
Suspend programs	90%
Benefit Issuance	100%
Warrants	80%
Benefit Recovery	90%
General	90%
Form Generation	90%
Form Online Funct	90%
Form Central Print	90%
Form Mailing	90%
Notice of Case Action	90%
Verification Checklist (VCL)	90%
Financial Management Reports	100%
Tasks and Reminders	75%
MiCSES	95%
SWSS CPS	100%
SWSS FAJ/ Adoptions Subsidy	100%
ASCAP	100%
DCH MMIS	90%
DLEG Michigan Works Referrals	90%
FSSP	90%
Treasury Home Heating Credit	90%
SSA SDX	100%
IRS	100%
Management Reporting	75%
Case Reads	0%
Security Administration / MOR	100%
Manage Office	90%
Exceptions Processing	100%
Reference Tables	100%
User Aids	80%
Conversion General	90%
Conversion Legacy General	100%

Bridges Change Notice #5

Signature Lines:

Stanley M. Stewart
Chief Deputy Director,
Department of Human Services

Stanley M. Stewart 4-30-08

Lynn Draschil
Senior Deputy Director
Department of Information Technology

Lynn Draschil 4/29/08

Elise A. Lancaster
Purchasing Operations Director
Department of Management and Budget

Elise A. Lancaster

Kevin King
Principal
Deloitte & Touche, LLP

Kevin King 5-1-08

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

February 20, 2008

CHANGE NOTICE No. 4
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504		TELEPHONE (616)336-7937 Dennis Nickels
Email: dnickels@deloitte.com		BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract		
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

This request is to remove Release 3 from the scope of the contract and move the Associated Fixed Price Amount (\$7,051,364.00) to the Systems and Service Enhancement line item. In addition, the remaining used portion of the hardware and software funding (\$940,000.00) will move to the System and Services Enhancement line item.

AUTHORITY/REASON:

Per agreement of vendor and agencies and 2/19/08 Ad Board.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$69,986,138.00

TABLE 5

BRIDGES PRICING INFORMATION

	Original Contract Value	Change Notice #1 (CN#1) ¹	Change Notice #2 (CN#2) ²	Change Notice #3 (CN#3) ³	Change Notice #4 (CN#4) ⁴
1. 4-Year Hardware & Software	\$11,008,898	\$11,008,898	\$5,008,898	\$5,008,898	\$4,068,538
2. Development & Implementation – Release 1.0	\$28,860,497	\$39,035,597	\$39,035,597	\$39,035,597	\$39,035,597
3. Development & Implementation – Release 2.0	\$10,345,685	\$7,035,065	\$7,035,065	\$7,035,065	\$7,035,065
4. Development & Implementation – Release 3.0	\$7,051,364	\$7,051,364	\$7,051,364	\$7,051,364	\$0
5. 4-Year Ongoing Production Support	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118	\$4,599,118
6. 4-Year System / Service Enhancements	\$8,120,576	\$1,256,096	\$7,256,096	\$7,256,096	\$15,247,820
TOTAL 4-YR PRICE FOR BRIDGES PROJECT	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138	\$69,986,138

¹Release 1/Release 2 Strategy Change

²\$6M Line Item Move from Commodities to Services

³Modification to payment schedule for system/service enhancements; no impact to line item amounts

⁴Remove Release 3 and add \$ to Services line item; move remaining Commodities \$ to Services

TABLE 5

BRIDGES PRICING INFORMATION

	Current Contract Value	Amendment	New Total ¹
1. 4-Year Hardware & Software	\$5,008,898	-\$940,360	\$4,068,538
2. Development & Implementation – Release 1.0	\$39,035,597	\$0	\$39,035,597
3. Development & Implementation – Release 2.0	\$7,035,065	\$0	\$7,035,065
4. Development & Implementation – Release 3.0	\$7,051,364	-\$7,051,364	\$0
5. 4-Year Ongoing Production Support	\$4,599,118	\$0	\$4,599,118
6. 4-Year System / Service Enhancements	\$7,256,096	\$7,991,724	\$15,247,820
TOTAL 4-YR PRICE FOR BRIDGES PROJECT	\$69,986,138	\$0	\$69,986,138

¹Remove Release 3 and add \$ to Services line item; move remaining Commodities \$ to Services

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

December 27, 2007

CHANGE NOTICE No. 3
 OF
 CONTRACT NO. 071B6200149
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504		TELEPHONE (616)336-7937 Dennis Nickels
Email: dnickels@deloitte.com		BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract		
CONTRACT PERIOD		From: February 8, 2006 To: February 7, 2010
TERMS	N/A	SHIPMENT N/A
F.O.B.	N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

Please note that Section 1.6 of this Contract is hereby Amended as follows:

“Section 1.6 payment schedule for approved “Service Requests/Enhancements” (i.e., Change Controls is being modified to be more consistent with the payment schedule for the fixed price releases.

Specifically, payment for approved enhancements will be:

- 50% upon approval of the Requirements and Design document
- 50% upon successful implementation of the enhancement into the production environment

NOTE: In the event “actual hours expended” is used as the billing method, the first payment will be 50% of the estimated cost and the second payment will be the remainder of the total due (i.e., the difference between the total cost as determined by the actual hours expended and the first payment).”

AUTHORITY/REASON:

Per agreement of vendor and agency.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$69,986,138.00

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

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

July 27, 2007

**CHANGE NOTICE No. 2
 OF
 CONTRACT NO. 071B6200149
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: dnickels@deloitte.com	TELEPHONE (616)336-7937 Dennis Nickels
	BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010	
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:	

NATURE OF CHANGE(S):

This request is to allow \$6,000,000.00 of funding to be moved from the commodity line to services. These funds are no longer needed as costs were lower than anticipated for hardware and software. The need to reallocate funds is to address requirements that were further defined through the first phase of the project and to meet major additional legislative mandates that forced a change in the timing of the deployment strategy. Please see attached pricing table 5

AUTHORITY/REASON: Per agreement of vendor and agency.

Estimated Contract Value Remains: \$69,986,138.00

TABLE 5
BRIDGES PRICING INFORMATION
CALCULATE/TRANSFER TOTAL PRICE FOR EACH ITEM
FROM APPLICABLE TABLE

	<u>Original Amt</u>	<u>Amendment</u>	<u>New Total</u>
1. 4-Year Hardware & Software (Table 1)	\$11,008,898	(\$6,000,000)	\$5,008,898
2. Development & Implementation – Release 1.0 (Table 2)	\$27,934,497	\$0	\$27,934,497
3. Development & Implementation – Release 2.0 (Table 2)	\$10,345,685	\$0	\$10,345,685
4. Development & Implementation – Release 3.0 (Table 2)	\$7,051,364	\$0	\$7,051,364
5. 4-Year Ongoing Production Support (Table 3)	\$4,599,118	\$0	\$4,599,118
6. 4-Year System / Service Enhancements (Table 4)	\$8,120,576	\$6,000,000	\$14,120,576
TOTAL 4-YR PRICE PROPOSED FOR BRIDGES PROJECT	\$69,060,138	\$0	\$69,060,138
Additional 10 staff for on site support 30 days pre/post implementation	\$926,000		\$926,000
REVISED 4-YR PRICE FOR BRIDGES PROJECT	\$69,986,138		\$69,986,138

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

July 10, 2006

CHANGE NOTICE No. 1
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: dnickels@deloitte.com	TELEPHONE (616)336-7937 Dennis Nickels
	BUYER/CA (517) 241-7233 Joann Klasko
	Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Release 1 is expanded to include a portion of the Release 2 requirements and the scope of Release 2 is reduced by a corresponding amount. This change adds two (2) months duration to the Release 1 timeline (see page 7 of the Change Control Document for detail.)

The net additional effort for this change is estimated to be 76,272 hours, costing \$6,864,480.00.

The cost for this change will be funded from the enhancement hours (funds) included in the contract; there is no change to the overall contract value.

The cost of this change will be added to the fixed price of Release 1. Due to the 2-month extension of Release 1, the payment schedule for this release is revised per the table on page 13 of the Change Control document #19219 – Analysis, Recommendation and Proposed Payment Schedule.

Estimated Contract Value Remains: \$69,986,138.00

Change Control ID # 19219

BRIDGES Project

Revised Release-1 Scope

Executive Summary

June 15, 2006

,

Scope

The primary purpose of this change is risk mitigation. A major risk for Release 1 has been the concern related to modifications to legacy systems. The ASSIST project encountered this problem and, with the loss of additional experienced staff due to retirements, the likelihood of a similar situation was too great to ignore. The scope of the overall contract does not change – only the timing for delivery of specific functions change.

Release 1 is expanded to include a portion of the Release 2 requirements – specifically, those relating to the replacement of the CIMS “backend” batch functionality. This eliminates the need for State DIT staff to change the CIMS legacy system to enable interaction with BRIDGES – changes which were being made for a one-year period of time until BRIDGES could be modified to replace these functions.

The scope of Release 2 is reduced by a corresponding amount.

As part of this change, Deloitte, who is responsible for only the Release 1 training (the State is responsible for training on all other releases), will now be responsible for training on the back office functions currently performed by the CIMS legacy system.

Schedule

This change adds two (2) months duration to the Release 1 timeline. Additional detail can be found on page 7 of the Change Control document.

Cost

Deloitte has estimated the net additional effort for this change to be 76,272 hours. This includes 48,048 hours for the Development Team, 15,792 hours for Testing Team, 6,048 hours for the Implementation Team, and 6,384 hours for the Production Support Team. Per the fixed hourly rates quoted in the contract, this change will cost \$6,864,480.

The cost for this change will be funded from the enhancement hours (funds) included in the contract; thus, there is no change to the overall contract value.

Additional detail can be found on pages 8-11 of the Change Control document.

Contract and Payment Schedule

The cost of this change will be added to the fixed price of Release 1.

Due to the 2-month extension of Release 1, the payment schedule for this release is revised per the table on page 13 of the Change Control document. Payments continue to be directly tied to deliverables.

Change Control ID # 19219

BRIDGES Project

Revised Release-1 Scope

Analysis, Recommendation and Proposed Payment Schedule

June 2, 2006

,

Change Control ID # 19219

Revised Release 1

Background

The scope for BRIDGES functional requirements is defined in Attachment 6 of the BRIDGES RFP. BRIDGES functionality is expected to be rolled out in 3 releases.

Release 1 is focused on worker relief.

Release 2 is focused on the batch functions provided by CIMS.

Release 3 is focused on self service for clients and providers.

Currently, the Release 1 requirements validation phase is in progress. Joint Application Development (JAD) sessions are being facilitated by the State (DHS and DIT) and Deloitte Consulting to validate the requirements marked for implementation in Release 1.

Release 1 is focused on worker relief, while functionality for most batch functions is deferred to Release 2. To accommodate this strategy, it is required for Release 1 that BRIDGES interfaces with CIMS to exchange the necessary data so that CIMS batch can continue to provide defined functionality.

CIMS is hosted on a BULL mainframe and its applications rely on COBOL code which was developed over the last 20-25 years. Additionally, the data behind these applications is stored in various forms such as ISP, IDS1, IDS2 native, and IDS2 dual data databases and flat files. To achieve the split release 1 and 2 strategy, while maintaining backend functions, it is necessary to maintain BRIDGES cases and clients in CIMS. DIT has been tasked to identify the changes required in legacy in order to accept BRIDGES data as input for creating CIMS cases and clients. Due to the complexity of the legacy applications and environments, the current stability of untouched legacy programs, and the lack of legacy code expertise, there is apprehension about changing legacy system code and testing the functionality to meet BRIDGES project timelines. BRIDGES project management has identified this as a potential risk to the project.

On April 27, 2006, a BRIDGES change control request (#19219) was initiated by Pat Maltby. The description of this change control reads:

“Would you provide an assessment for the change in pricing and delivery schedule for combining release 1 and key release 2 deliverables (legacy system removal)?”

A task force comprised of DHS, PMO, and Deloitte team representatives (Carla Barrows-Wiggins, Merv Jersak, Bill Kennedy and Umesh Jadhav) was formed to identify and evaluate Revised Release 1 scope and develop a Revised Release 1 recommendation in an effort to mitigate this risk. The task force's efforts were geared toward reducing the dependence of the BRIDGES solution on the CIMS batch

processes. This document is a report of the task force findings and addresses the following:

- Scope
- Assumptions
- Summary recommendation
- Impact to timelines
- Impact to Staffing
- Proposed Payment Schedule
- Functional Requirements
- Other Dimensions
- Approval to Proceed

Scope

The task force's objective was to review all the requirements for BRIDGES and determine which requirements need to be included as part of the Revised Release 1 to achieve the following:

- Eliminate BRIDGES interface to CIMS
- Reduce CIMS/BRIDGES transition development by eliminating the need to create data transformation software to update various CIMS databases

Please see attachment "Attachment 6 - Release 1 Revised-v3-with counts.xls" for a detailed list of requirements for Revised Release 1 as identified by the task force.

Assumptions

1. The total contract term still remains 48 months starting from February, 2006.
2. BRIDGES will create and maintain the Master Client Index (MCI). ASSIST and CIMS will use MCI for assigning new individual IDs.
3. The transition period is defined as that period of time from the first implementation of BRIDGES (i.e., the "Pilot") until all local offices have been converted to BRIDGES. This is the period wherein both BRIDGES and legacy systems (CIMS, ASSIST, and LOA2) are being used. Any given office will either use BRIDGES or legacy systems, not both.
4. During transition, CIMS will continue to provide same level of functionality for clients/cases that are not converted to BRIDGES.
5. During transition, DIT will merge data files from BRIDGES and CIMS to send one file to external systems. This will be done if an external system cannot accept separate files from CIMS and BRIDGES.
6. During transition, if external systems cannot send separate files to CIMS and BRIDGES, DIT will receive data files from external systems and will create a file with BRIDGES data to send to BRIDGES.
7. Model Payment System (MPS) will continue to issue Non-AP payments for all cases.
8. DIT will still need to make changes to legacy systems for the transition period, in order to accommodate converted cases and clients. For example, payrolls should not process cases that are already converted to BRIDGES
9. Conversion will need to convert more data. Legacy systems will need to support creation of additional extracts (i.e., some Release 2 conversion activities moved into Release 1).
10. All action items (please see attachment "BRIDGES Revised Release 1 Action Items, Issues, Questions.xls") are resolved before beginning JAD sessions for Revised Release 1 scope.
11. The State will commit resources to perform requirement validations, design, and testing for the revised scope.
12. There is a plan in place to resolve other dimensions as listed in section "Other Dimensions".
13. There is a plan in place to receive buy-in from some major external agencies such as EBT and MAIN.
14. The "Control Numbers issue" is resolved to an acceptable solution.
15. DIT will be tasked to create ad-hoc queries to satisfy some reporting requirements.

Summary Recommendation

The task force recommends that the State choose the option of Revised Release 1 scope as the best option to mitigate significant risk to the project.

Revised Release 1 will go to Pilot the weekend of August 31, 2007.

The table below summarizes the change in the number of requirements to be fulfilled for each Release:

	Original number of requirements	New number of requirements	Requirements that are either split between Release 1 and 2 or will be clarified during JAD sessions
Rel1	364	396	14
Rel2	145	99	-
Rel3	50	50	-
Total	559	545	14

An additional 76,272 hours from Deloitte Consulting will be needed to perform Revised Release 1 scope.

Fixed cost for Deloitte Consulting for this change is \$6,864,480. Price quoted is inclusive of staff, material, travel and management overhead.

The fixed cost excludes any cost for additional software licenses required for additional resources. The fixed cost also excludes any cost the State is responsible for as per the original contract.

Impact to Timelines

Release 1:

Project started on : 2/21/2006

Current Release 1 Pilot date is : June 2007
New Revised Release 1 Pilot date will be : **August 2007**

Current Statewide Rollout completion date is : January 2008
New Statewide Rollout completion date will be : **March 2008**

Release 2:

Current Release 2 start date is : July 2007
New Release 2 start date will be : **October 2007**

Current Release 2 Production date is : September 2008
New Release 2 Production date will be : **November 2008**

Release 3:

Current Release 3 start date is : July 2008
New Release 3 start date will be : **September 2008**

Current Release 3 Production date is : August 2009
New Release 3 Production date will be : **October 2009**

Please see attachment "Timelines comparison for Revised Release 1 with original plan.xls" for details for new dates for Revised Release 1.

Please see attachment "BRIDGES - Timelines based on Revised-release plan by functionality-v4 (Feb 17 start date).xls" for Revised Release 1 schedule.

Impact to Staffing

Total Deloitte Consulting Team Staffing Plan

Deloitte Consulting will need the following additional hours:

- 48,048 hours for the Development team
- 15,792 hours for the Testing Team
- 6,048 hours for the Implementation Team
- 6,384 hours for the Production Team

Total of 76,272 hours

Impact to individual Deloitte Consulting team staffing plans

Project Management Team Staffing Plan

- No change will be needed to the Deloitte Consulting “Project Management Team” staffing plan.

Technical Team Staffing Plan

- No change will be needed to the Deloitte Consulting “Technical Team” staffing plan.

Development Team Staffing Plan

- Revised Release 1 will merge with existing Iteration 3 of Release 1.
- (A) Release 1 will be extended by 2 months and BRIDGES will need these additional Deloitte Consulting resources:
 - July 2007 and August 2007 –
 - 20 Junior developers
- (B) Since the scope of Release 1 has increased, the Development team will need the following additional Deloitte Consulting resources:
 - June 2006 through Oct 2007 –
 - 2 Senior leads,
 - 2 Junior leads and
 - 6 Senior developers
 - Sept 2006 through Oct 2007 –
 - 12 Senior developers
 - 8 Jr developers
- (C) Since the scope of Release 1 will decrease because there is no need to create the interface file for CIMS integration, BRIDGES will not need the following Deloitte Consulting resources:
 - June 2006 through July 2007

- 6 Junior developers
- (D) Since the scope of Release 2 has decreased, BRIDGES will not need these Deloitte Consulting resources
 - July 2007 through Sept 2008
 - 8 Junior developers

Total additional person months required is: (A+B)
 $(20*2) + (17*10) + (14*20) = 40 + 170 + 280 = 490$
 Total of savings on person months is: (C+D)
 $(14*6) + (15*8) = 84 + 120 = 204$
 Total additional person months required is $490 - 204 = 286$
 That equals to $286 * 168 = 48,048$ hours

Justifications for resources:

- In Revised Release 1, BRIDGES will need more Deloitte Consulting senior resources to join the team (normally Junior Developers graduate into Senior Developers/Leads based on the experience they gained during the development of Release 1).
- Initially, Iteration 3 was a “catch-all” for functionality smaller in scope, but now with Revised Release 1 scope, Iteration 3 changes are of higher complexity and more effort/experience is needed to retro-fit changes to already tested Iteration 2.
- The scope of external Interfaces has increased for Release 1 as BRIDGES will need more simultaneous coordination with external agencies.
- The scope of Reports for Release 1 has increased.

Testing Team Staffing Plan

- Since the scope of Release 1 has increased, the Deloitte Consulting Testing team will need the following additional resources:
 - January 2007 through Oct 2007 –
 - 1 Senior Team Lead
 - 8 Testers
- Since Release 2 timelines have also changed, Deloitte Consulting will need the following additional resources:
 - October 2008 through November 2008
 - 2 Testers

Total of $(10*9) + (2*2) = 94$ person months = $94*168 = 15,792$ hours

Justification of resources:

- Release 1 was heavily focused on On-line testing, and BRIDGES will need a focused senior lead for batch testing.

Implementation Team Staffing Plan

The scope for Training increases since the State was responsible for Release 2 Training.

- Since the scope of Release 1 Training has increased, the Deloitte Consulting Implementation team will need following additional resources:
 - November 2006 – October 2007
 - 3 Trainers

Total of $(12*3) = 36$ person months = $36*168 = 6,048$ hours

Production Support Team Staffing Plan

(A) Since the scope of Release 1 has increased, Deloitte Consulting will need the following additional resources for Production Support:

- 6 Junior developers from September 2007 through August 2008

(B) Since Release 1 will go to Production in August, 2007, Deloitte Consulting Production support staff will be assigned accordingly.

- BRIDGES will not need 17 Deloitte Consulting resources in July 2007 and August 2007

Total of $(6*12) - (17*2) = 38$ person months = $38*168 = 6384$ hours

Total additional person months required is: (A)

$$(6*12) = 72$$

Total of savings on person months is: (B)

$$(17*2) = 34$$

Total additional person months required is $72 - 34 = 38$

That equals to $38*168 = 6384$ hours

Staffing Summary

The table below summarizes the staffing impact detail provided in the previous section along with rates and pricing.

Proposed Payment Schedule

This change control details the movement of requirements between Release 1 and Release 2. This change in scope for the various releases has both staffing and timeline implications as described previously. The first table below depicts BRIDGES costs “pre-change control”. This table is immediately followed by the table which depicts the change control impacts to various line item costs for BRIDGES:

Pre-Change Control costs:

Service Description	Pre-Change Request Release 1	Pre-Change Request Release 2	Pre-Change Request Release 3	4 Year Project Costs	Total
Development and Implementation	\$27,934,497	\$10,345,685	\$7,051,364		\$45,331,546
Additional Site Support	\$926,000				\$926,000
4 year System/Service Enhancements				\$8,120,576	\$8,120,576
4 Year Ongoing Production Support				\$4,599,118	\$4,599,118
TOTAL	\$28,860,497	\$10,345,685	\$7,051,364	\$12,719,694	\$58,977,240

Revised Costs:

Service Description	Revised Release 1	Revised Release 2	Release 3	Revised 4 Year Project Costs	Total
Development and Implementation**	\$31,245,117	\$7,035,065	\$7,051,364		\$45,331,546
Scope Change - Additional staff resources	\$6,864,480				\$6,864,480
Additional Site Support	\$926,000				\$926,000
4 year System/Service Enhancements				\$1,256,096	\$1,256,096
4 Year Ongoing Production Support				\$4,599,118	\$4,599,118
TOTAL	\$39,035,597	\$7,035,065	\$7,051,364	\$5,855,214	\$58,977,240

**32% of requirements moved from R2 into R1 - this represents 32% of the fixed costs for Release 2 – Release 2 costs decreased accordingly.

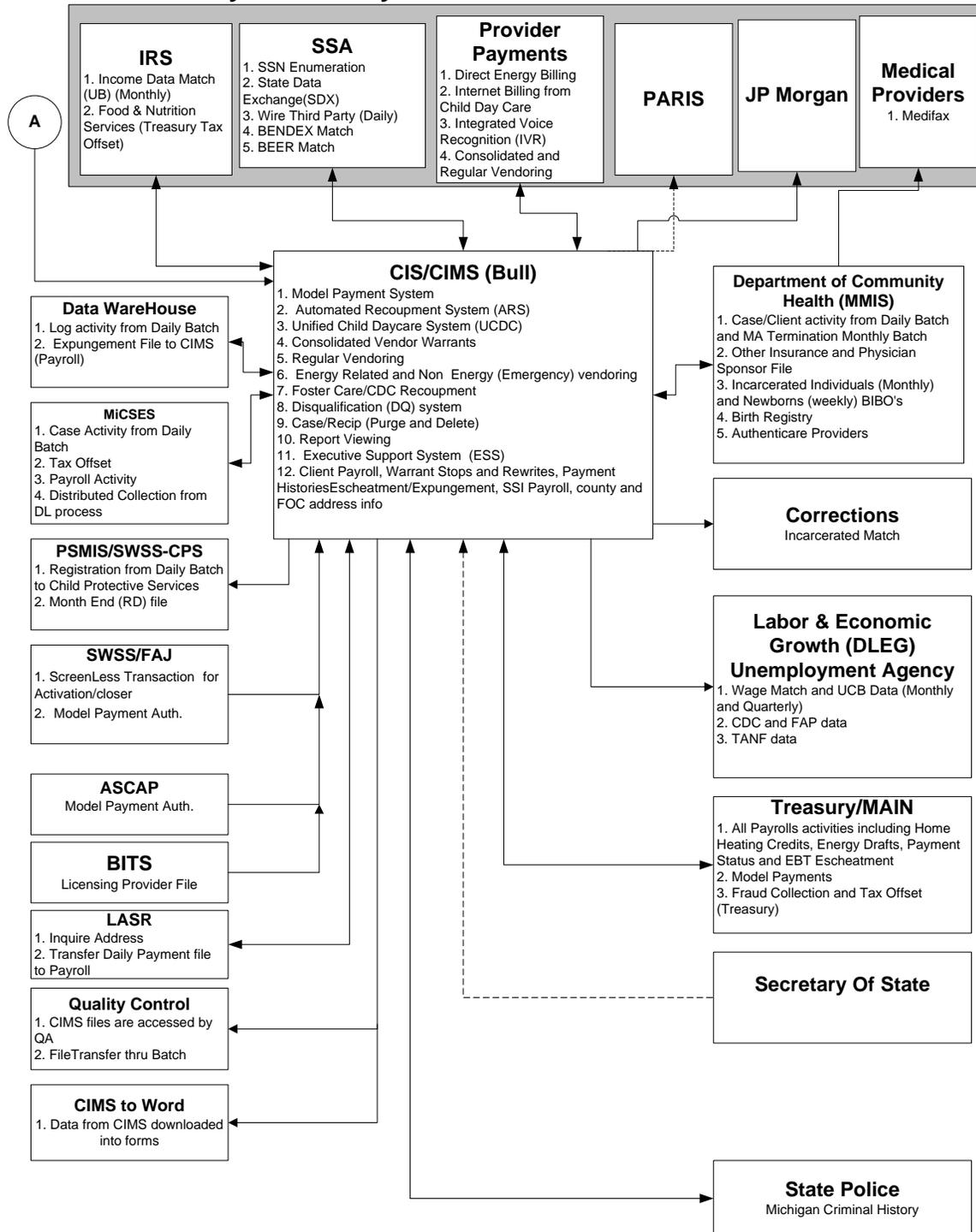
The current contract details the payment based upon acceptance of certain deliverables or achievement of specific project milestones. Upon approval of this change request, both milestones and deliverable dates will change. As a result, for revised Release 1 and Release 2 scope, the proposed payment amounts, deliverables/milestones and expected Deloitte Consulting invoice dates are:

Revised Release 1 Milestone Proposed Payments					
30% of Revised Release 1 Total - earliest invoice date of October 2006					
Based upon Approval dates for the following:					
		Expected Approval Date	Expected Invoice Date	Expected Payment Date	Amount
Technical Environments					
Experimental		May-06			
Development		May-06			
Integration		July-06			
QAT		August-06			
UAT		August-06			
Conversion		August-06			
Staging		August-06			
Expected Invoice Timing/ Amount			October-06	November-06	\$4,684,271
R1 Conversion Plan		September-06			
R1 Training Plan/ Training Needs Analysis		September-06			
Expected Invoice Timing/ Amount			November-06	December-06	\$3,513,204
R1 Design		December-06			
Master (Implementation) Plan Template (Regional Rollout Plans)		December-06			
Expected Invoice Timing/ Amount			December-06	February-07	\$3,513,204
30% upon completion of major Testing milestones					
QAT Acceptance		April-07	April-07	May-07	\$9,368,543
UAT Acceptance		August-07	August-07	September-07	\$2,342,136
40% upon successful completion of major implementation milestones					
R1 Pilot Implementation Complete		November-07	November-07	December-07	\$4,684,273
R1 100% of sites implemented		April-08	April-08	May-08	\$10,929,966
Release 1 TOTAL					\$39,035,597

For clarity, the overall schedule of Deloitte invoices to the State for all Releases are provided as a separate attachment to this document. Please note the decrease in future enhancement support (this change control came out of that total "bucket") and that the timing of Production Support invoicing has moved two months out due to the scope change:

Functional Requirements

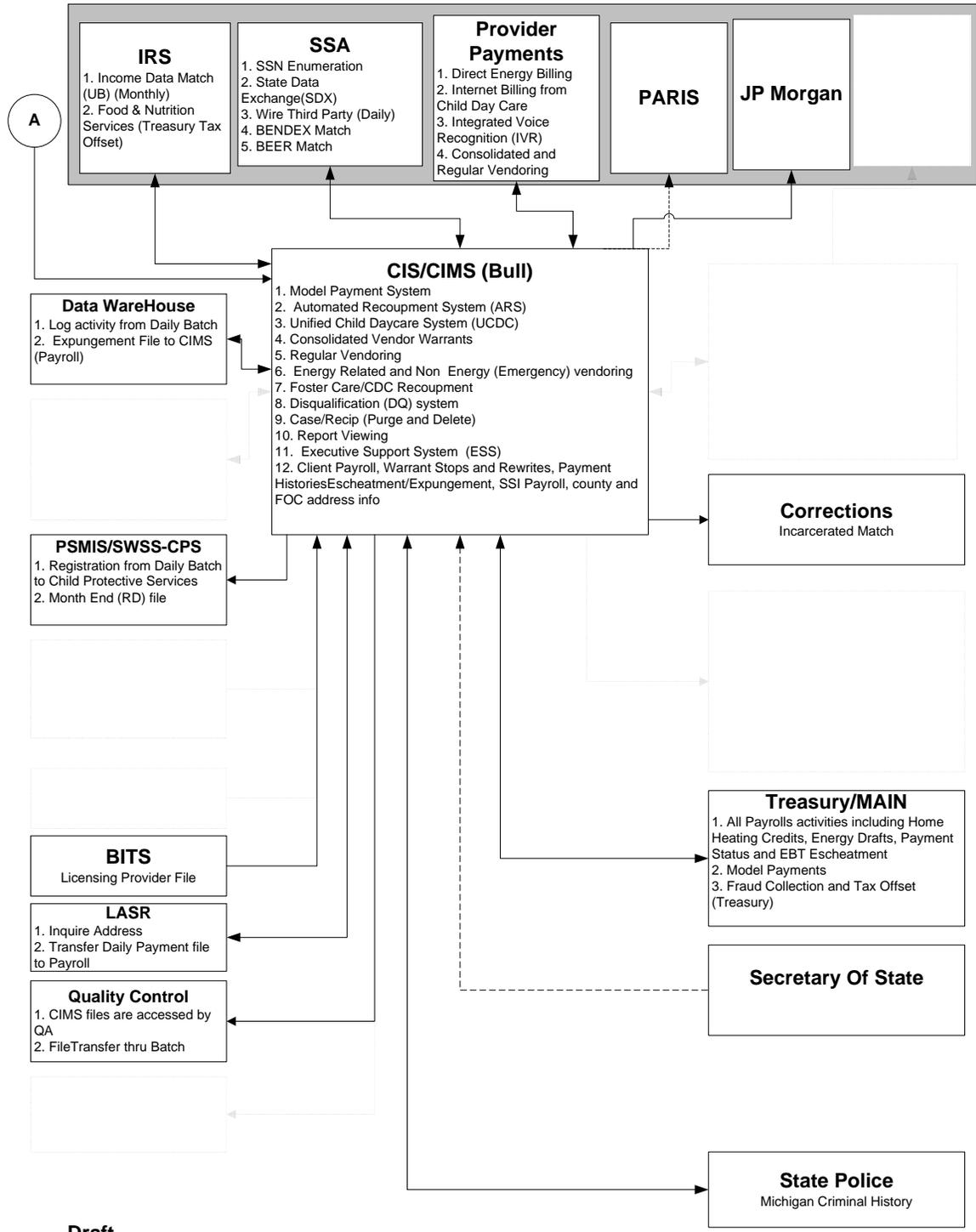
CIMS functionality as of today:



Draft Thursday, May 04, 2006

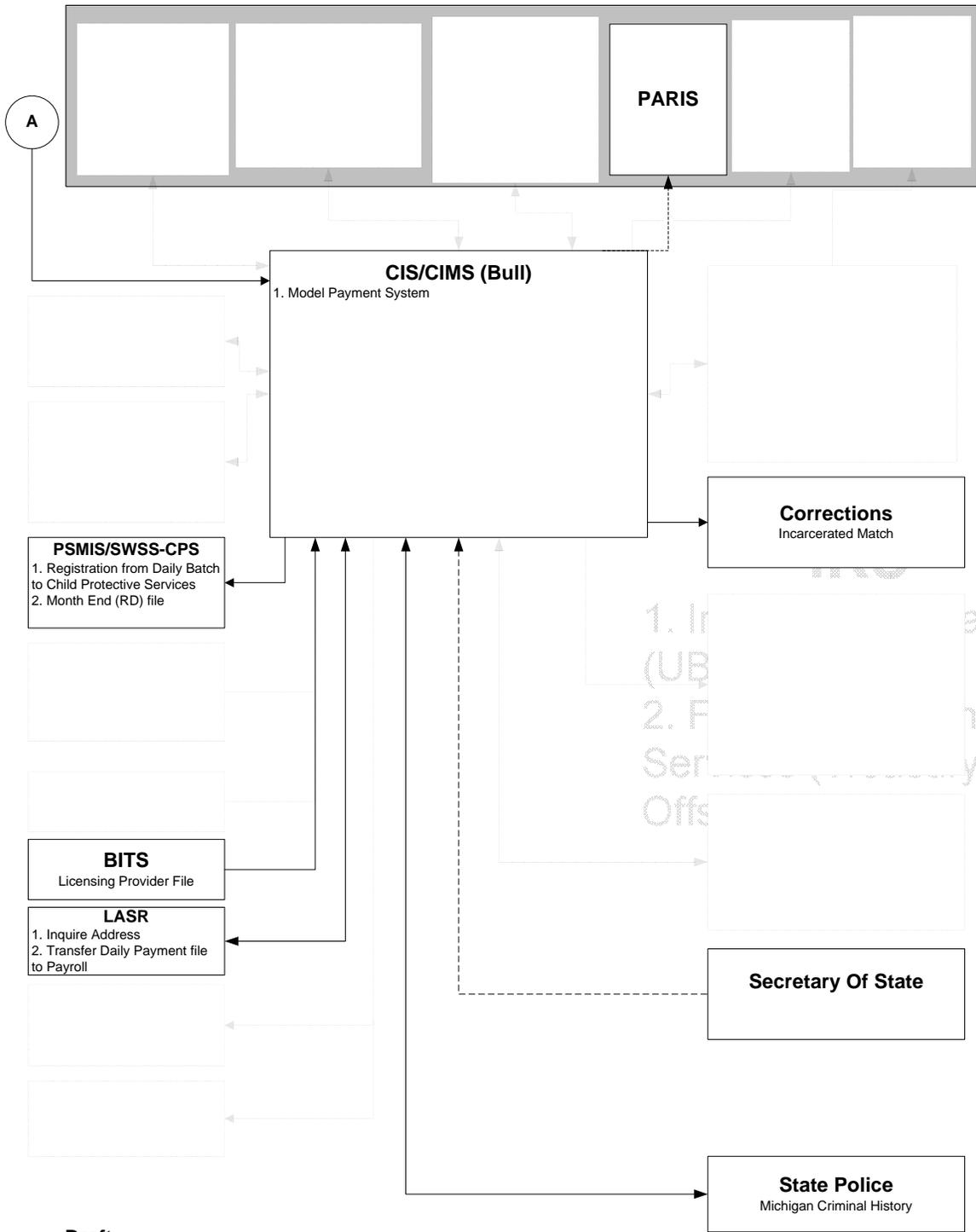
Note: Dotted line indicates potential functionality for inclusion in the new system

CIMS functionality for BRIDGES clients in Release 1 “as is”:



Note: 1> Dotted line indicates potential functionality for inclusion in the new system
 2> Grayed out interfaces indicate that BRIDGES include this functionality for BRIDGES clients

CIMS functionality for BRIDGES clients in Revised Release 1:



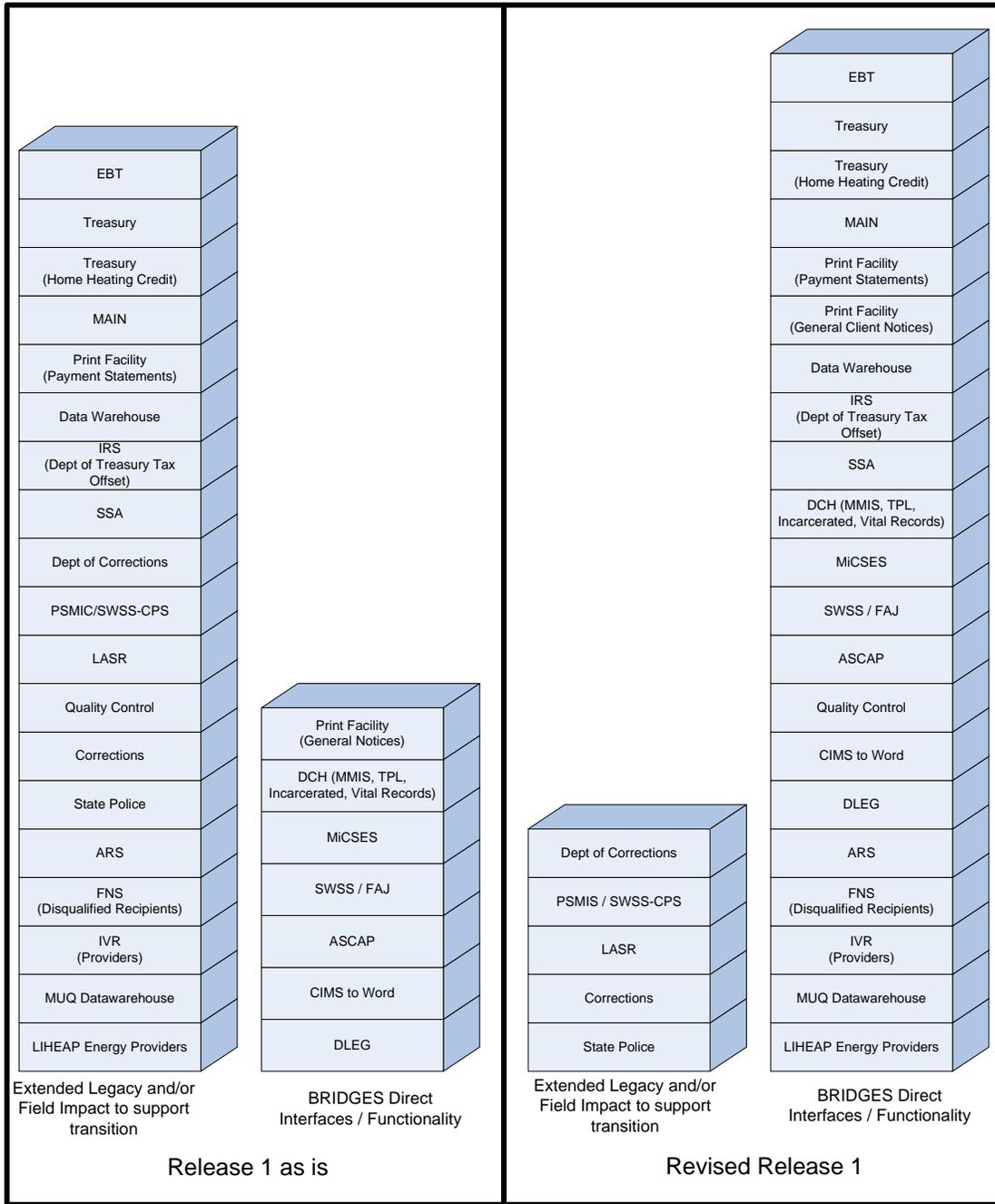
Draft Thursday, May 04, 2006

Note: 1> Dotted line indicates potential functionality for inclusion in the new system
 2> Grayed out interfaces indicate that the functionality will be in BRIDGES for BRIDGES clients

Data Warehouse

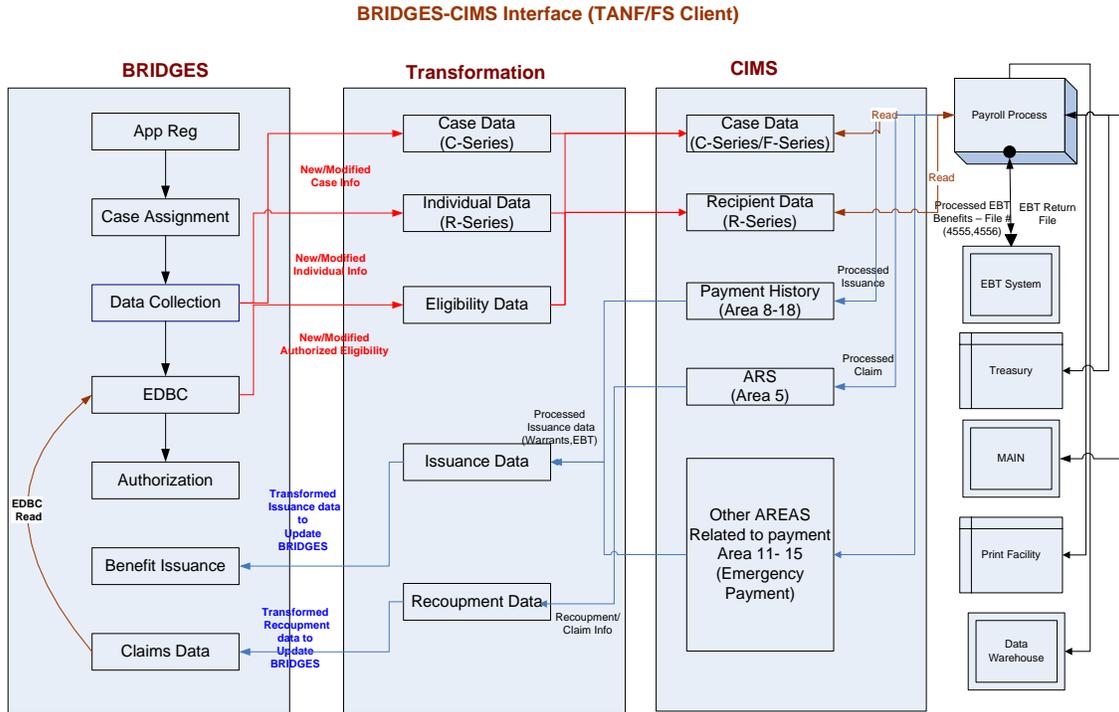
1. Log activity from Daily Batch
2. Expungement File to CIMS (Payroll)

BRIDGES Unrevised Versus Revised Release 1

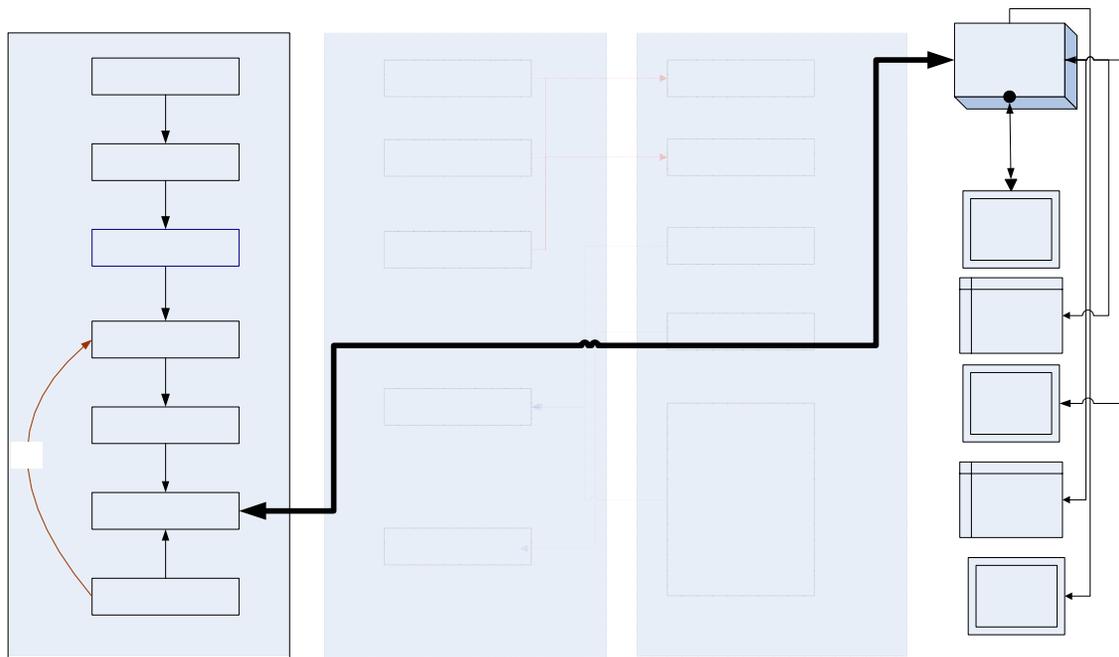


Please see attachment “Release 1 vs. 2 Summary to follow Diagramsv1.doc” for approach of how each interface will work in Revised Release 1 scope.

As an example, please see the following diagram that describes how the data will flow for a Daily Payroll for Clients in Release 1 “as is”:



As an example, please see the following diagram that describes how the data will flow for a BRIDGES Daily Payroll for Clients in Revised Release 1:



Other Dimensions

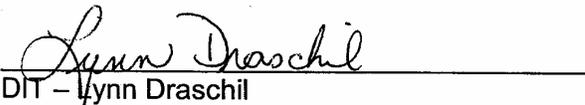
Other Dimensions to make this decision:

1. Are any changes needed to the Deloitte Consulting Contract for changes to revised scope of Release 1 and changes to timelines?
2. Need to update the BRIDGES project plan.
3. How will funding be provided for the additional hours required?
4. More workstations and additional software licenses will be required.
5. Need to add new “deliverables” for Iteration 3 of Release 1.
6. Need additional office space for additional resources.
7. Need to provide additional State resources for business knowledge.
8. DIT will still need to make changes to legacy systems for a 7 Month transition period. A plan needs to be created for these changes.
9. Conversion will need to convert more data. Therefore, CIMS will need to create additional extracts.
10. Can the State keep up with more changes and staff?
11. Need to discuss the impact to Implementation and Production Support
 - a. Original requirement is for Deloitte Consulting to provide Training only through Release 1 and the State is responsible for Training for Release 2 onwards
 - b. There will be impact to Training materials created
 - c. Does the State require more Site Support?
10. The State will need to provide more resources during requirements validation, design, QA test and acceptance test phases.

Change Control #19219 Approval to Proceed


DHS – Laura Champagne

Date June 21, 2006


DIT – Lynn Draschil

Date 6-16-2006

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

February 22, 2006

NOTICE
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504 Email: dnickels@deloitte.com	TELEPHONE (616)336-7937 Dennis Nickels
	BUYER/CA (517) 241-7233 Joann Klasko
Contract Compliance Inspector: Patty Bogard Bridges Development/Implementation Contract	
CONTRACT PERIOD From: February 8, 2006 To: February 7, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

Estimated Contract Value: \$69,986,138.00

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933
NOTICE
OF
CONTRACT NO. 071B6200149
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Deloitte Consulting LLP 333 Bridge ST, N.W. Suite 700 Grand Rapids, MI 49504	TELEPHONE (616)336-7937 Dennis Nickels BUYER/CA (517) 241-7233 Joann Klasko
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MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are enclosed. 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: \$69,986,138.00	

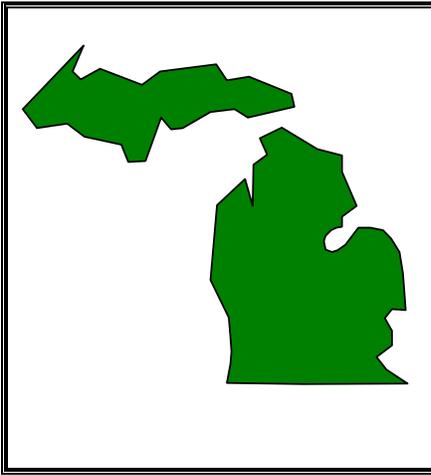
THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the req No. 084R5201206.

FOR THE VENDOR:

FOR THE STATE:

Firm Name
Authorized Agent Signature
Authorized Agent (Print or Type)
Date

Signature Elise Lancaster
Name IT Division, Acquisition Services
Title
Date



STATE OF MICHIGAN
Department of Management and Budget
Acquisition Services

[BRIDGES Development and Implementation Project](#)

Buyer Name: [Joann Klasko](#)
Telephone Number: [517-241-7233](#)
E-Mail Address: KlaskoJ@michigan.gov



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The following appendices are referenced for the purposes of clarification and quality for the agreed upon deliverable:

- 5.1.1 – Functional overview
- 5.3.0 – Technical Environment
- 5.4.2.1 – 5.4.4.6 – Plan for Application Development
- 5.4.4.7 – 5.4.5.2 – Implementation Support
- 5.4.5.3 – 5.4.6.2 – Ongoing Production Support
- 5.4.6.3 – Project/Contract Management
- 6.0_Final.doc – Project Plan

The following appendices are documents outlining the States/Contractors questions and answers included as references and guides to the final deliverable and specifications:

Q&A Part A, Part B, Part C and QA Development Application

Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 PROJECT REQUEST

The Michigan Department of Human Services (DHS), formerly the Family Independence Agency (FIA), in coordination with the Department of Community Health (DCH) and the Department of Information Technology (DIT), has entered into a contractual agreement with Deloitte Consulting LLP as the “Development and Implementation Contractor” to provide system development, integration and implementation services for the “BRIDGES” project. The mission of the BRIDGES project is to provide DHS a statewide, single and integrated service delivery system for eligibility and benefit determination of Michigan’s cash assistance, medical assistance, food assistance, and child care assistance programs. The BRIDGES project will leverage new technology to enable the State to:

- Reduce the administrative workload in the local offices;
- Enable the workers to focus on intervention and prevention services;
- Improve program accuracy; and
- Facilitate integration of the service delivery system with other DHS, state, federal, and private systems.

1.002 BACKGROUND

In 2004, the Department of Human Services (DHS), the Department of Community Health (DCH) and the Department of Information Technology (DIT) agreed that the multiple systems that currently support eligibility and benefit determination for Michigan’s cash assistance, medical assistance, food assistance, and child care assistance programs should be replaced with a single, integrated service delivery system (now known as the BRIDGES project). Several business and technical needs drove this decision.

The DHS workforce was significantly impacted by early retirement programs in 1997 and 2002 -- resulting in a loss of over 3,000 jobs, which have not been replaced, and an even greater loss of institutional knowledge. At the same time, client demands for all services have increased due to the state of the Michigan economy. The number of caseworkers has decreased 18% while the workload has more than doubled. This prevents DHS staff from fulfilling departmental goals for increasing employment and prevention services.

The rising caseloads with fewer experienced staff have significantly increased the level of frustration for the assistance program staff. The frustration of the workers is exacerbated by complex processes, both manual and automated, which hinder their ability to provide quality and timely services. Policy and procedures are overly complex and inconsistent among the counties. Family Independence Specialists (FIS) and Eligibility Specialists (ES) must use three primary systems (CIMS, ASSIST and LOA2) to process a single case, along with other ancillary systems and a multitude of manual workarounds. The current “multiple system” environment lacks the integration, consistency and functionality needed to provide workload relief and to ensure data integrity and timely processing.

The inadequacies of the current legacy systems, coupled with complex policies and procedures, have increased the error rates in both Medicaid and the Food Assistance Program (FAP), resulting in significant penalties:

- Medicaid error rate increased from 2.57% ('02) to 4.23% ('03)
- \$24M+ in Food Assistance Program (FAP) penalties were assessed in FY02; \$89M+ have been assessed through FY03
- \$1,794,124 in 2002 audit exceptions due to lack of documentation

Because of the age and complexity of the legacy systems, DIT is not able to provide adequate support to the business for program changes or enhancements. Major problems include:

- Three separate primary systems (CIMS, ASSIST and LOA2) must be maintained with vastly different database technologies, application languages, and hardware platforms.
- Several supporting applications, used to either synchronize the primary applications or to provide needed supplemental functionality, are written in different programming languages
- The distribution of functionality across so many systems makes the environment as a whole very difficult to maintain and modify.

- The major databases (Bull ISP, IDSII, and Unisys DMS-1100) are old, non-relational technology and do not interoperate well with modern systems.
- The number and widespread use of dated technologies in many of the supporting systems makes the overall system labor intensive and costly to maintain.
- The system infrastructure limits the overall efficiency and reliability.

Of primary concern to the State is that expected retirements coupled with a continued hiring freeze will cause DIT to lose maintenance capability on these systems over the next five years. Approximately 42% of staff currently assigned to maintaining the legacy systems are eligible to retire within the next five years. The State will lose extensive experience and knowledge with these retirements. Additionally, it is increasingly difficult to hire programmers and database developers skilled in the dated technologies of many of the current systems.

To meet the aforementioned critical needs, DHS, DCH and DIT authorized an integrated services delivery project (now known as the BRIDGES Project) through approval of a project charter on September 24, 2004.

The project charter aligned the project's objectives with strategic State goals.

To meet these goals, the BRIDGES Project has established the following objectives:

<ul style="list-style-type: none"> • Improve caseworker ability to serve the client 	<ul style="list-style-type: none"> ✓ Streamline and simplify policy and procedure ✓ Data sharing across programs, services, and systems ✓ Increase ability to focus on prevention services
<ul style="list-style-type: none"> • Improve client access to benefits and services 	<ul style="list-style-type: none"> ✓ Increase options for client access ✓ Provide eligible clients the assistance/service for which they qualify
<ul style="list-style-type: none"> • Improve program accuracy and efficiency 	<ul style="list-style-type: none"> ✓ Decrease error rates in all programs ✓ Serve clients in a more timely manner at lower cost to State
<ul style="list-style-type: none"> • Use technology to improve business operations 	<ul style="list-style-type: none"> ✓ Provide efficient and effective adaptation to changing business needs ✓ Easier and less costly to maintain
<ul style="list-style-type: none"> • Fully automate eligibility and benefits determination 	<ul style="list-style-type: none"> ✓ Eliminate manual workarounds ✓ Integrate policy and system ✓ Increase client access to automated processes ✓ Automate support for standardization of processes and codes ✓ Increase automation of eligibility and benefit determination calculations and decisions ✓ Eliminate redundant data entry ✓ Reduce error rates
<ul style="list-style-type: none"> • Provide rapid IT response to changing business needs, given the future probability of a reduced DIT workforce 	<ul style="list-style-type: none"> ✓ Use rules-based design ✓ Enable easy addition or modification of functionality ✓ Reduce service requests by using configurable rules and parameters that can be easily modified
<ul style="list-style-type: none"> • Ensure BRIDGES can meet business growth 	<ul style="list-style-type: none"> ✓ Ensure system architecture and design can readily handle growth in transaction load ✓ Ensure design components are compatible and easily modified for other DHS programs that may be added in future releases
<ul style="list-style-type: none"> • Align BRIDGES with DIT strategic goals 	<ul style="list-style-type: none"> ✓ Use standard technology and reduce the number of technologies ✓ Use standard project and development methodologies ✓ Use an open architecture ✓ Ensure design is flexible and easy to maintain ✓ Enable easy addition or modification of interfaces ✓ Move to an updated security infrastructure to support reduced sign-on and improved security standards ✓ Move to a single database ✓ Eliminate outdated and high-maintenance hardware, software and programming languages

The BRIDGES project will meet the business goals outlined above by standardizing and simplifying policy and business processes statewide, by leveraging a proven technical solution that is flexible and easy to maintain, and by establishing a proven governance model to maintain control of the project.

Under the direction of the State, a Program Management Office (PMO) has been established for the BRIDGES project. The PMO is responsible for the governance of this project, including development of the overall strategy and plan to meet the goals and objectives outlined above, gaining stakeholder agreement to the plan, establishing a budget, and obtaining funding for the project.

As part of the PMO, a Project Control Office (PCO) has been established. The PCO will be a critical component of the overall BRIDGES Program Management structure and provide the State with detailed project control and oversight independent of the Development and Implementation Contractor. This will serve as a quality assurance mechanism for the State of Michigan.

The State has requested the PCO Contractor to provide project management control/support and technical control/support to the BRIDGES Program Management Office (PMO) organization. Given the monitoring and quality assurance functions to be provided by the PCO, the PCO contractor and any of their subcontractors are precluded from participating on this contract.

The State's general approach to this project is to have the Contractor work with key State of Michigan staff to perform a "knowledge transfer" throughout the project. This will enable the State to maintain and enhance the system at the end of the contract. This approach encompasses both business (i.e., DHS) and technical (i.e., DIT) staff.

The State intends to assign 10-20 DIT and 3-6 DHS staff to the project. These individuals will be dedicated full-time to the BRIDGES project and are expected to become the subject matter experts for various areas of the system. The intent is for the State to have experience and knowledge in all aspects of BRIDGES by the end of the contract.

To accomplish this, the State expects the Contractor to pair State staff with key individuals from the Contractor team from the beginning of the project. The Contractor will manage these staff in terms of work assignments. *Activity 7 - Miscellaneous, Task 3 – Transition Support to State* defines the Contractor requirements for a formal transfer of responsibility at the end of the contract. Specific tasks within some of the activities also define Contractor requirements related to this "knowledge transfer".

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities.

State, PCO contractor and the PMO will meet the timelines as set in the then approved Project Plan.

Requirement clarifications:

1. The Contractor and the State will work together to mutually agree upon the optimum level of State staffing.

1.1 Scope of Work and Deliverables
1.101 IN SCOPE

This section of the Contract describes the functional scope of BRIDGES. The descriptions of the required functions are provided to guide the Contractor in understanding the State's requirements to provide automation support for the administration of the programs for which DHS is responsible. If the Contractor proposes a solution that includes additional functionality that would be of benefit to the State, the Contractor is free to describe that functionality in its response. Such additional functionality will not be included in the evaluation of the proposal. The State shall not be obligated to implement this functionality, but neither should the Contractor feel it necessary to expend resources to remove the functions.

DHS has determined that an optimum method of meeting its stated objectives is to implement BRIDGES in a series of releases. The first release will focus on worker relief and productivity improvements. The second will largely concentrate on the batch functions, including many of the interfaces, reports, and payment processes. The last release will provide the remainder of the required functions. In this release strategy, the

majority of online case management and eligibility/benefit determination functionality will be implemented first, as well as associated reporting and interface functions that accompany these online processes.

BRIDGES will be developed from the outset to include all of the public assistance programs that DHS administers, as well as the Medicaid program categories of assistance for which DHS determines eligibility. Specifically, in the initial release, the proposed solution shall meet all mandatory Release 1.0 requirements delineated in Appendix A for the following programs:

- Family Independence Program (FIP), the State's TANF program;
- Food Assistance Program (FAP), commonly referred to as Food Stamps;
- Medicaid Program, and its approximately 40 categories of coverage;
- Child Development and Care Program (CDC);
- Refugee Assistance Program (RAP);
- State Disability Assistance;
- Supplemental Security Income Supplement;
- Repatriate Program and;
- State Emergency Relief (SER).

This project will be developed and implemented in three major releases:

- **Release 1.0:** All mandatory requirements marked as "Release 1" in Appendix A and Appendix B, further refined and mutually agreed upon as defined in the approved project deliverables, for the programs identified above will be implemented as part of Release 1.0. Additionally, this functionality must be integrated with the existing backend processes, including payment processing, many of the interfaces, and a majority of the required reporting. [Reference Appendix A and attachment 5.1.1 for a detailed list of requirements for Release 1.0.]

Release 1.0 shall initially be implemented (deployed) on a "pilot" scale. The Pilot shall minimally consist of one medium-sized county, preferably in the vicinity of Lansing, Michigan. The pilot office(s) will be mutually agreed upon by the State and the development vendor. Contractors may also consider other approaches such as piloting in a large county or in two counties – one medium and one large. The Pilot shall implement mandatory requirements marked as "Release 1" in Appendix A and Appendix B, further refined and mutually agreed upon as defined in the approved project deliverables, in the production environment; it is the State's intent that caseworkers will NOT update the legacy systems during (or after) Pilot (i.e. not a parallel Pilot).

The Pilot should commence no later than 16 months after contract start. After a successful Pilot of at least 2 months, the remainder of the State offices will be converted to the new BRIDGES system in a phased rollout. The rollout should be done in a geographically phased approach with several offices converting simultaneously in each phase. Release 1.0 should be deployed statewide within twenty-three months of contract start.

- **Release 2.0:** This Release will include all mandatory requirements marked as "Release 2" in Appendix A and Appendix B further refined and mutually agreed upon as defined in the approved project deliverables.

Release 2.0 should be implemented within thirty-three months of contract start. Release 2.0 will be deployed statewide in a single implementation phase, as the vast majority of this functionality is transparent to the Local Offices. [Reference Appendix A and attachment 5.1.1 for a detailed list of functional requirements for Release 2.0.]

- **Release 3.0:** This Release will include all mandatory requirements marked as "Release 3" in Appendix A and Appendix B further refined and mutually agreed upon as defined in the approved project deliverables. The primary purpose of this Release is to:

- Improve worker productivity;
- Provide client self-service functions, including submitting applications over the Internet;
- Determine potential eligibility and provide referrals for Women, Infants and Children (WIC) and school meals programs.

Release 3.0 should be implemented within forty-five (45) months of contract start. [Reference Appendix A and attachment 5.1.1 for a detailed list of functional requirements for Release 3.0.]

Initial draft project plan proposed in the vendor proposal is attached as Attachment R.

Reference Q and A's Part A, Q&A's Part B, Part C, and Q&A Develop Application for clarifications prior to submission of proposals.

The high-level description of BRIDGES requirements follows. Please note that this is an inventory of required functionality without reference to the release in which each will be implemented. The matrix in Appendix A will guide the Contractor as to the requirements for each release.

Self-Service Application Screening

The BRIDGES system will provide secure processes over the Internet to provide an additional channel for Michigan residents to inquire about and possibly apply for assistance. As a result, potential clients could make initial contact with DHS programs from home, work, school, community based organizations, kiosks – anywhere that the Internet is available to them.

Two major functions are envisioned as part of self-service screening:

“Potential” eligibility processing – An individual enters certain household data (anonymously, if preferred) and receives an indication of the programs for which the individual and members of the same household may be potentially eligible. The client receives directions to the local office where he/she would receive help in completing the application requirements.

Application submission – In addition to the “potential” eligibility processing, the potential client is given the opportunity to submit an application over the Internet. He/she enters required demographic and financial data in the same way that he/she might if applying in person or by mail with a paper application. The client would receive an application number, a temporary user ID and PIN for additional access, and directions on following through with the formal application process, including directions to the local office if required.

Self-service screening or application web pages will provide a non-complex presentation of instructions in multiple languages for data entry. Instructional information will be provided to protect the client's privacy. If the client chooses to submit an application online, he or she will be presented with detailed user input web pages to assist in the submission of the required data including: drop down selections, easy to follow navigation, easy to understand edit messages, user help, and follow-up instructions. Where appropriate, clients will be given the opportunity to print out the details of their screening or application entry.

Completed applications will be held in the system for a period of time, awaiting client follow through with the required office. Applications submitted over the Internet will form the basis for completing the application process with an DHS worker. Only DHS-completed applications will be used for determining eligibility for benefits.

Intake/Registration

The intake/registration functions will provide a series of web pages to the registration support specialist to register an application for eligibility determination and benefit calculations. Applications may come into the local office via a variety of channels including: paper applications submitted in-person, in-office interactive interviews, paper application submitted by mail and self-service Internet functions.

As with all web pages in the application, the intake/registration web pages will follow a flexible workflow with easy to understand navigation. Workers will be presented with web pages with complete data entry functionality including: drop down selections with English language choices rather than codes, understandable and instructive edit messages, user help at the field and web page level, one-click access to policy and procedures, and other such data entry assistance.

Intake/Registration functions will include the following:

File/case clearance – The applicant and each member of the applying household will be checked against the existing client database in BRIDGES. If any applicant is found to have received assistance in the past or is currently receiving assistance, the current application can be registered with the existing verified client identifying information. Selecting the correct client based on the information provided by the system, is the responsibility of the worker/registration

specialist. If the client is not found on the database, the registration specialist will be presented with input web pages to capture all required demographic data.

Additionally, the case address will be checked against known case addresses in BRIDGES on the system to determine if there are other DHS clients residing there.

Application data collection – All data required to register the application on the system will be entered. Clients will be given the opportunity to specify the programs for which they wish to apply or to have the system test various program options for which the client might be eligible. The case will be registered on the system with the applicable application date to begin the tracking of standards of promptness for each assistance program.

Case Assignment – Depending on the case assignment rules defined in BRIDGES, the case will be assigned to a worker for disposition. Case assignment rules will be flexible according to the individual office's preferred method of assigning work. Options will include assignment by rotation, by case weighting, by caseload balancing, by manual intervention, or other preferred methods. Assignment methods will be flexible to accommodate the largest urban office or the smallest rural office.

Appointment scheduling – BRIDGES will maintain worker calendars to assist in scheduling the household for initial data collection/verification and eligibility determination. Appointments will be integrated with the workers' local office automation calendars as required (currently Groupwise).

Eligibility Determination/Benefit Calculation

This functional area will likely have the most impact on worker productivity. Data collection rules, program eligibility and benefit calculation rules, program/case disposition rules, help with verification of data, and other processing rules will be developed as part of the automated functionality to remove both mundane and complex rules from the workers' purview. Data will be entered once and will be used for each assistance program determination according to the rules of that program. Web page prints and other currently required printing will not be required to encourage as paperless a work environment as possible. Such built-in flexibility will provide the worker with more time to focus on timely and accurate completion of program requirements and to assist the client as quickly as possible.

As with all web pages in the application, the eligibility processing data collection web pages will follow a flexible workflow with easy to understand navigation. Workers will be presented with web pages with complete data entry functionality including: drop down selections with English language choices rather than codes, understandable and instructive edit messages, user help at the field and web page level, one-click access to policy and procedures, and other such data entry assistance.

Eligibility determination/benefit calculation functions will include the following:

Data collection – Non-financial data, asset or resource data, income and expense data will be collected for the household. For some data types, additional data will be collected to assist in automated eligibility calculations and to eliminate the need for workers to perform off-line calculations (e.g. whether a bank account is held jointly, or how often an income is received). Data will be entered once and used appropriately for each program.

Verifications – All data required to be verified will include the method of verification. Pended verifications will be tracked and the worker alerted until the required information is received.

Program eligibility determination and benefit calculation – Two methods of eligibility determination will be included in the BRIDGES processing rules: 1) system determined eligibility for best available programs based on the household information entered into the system; and 2) eligibility determination according to the specific assistance program requested by the client. The system will be able to group household members into applicable program assistance units based on program rules. In the case of the approximately 40 Medicaid assistance categories, the system will "cascade" through the applicable categories based on a hierarchy of processing rules.

Based on data input, the system will apply sanctions, disqualifications, disregards, deductibles, and other calculations to accurately assess program eligibility. Where possible, electronic data interchanges with internal and external organizations will be used to verify client-provided data. The client will be asked to provide missing data or verifications in a timely manner.

If the client household or household member is deemed eligible for cash or food assistance, BRIDGES will calculate the assistance payment for each eligible program. BRIDGES will also recoup against outstanding claims as applicable. If Medicaid eligible, BRIDGES will establish the period of eligibility and send it to the DCH Medicaid Management Information System (MMIS).

For programs in which services are provided by outside parties (e.g. child day care), provider payments will be calculated, as applicable. The system will also be able to match placements to available providers based on household circumstances, demographics, and provider availability.

Case/program disposition – The disposition of each program within the case will be recorded on the system. A notice will be formatted and generated informing the applicant of the programs for which they are eligible and/or reasons of ineligibility, the calculated benefits, and any other required instructions. Notices will be generated electronically to be mailed centrally, unless the caseworker intercepts the process by manually issuing the notice in the office and providing it to the client at time of determination.

Referrals – In certain circumstances, BRIDGES will provide referrals to other agency or community resources, and have the ability to generate specific referral notices.

Notices/Correspondence

BRIDGES will generate notices and correspondence as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, in English, Spanish and Arabic where applicable, for required notifiable situations such as: results of an eligibility determination, requests to the client for additional data and verifications, results of a redetermination due to changes in circumstances, periodic redetermination / recertification, and others. BRIDGES will format the applicable notice using static text and program data. Notice generation will follow all policy rules to provide timely and adequate notices to households at their specified mailing addresses. In situations where the caseworker wishes to intervene, a notice may be provided manually and handed to the client in the office. All generated notices will be tracked, available for historical printing, and available for worker inquiry. The State will provide translated text for notices in all languages including English, Spanish and Arabic.

Benefit Issuance

BRIDGES will provide complete benefit issuance functionality as per requirements in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables:

Immediate issuance – Prior and current months' assistance for initial applications will be paid according to program requirements, as will emergency benefits. Cash and food assistance will be provided through established EBT processing. (Note: EBT is already provided by the State; only the interface to EBT is within the scope of the BRIDGES project.) Prior and current months' Medicaid eligibility periods will be sent to the DCH MMIS according to program requirements.

Ongoing issuance – Ongoing benefits will be paid on a regular monthly basis. As noted above, cash and food assistance will be provided through established EBT processing. Medicaid eligibility periods will be provided to the DCH MMIS according to program requirements.

Vendor/Provider Payments -- Vendor payments and payments to providers will similarly be processed according to pre-determined payment schedules.

Collections – Prior to issuing regular ongoing benefits, the BRIDGES payment processing will recalculate and apply recoupments for cash and food assistance according to program rules. Similarly for vendor and provider payments.

Benefit Inquiry/Tracking – The status of all benefits issued will be recorded in the system and made available for inquiry. Benefit amounts will be maintained historically and used in recalculating past months' benefits if new or changed data for past months is provided. Provider benefits will be viewable across programs supported by the providers.

Benefit card issuance/replacement – The system will also allow for automated requests to issue benefit cards for cash, food, and medical assistance programs. If a client reports loss of a benefit card, BRIDGES will allow for automated requests for benefit card replacement.

Case Maintenance

The Case Maintenance functions will provide caseworkers with the tools to administer changes in circumstances to the individual client, program, and case electronic records. These include the following:

Program Redeterminations – Each program within a household's ongoing assistance case will be tracked according to required redetermination periods. Workers will be able to align reviews of separate programs, as defined by policy, to require the client to report only once. Redetermination packets will be generated timely with or without worker intervention.

Client Self-Servicing – DHS is considering additional web-based functionality to allow clients to report certain changes in circumstances over the Internet (e.g. address change). These would be collected by BRIDGES and provided to the caseworker for eligibility processing.

Case inquiry/update – The workers will have a complete array of functions to input any changes reported by the client or discovered through additional verification processes. Case data will always be available for general inquiry to authorized personnel. Update functions will be provided for case demographics, asset/resource data, income and expense data, and any other changed data, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables.

Additionally, specialized functions, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, will be provided to allow for the addition or removal of household members and their data, complete with client clearance processes. Changes in circumstances may also provide for the addition of assistance programs, and specialized functions will be provided to integrate additional programs with their specific eligibility requirements.

Program eligibility determination and benefit recalculation – As discussed earlier for initial eligibility determination and benefit calculation, BRIDGES will manage the eligibility determination and benefit calculations for reported changes in circumstances. Eligibility and benefits will be calculated for prior, current, and next months. Supplemental benefits will be generated for immediate issuance in underpayment situations. Overpayment claims will be established for overpayment situations. As for initial eligibility, all program dispositions and notices will be processed to inform the client of the results of the household's changes in circumstances.

Similarly, changes in circumstances affecting providers will be managed through the Case Management functions.

Mass Change – For those global changes affecting the entire statewide caseload, BRIDGES will provide Mass Change functionality to be calculated in the background without worker intervention. For example, annual COLA increases, annual Food Stamp allotment changes, and annual cash assistance payment standard changes will be administered centrally and applied across the entire caseload by the system. BRIDGES will also provide a simulated mass change function to allow policy changes to be tested across the entire state caseload prior to implementation.

Benefit Recovery

In order to administer benefit recovery according to program rules, BRIDGES will provide DHS with a complete set of functions, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, to manage the collection of amounts owed to the State.

Claims Creation and/or Adjustments – Based on the recalculation of cash or food assistance benefits, overpayment claims will be established; similarly for Provider payments. The claims creation and/or adjustment functions will be used to review the claim, consider other claims against the household or members in the household, and set up the claim for ongoing collection. Depending on the error causing the overpayment, certain claims will be referred to the Office of

Inspector General for investigation. Once set up on the system, BRIDGES payment processing will apply correct recovery amounts to ongoing benefit payments.

Manual payments – BRIDGES will provide functions to track and apply direct cash or food assistance payments to satisfy some or all of a client's overpayment claim. If a case is closed, the overpayment claim will stay open in case the client reapplies in the future or to accept manual payments. Once a program or case is closed, the system will issue dunning notices to the client reminding him/her of the obligation to repay the claim.

Claims inquiries – All claims and ongoing status of claims will be available for inquiry by authorized personnel.

Caseload Management

BRIDGES will provide functionality to administer entire caseloads and to track individual case events as part of the entire caseload, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables:

Tasks/Reminders (also called alerts/ticklers) – From time to time, case events will require worker review and intervention, and the system will provide tasks or reminders (alerts or ticklers) to the worker to take the appropriate action. Events which the system can handle without worker intervention (e.g. child achieving a threshold age, program redetermination, etc.) will not issue an alert. Workers will have inquiry into all tasks/reminders for their caseloads. Supervisors will have access to staff tasks / reminders and will receive notification of tasks which are overdue in case supervisory attention is warranted. Tasks/reminders will be disposed of by the system when the required action is satisfied.

Case transfers – Single or multiple case transfers will be accommodated by the system to allow for the movement of cases to a different office.

Case/caseload reassignment – Individual cases, parts of caseloads, or entire caseloads must be reassigned from time to time to allow for temporary worker absence, worker leaving, rebalancing of caseloads, closing of entire offices, and other reasons. BRIDGES will provide functionality to assist in this requirement.

Archiving – BRIDGES will provide the requisite functionality to track case file retention requirements and to archive automated closed case files according to program rules.

Occasionally, archived files must be retrieved. BRIDGES will provide automated functionality to retrieve an archived case.

Interfaces

The system will provide interfaces as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, with federal and other State of Michigan agencies. Additionally, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, BRIDGES will accommodate electronic data interchange with non-governmental organizations, primarily for verification purposes.

Referrals to other organizations, payment transactions to the State's central accounting system, transactions to the State's EBT provider, tax offsets, MMIS transactions, and other such transactions will be provided by the system, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables.

Interfaces will be provided through traditional means of file exchange/ file transfer. Additionally, the system will provide direct inquiry into data provided by other organizations without requiring additional usernames and passwords. Data that can be stored within BRIDGES from other organizations will be used to provide threshold verification and input into the eligibility determination process.

Management Reporting

To the extent possible, management reporting will be provided online and on an as-needed basis to greatly reduce the amount of paper processing. Standardized general inquiries producing a variety of caseload and

statistical reporting will be provided for any reporting period. Ad hoc inquiries will provide additional flexibility to retrieve information. Ad hoc inquiries that become common will be added to the library of standardized general inquiries. Any inquiry will be able to be printed as required.

Additionally, required caseload, state, and federal reports will be produced on a regular processing schedule.

Financial Management

Similar to management reporting, all required state and federal financial reports will be produced on a regular processing schedule, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables.

BRIDGES will also contain a financial reconciliation function to track payment information issued by the EBT and State central payment functions. These reconciliation functions will catch any discrepancies between BRIDGES and the other systems and allow for correction. They will also provide evidence of payment to BRIDGES benefit inquiries.

Provider/Resource Management

BRIDGES will provide the ability to maintain and track service providers and Contractors either through its own functionality or through interface to other systems currently maintaining this information. Provider/resource management functions include:

Register/add providers/resources – Provider demographics, services provided, and DHS contract details will be maintained in order for the system to calculate payment to providers.

Licensing/certifications – Certain providers have licensing and/or certification requirements. These will be tracked to provide the system with the information needed to place clients and make payments.

Maintain providers/resources – These functions will provide for the updating of demographic, service, and contract data. Additionally, client feedback about individual providers will be maintained.

Provider/resource self-service – BRIDGES will provide web-based functions for providers/resources to be able to update their own data, including such things as address changes, client attendance data, and other such information that will lessen the workload for caseworkers.

Administrative Hearings

Integrated into BRIDGES, and with full access to all case data, the administrative hearings functions, as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables, will provide for the setup of a hearing, tracking of the hearing according to program policy rules, and maintenance of hearing data during the disposition of the hearing. The hearings functions will generate all identified notices and further refined and mutually agreed upon as defined in the approved project deliverables. Benefits levels will be managed according to policy rules in coordination with the client. In the event that benefit levels need to be reset to earlier levels, the system will calculate the changes and overpayments or underpayments as required.

Quality Management

The quality management functions within BRIDGES will accommodate both federal Quality Control reviews and state/local office administrative reviews (or case reads), as defined in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables. Quality management functions include:

Random sampling – BRIDGES will maintain sampling criteria for both types of reviews, and will generate the random samples based on the sampling criteria. Selected cases will be tracked as part of the state or federal quality review.

Case reads/Quality control – Once the reviews are underway, BRIDGES will provide the reviewers with functions to track the results of the reviews by case. When the particular review is completed, review results will be consolidated and reported to the appropriate organization. Based on review results, error prone profiles will be generated by BRIDGES to monitor current and future cases matching these profiles.

Miscellaneous Functions

This section of the functional requirements description provides a number of additional functions, mostly administrative, that will be provided by BRIDGES:

Security administration – BRIDGES will provide sophisticated security administration functions to manage users within the system. This will include the functions that are available to them, what types of cases they can work, what office organization they belong to, and others. Local office administrators will have access to managing users within their specific offices. Statewide functions such as the creation and maintenance of system user profiles/ user roles will be administered centrally.

System parameter maintenance – BRIDGES will be implemented with as much of the program policy and rules built into user configurable data and the associated rules engine rather than into the programming logic. BRIDGES will provide functions to assist specific, trained central office staff in managing policy and procedure changes according to effective date of the change. Upon applying the changes through the user configurable data and rules engine, BRIDGES eligibility and other functions will apply these changes for all future case processing.

User aids – BRIDGES will provide complete and comprehensive online help functions and links to online policy and procedures manuals. These functions will provide central office staff with the ability to maintain all online help and policy links and text.

Audit support – To assist with the security and audit requirements for a system as extensive as this, BRIDGES will provide the ability to track all changes to case information according to data changed, user making the change, and date and time of the change. These audit functions will extend to batch functions such as Mass Change as well. Certain online functions will also log worker access, even if no changes were made.

Time study support – Michigan uses random moment time study processes to assess worker functions in the local offices. BRIDGES will provide required assistance to the time study efforts.

Requirement clarifications:

1. Items deemed “optional” in Appendix A are NOT included in the fixed-price portion of this contract unless mutually agreed upon.
2. The timing (i.e., release) for delivery of specific functional requirements will be as documented in *Appendix A* and further refined and mutually agreed upon as defined in the approved project deliverables.
3. The schedule for the software implementations (releases) will be as follows unless further refined in the then approved Project Plan:
 - Release 1.0 – Implemented in Production (Pilot Start) – 16 months after contract start
 - Release 1.0 – Statewide Rollout Complete – 23 months after contract start
 - Release 2.0 – Implemented in Production – 31 months after contract start
 - Release 3.0 – Implemented in Production – 42 months after contract start

1.102 OUT OF SCOPE

BRIDGES will be implemented in this contract as an enterprise-wide case management system for public assistance programs only, including Medicaid eligibility. Specifically excluded from this implementation are Adult Protective Services, Child Protective Services, Juvenile Justice, Adoption and Foster Care, Child Support, and WIC (other than potential eligibility determination for referral purposes). Specific interface requirements to the systems that maintain these programs are included in the detailed requirements in Appendix A.

The Contractor is not responsible for desktop upgrades, if required.

Imaging and imaging equipment are not included in the scope of this contract, although requirements related to the proposed system's ability to be enhanced to incorporate imaging at a later date are relevant.

The production of Electronic Benefit Transfer (EBT) cards and the actual creation of benefits on these cards are not included in the scope. This contract does require an interface to the EBT Contractor to provide the information to enable the card to be produced and create the benefits on the cards, but that is the extent of EBT requirements for this contract.

The Medicaid Management Information System (MMIS) is outside the scope of this contract. This contract does require the determination of eligibility for the correct Medicaid category for each individual and provision of the correct periods of Medicaid eligibility to the MMIS; however, the processing of Medicaid claims is not part of this contract.

Contractor is not responsible for decommissioning outdated or replaced systems.

1.103 TECHNICAL ENVIRONMENT

In general, the technical requirements for the solution are:

- A stateless user interface which is fully web enabled, meaning the interface is rendered completely in HTML and Javascript within a web browser. The primary Web browser is Microsoft IE 6.0 or higher for the application.
- A fully J2EE compliant architecture, making use of commodity skills and allowing the use of several operating systems and hardware platforms. The BRIDGES system will be based on the Sun hardware platform running the Solaris operating system except in specific cases where selected commercial software is not supported as defined in the then approved Technical Architecture Plan.
- A scalable solution using an open architecture, meaning the State may use a variety of hardware and clustering solutions to increase capacity and throughput without having to modify the system. Determination of the architecture will be defined by the then approved Technical Architecture Plan.
- The use of a framework as part of the main solution, meaning a set of components, wizards, and libraries that minimize the programming required to modify or customize the system.
- A monolithic database and application architecture. Logically, there should be one database, one application layer, and one presentation layer.
- An ADA (Americans with Disabilities Act) compliant user interface with context sensitive help to get to each major piece of functionality. [Reference <http://www.ada.gov/> for more ADA related information.]
- The system must be secure, supporting LDAP authentication and SSL based encryption.
- Development of the system must be structured, meaning it must be possible to make use of version control and a fully scriptable build and deployment process.

The detailed technical requirements are located in Appendix B and further refined and mutually agreed upon as defined in the approved project deliverables. The Contractor is required to meet each of the mandatory technical requirements. The then approved Technical Architecture Plan deliverable provides the technical solution required to meet the above requirements and serves as the definitive reference document for infrastructure components.

The solution should also conform to the State IT standards described in Appendix F in effect at the time of contract initiation unless defined as otherwise in the then approved Technical Architecture Plan.

Requirement clarifications:

1. Items deemed "optional" in Appendix B are NOT included in the fixed-price portion of this contract unless mutually agreed upon.
2. The timing (i.e., release) for delivery of specific technical requirements will be as documented in *Appendix B* and further refined and mutually agreed upon as defined in the approved project deliverables.

1.104 WORK AND DELIVERABLE

The Contractor shall provide services and staff to perform the following activities and tasks:

- Activity 1 – Technical Planning and Support
 - Task 1 – Define and Procure Application Infrastructure
 - Task 2 – Plan for Disaster Recovery and Business Continuity
 - Task 3 – Install, Configure, and Maintain Technical Environments
 - Task 4 – Manage Technical Planning and Support Activities / Staff
 - Task 5 – Perform Technical Planning and Support Knowledge Transfer
 - Task 6 – Perform COBIT Review
- Activity 2 – Application Development
 - Task 1 – Plan for Application Development
 - Task 2 – Perform Analysis / Requirements Definition
 - Task 3 – Design System
 - Task 4 – Build and Unit Test System
 - Task 5 – Develop Technical Documentation
 - Task 6 - Manage Application Development Activities / Staff
 - Task 7 - Perform Application Development Knowledge Transfer
 - Task 8 – Design and Implement an LDAP Repository
- Activity 3 – Testing and Software Implementation
 - Task 1 – Develop Test Plans
 - Task 2 – Perform Quality Assurance and Performance Testing
 - Task 3 – Conduct User Acceptance Testing (UAT)
 - Task 4 – Perform Software Implementation
 - Task 5 - Manage Testing and Software Implementation Activities / Staff
- Activity 4 – Implementation Support
 - Task 1 – Perform Data Conversion
 - Task 2 – Prepare and Perform Training
 - Task 3 – Perform Site Support
 - Task 4 – Provide Help Desk Services
 - Task 5 – Transition Help Desk to State
 - Task 6 – Conduct Pilot
 - Task 7 - Manage Implementation Support Activities / Staff
- Activity 5 – Ongoing Production Support
 - Task 1 – Maintain and Support Application
 - Task 2 - Manage Ongoing Production Support Activities / Staff
 - Task 3 – Perform Ongoing Production Support Knowledge Transfer
- Activity 6 – Project / Contract Management
 - Task 1 – Perform Project Management Functions
 - Task 2 – Perform Contract Management Functions
 - Task 3 – Manage Project / Contract Management Activities / Staff
- Activity 7 – Miscellaneous
 - Task 1 – Provide System / Service Enhancements
 - Task 2 – Support Federal Cost Allocation Reporting
 - Task 3 – Transition Support to State

Each activity is described in more detail later in this section, including the specific requirements (i.e., tasks and deliverables) for the activity. Each of these activities should be performed by a set of people (i.e., team or sub-team) responsible primarily for the given activity; however, the Contractor is not constrained from organizing their team in any manner they deem appropriate provided the requirements of the contract are met.

To the extent known, requirements for the deliverables have been documented in this contract. However, prior to the creation and submission of each deliverable, the Contractor will work with the Project Control Office (PCO) to determine and agree upon the final format, content, acceptance criteria, and review process for the deliverable. The result will be a Deliverables Expectation Document (DED) for each deliverable.

The Contractor shall propose a format for each deliverable and gain State approval prior to preparation of the deliverable. This approval process shall include submission of a DED. The sole purpose of the DED is

to ensure that a common understanding exists between the State and the Contractor regarding the scope and content (depth and breadth) of the deliverable prior to the Contractor beginning work on the deliverable. The complexity of the DED should be proportional to the complexity of the deliverable. The DED will contain items such as:

- Deliverable objectives
- An outline of the deliverable, table of contents, sample format, sample pages, and a general description of the information that will be contained in the deliverable
- Deliverable acceptance criteria consistent with the requirements of this contract

Following is a high-level description of each activity:

Activity 1 – Technical Planning and Support covers the procurement, setup, and maintenance of the application infrastructure necessary for this agreement. Requirements for tasks such as configuration management, technical environment setup and support, and disaster recovery and business continuity are included in this section. Requirements related to the management of the people and processes necessary to perform technical planning and support tasks are also documented here.

Activity 2 – Application Development addresses the Contractor's responsibilities in terms of developing the business application(s), from Analysis (Requirements Definition) through Construction (Build) and Unit Test of the system in the development environment. Requirements for the development and implementation of an LDAP repository are documented here. Requirements related to the management of the people and processes necessary to perform the associated tasks are also included here.

Activity 3 – Testing and Software Implementation covers the requirements related to the testing of the application software for each release after it leaves the development environment. The Contractor will be responsible for performing Quality Assurance Testing of each release prior to the commencement of User Acceptance Testing (UAT), as well as plans for building and promoting software from environment to environment. Requirements for conducting Quality Assurance and User Acceptance Testing are documented in this section, as are requirements related to the management of the people and processes necessary to perform all of the tasks within this activity.

Activity 4 – Implementation Support includes all of the requirements for successfully implementing (deploying) the system in the local office and central business unit locations. Tasks include management of communications to and from each office, application training, business process training, data conversion, and site support during implementation. Requirements related to the management of the people and processes necessary to effectively support each implementation (deployment) are also included here.

Activity 5 – Ongoing Production Support addresses the requirements related to supporting the system and the user community after initial release of the system. Tasks include all typical ongoing production support activities such as corrective maintenance (i.e., "bug fixing") and adaptive maintenance (i.e., modification of the system to keep up with necessary technical upgrades). Requirements related to the management of the people and processes necessary to perform the associated tasks are also identified.

Activity 6 – Project / Contract Management addresses the requirements related to managing all of the teams / sub-teams identified above, as well as the Contractor resources necessary to work in the BRIDGES Program Management Office (PMO) structure. Typical project management tasks such as Scope Management, Communications Management, Financial Management, and Risk/Issues Management are identified here, as well as all required Contract Management tasks and functions.

Activity 7 – Miscellaneous covers the handling of enhancement requests, as well as support for federal cost allocation reporting requirements to maintain federal funding for the project.

Following are the detailed task requirements and deliverables for each activity:

Activity 1 – Technical Planning and Support

Task 1 – Define and Procure Application Infrastructure
Requirements of Task

The Vendor shall provide a technical architecture to support development, testing, training, conversion, and production of the proposed solution. The Contractor should be prepared to establish the development environment as soon as possible after the start of the contract.

The environments shall include:

- Experimental: An environment managed solely by the Contractor for testing processes, software upgrades, and any other purposes deemed necessary by the Contractor or State.
- Development: The environment used by the developers to implement, customize and extend the solution required.
- Conversion: The environment used to convert the legacy data, including testing of extractions and transformations, prior to actual loading the data to production.
- Integration: The environment where all of the release modules will be compiled and tested as a single configuration by the Contractor.
- QA Testing: The environment for Quality Assurance Testing and Performance Testing of the release by the Contractor prior to release to promotion to UAT.
- UAT Testing: The environment for User Acceptance Testing the release prior to implementing the system in production. Sometimes called the Model Office environment.
- Staging: A test build area used by the Project Control Office (PCO) to prepare and validate the build that will be deployed to production.
- Production: The end user or final environment that should be available throughout the defined extended business hours, with minimal windows of downtime for system maintenance and upgrades. Additionally, minimal data may need to be available 24/7/365 for query only.
- Training: A test/demo area for training users that needs to be updated and rebuilt on demand with a standardized base set of data.

These environments are NOT required to reside on distinct hardware. However, the Vendor must elaborate on how and where multiple environments are proposed to be supported on the same hardware.

For procurement planning purposes, the timeframes for establishing these environments are stated in the then approved Project Plan.

The Vendor may include other environments as deemed appropriate for proper use and deployment of the proposed solution. The Vendor shall fully describe any additional proposed environments and the rationale for such environments.

The Contractor shall provide a Technical Architecture Plan within **one month** of contract start. This plan will include detailed architectural diagrams with textual support for the environments listed above.

The Contractor shall keep this plan up to date as hardware and software are modified, added, or upgraded. Each new version of the plan must be approved by the State and the Project Control Office (PCO) prior to procurement being initiated.

The Technical Architecture Plan will include:

1. Required servers and the minimal hardware specifications per server, identifying each server by its purpose and its environment.
2. Required software for each server, including number of licenses and versions.

3. Additional hardware required (such as routers and load balancers), including recommended Contractors, versions, and specifications.
4. Other software required, including the total number of licenses and the structure of pricing and usage of the licenses.
5. An overall detailed architectural diagram(s). The diagram should include detailed graphics displaying the listed hardware and its relative placement in the architecture. The Contractor should clearly mark the communication channels between hardware units, identifying features such as encryption where appropriate.

A primary intent of this plan is to identify everything needed from a hardware and software perspective to render the solution – from development to testing to training to deployment in the production environment – so there are no surprises in terms of additional purchases necessary.

The Contractor shall also provide a Procurement Plan within one month of contract start. The Contractor shall keep this plan up to date as hardware and software are modified, added, or upgraded, or plans to procure these items change. Each version must be approved by the State prior to procurement being initiated.

The Procurement Plan will include a suggested procurement path for the infrastructure identified in the Technical Architecture Plan, including Contractors, delivery mechanisms, financing options, and discounts that either the responder or a secondary Contractor can provide the State. However, the State reserves the right to purchase the hardware and software outside of this contract. The State will notify the contractor of the procurement path in sufficient time to allow procurement of all hardware and software.

Deliverables from Task

1. Technical Architecture Plan – due one month after contract start, with updates as required thereafter.
2. Procurement Plan – due one month after contract start, with updates as required thereafter.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Procure all BRIDGES hardware and software	Dev & Impl Vendor, State
Review deliverables	PCO, State
Approve deliverables	State

Task 2 – Plan for Disaster Recovery and Business Continuity

Requirements of Task

The Contractor is required to produce and maintain explicit disaster recovery and business continuity plans. Requirements for the system to support disaster recovery and business continuity are listed in the technical requirements in Appendix B.

The State is responsible for facilities and facility management. This includes addressing physical security, extended power loss, natural disasters, and physical loss of a data center. The Contractor is responsible for addressing only BRIDGES system related issues in the plans.

The Disaster Recovery Plan shall address the following scenarios:

- Failure of a single disk in the storage subsystem
- Failure of a single disk in any single server
- Failure of a single CPU in any individual database, web, or application server
- Single failure of any network interface on any server or appliance, including interfaces to external storage systems
- Failure of the power supply in any individual power supply
- Failure of any single circuit used to power the servers and appliances used in the system
- Failure of any switch or hub essential to the system

- Complete loss of any single server
- Complete loss of any single appliance such as a load balance, security device, etc.
- Complete loss of the primary storage system

The Disaster Recovery Plan shall include strategies for backup, failover, and clustering, as well as strategies to address issues related to high availability and rapid system restoration. This plan is due 18 months from project start.

The Business Continuity Plan is related to disaster recovery, but it covers a single scenario: a catastrophic failure of the primary data center. The State has two primary data centers. The Contractor can assume that either or both may be used to support the system for business continuity. Again, facility issues such as generators are the responsibility of the State. This plan is also due 18 months from project start.

As the project evolves and new software and hardware are introduced, or existing hardware and system software are upgraded and modified, both the Disaster Recovery Plan and Business Continuity Plan must be updated.

The Disaster Recovery Plan must be tested within two years of project initiation, or within six months after Release 1.0 of the system is implemented statewide, whichever is later. The plan must be retested at least three months prior to the end of the contract. The tests can be performed on development hardware, if appropriate, to prevent disruption of the production systems, as coordinated with the PCO and State.

Deliverables from Task

1. Disaster Recovery Plan – due 18 months from project start.
2. Business Continuity Plan – due 18 months from project start.
3. Test 1 of Disaster Recovery Plan – within 2 years of project initiation or within 6 months of statewide implementation of Release 1.0, whichever is later.
4. Test 2 of Disaster Recovery Plan – at least 3 months prior to the end of the contract.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Produce Disaster Recovery Plan	Dev & Impl Vendor
Produce Business Continuity Plan	Dev & Impl Vendor
Conduct test of Disaster Recover Plan	Dev & Impl Vendor
Support test of Disaster Recovery Plan	State
Review and approve Disaster Recovery and Business Continuity Plans	PCO, State
Review and verify disaster recovery test results	PCO
Review and approve disaster recovery test results	State
Implement data center process changes as required	State

Task 3 – Install, Configure, and Maintain Technical Environments

Requirements of Task

The Contractor will be responsible for installing, configuring and maintaining the technical environments for the BRIDGES project. The Contractor will work with the Project Control Office (PCO), with the PCO serving as an advisor in most of the tasks. The State and PCO will have long term responsibility (i.e., post contract completion) for execution of the plans established by the Contractor. However, the initial installation and configuration of the software and hardware shall be the responsibility of the Contractor, as is the maintenance and support of all BRIDGES' technical environments for the duration of this project.

The timeframe for establishing the required environments are stated in the then approved Project Plan.

The Contactor shall provide a classroom training environment separate from the User Acceptance Testing (UAT) and Production environments. This environment will provide the same functionality as the BRIDGES production environment and will have a training database sufficient to meet the requirements for classroom training.

The Contractor shall also provide a post-classroom training environment separate from the User Acceptance Testing (UAT) and Production environments. This environment may or may not be separate from the classroom training environment, but it must not interfere with classroom training. This training environment will have the same functionality as the BRIDGES production environment and will have a training database sufficient to meet the requirements for the practical exercises the user may perform when back at his/her desk.

The Contractor must provide and maintain a Capacity Plan document for planning and sizing estimates for all environments, including expected storage requirements, storage growth rates, network bandwidth, backup media consumption, anticipated load, and expected maintenance activities. The Contractor must also identify environmental requirements such as power, cooling, and humidity controls in the Capacity Plan. The Contractor is responsible for ongoing updates to this plan throughout the project. The State will provide all necessary space, power, cooling and humidity controls at the data centers. Establishment of such is the responsibility of the State and will be provided in the timeframe as defined in the then approved Project Plan.

The Contractor must provide a Configuration Management (CM) Plan describing how configurations for all environments should be managed. The CM Plan must describe how configurations will be verified and promoted. The Contractor will utilize the experimental environment for testing configuration changes. After initial installation, access to other environments will be coordinated through the PCO. The State uses PVCS as its standard repository tool. The Contractor may make use of its own internal CM tool, but anything that is to be promoted must be checked into a repository managed and controlled by the PCO. This includes such things as master configuration files, migration scripts for software upgrades, and other CM utilities. The application of most configuration changes will be performed by the PCO, requiring that the CM Plan be appropriately detailed for general use. The State will provide all necessary support on a 24x7 basis to meet project needs for promoting changes through the environments in a controlled manner as mutually agreed upon.

In the Installation Plan, the Contractor must describe in detail what is necessary to install the computer hardware, software and appliances needed for all of the proposed environments. This should include staffing and effort estimates, outside contracting resources for services such as power and environmental control, and estimated timelines for procurement of hardware, software, and services. The Contractor will execute this plan for initial installation, fully documenting all revisions so the process can be repeated, if necessary, by the PCO or State technical staff.

The Contractor will be responsible for the initial installation and deployment of all of the hardware and software. The staff provided by the Contractor must work closely with the State and the PCO to ensure appropriate knowledge transfer to State staff for the ongoing maintenance and support of the technical infrastructure. However, the Contractor shall retain responsibility for maintenance and support of the technical environments for BRIDGES for the duration of the contract.

Installation of hardware, operating systems and software required for BRIDGES is the responsibility of the contractor. The State will notify the contractor with sufficient lead time to perform necessary installation of Hardware and Software, The State will, at their option, install Hardware, Operating system and Software. Selected Contractor personnel will be granted access to the BRIDGES hardware and software to complete the installation.

Modifications to the BRIDGES Hardware and Software by the State will not impact the then approved Project Plan. The State will plan for and accommodate the project schedule and be responsible for correcting any errors induced into the system by these modifications.

Access to all environments will be given to the contractor for the purpose of meeting our obligation of maintaining the environments, as needed and as mutually agreed upon. This includes the necessary security access to the data centers, servers, files, software and other components of the architecture on a 24x7 schedule. The contractor also requires access for selected hardware and software vendor personnel as necessary to support the environments.

The State shall provide data center maintenance activities for the BRIDGES project. Such activities include backup/recovery of all project servers and databases, failure monitoring and notification, network monitoring and reporting, and telecommunication access.

Deliverables from Task

1. Capacity Plan – due six weeks after contract start; updated as required thereafter.
2. Configuration Management (CM) Plan – due six weeks after contract start; updated as required thereafter.
3. Installation Plan – due one month after contract start; updated as required thereafter.
4. Technical Environments – due for each identified environment per timeframe outlined in table on previous page.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Setup/install/configure hardware and software for identified environments	Dev & Impl Vendor
Assist in setup/installation/configuration of technical environments	State, PCO
Maintain and support BRIDGES technical environments	Dev & Impl Vendor
Develop Capacity Plans	Dev & Impl Vendor
Provide input for Capacity Planning	State, PCO
Provide configuration items to enable builds and promotions	Dev & Impl Vendor
Build and promote application	PCO
Develop Configuration Management (CM) Plan	Dev & Impl Vendor
Monitor/enforce adherence to CM Plan	PCO
Asset Management	State
Support for security management	State

Task 4 – Manage Vendor Technical Activities / Staff
Requirements of Task

As part of the ongoing development, it is expected that continuous planning will be required with respect to maintenance of the various environments, including activities such as hardware and software upgrades, software patches, and regular hardware maintenance.

The Contractor shall provide a full-time person, the Technical Support Manager, to oversee the Technical Planning and Support Team. The Technical Support Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of three years experience in providing technical planning and support services as outlined previously in this activity. This person will be the primary point of contact for the State, PMO, and PCO for BRIDGES technical planning and support activities. This includes resource assignments for the technical planning and support team, as well as the monitoring and reporting of team progress. The Technical Support Manager shall provide weekly status reports regarding technical planning and support activities.

The Technical Support Manager should also meet the following requirements:

- At least 2 years of experience in managing technical support/architecture teams
- At least 3 years of experience supporting Java/J2EE web applications
- At least 2 years of experience working with Oracle-based applications
- At least 3 years of experience working with Unix and/or Linux

The Technical Support Manager will work with the Project Control Office (PCO) and State to plan and implement technical infrastructure support activities.

The experimental environment will be the only environment for which the Contractor will have ongoing root (administrator) access. The Technical Support Manager will be responsible for the administration of this environment, including user security access.

Within one month of contract start, the Contractor shall provide a Technical Team Staffing Plan for performing all tasks within this activity. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalents (FTEs), by month, by role. Refer to Appendix J for an example-staffing plan. This plan must include database, system, and network administrators, and any other resources such as utility programmers for performing technical infrastructure support and maintenance tasks.

Deliverables from Task

1. Status Reports – due to the PCO close of business on first business day of each week for prior week’s activities. Status reports shall include:
 - Major tasks accomplished
 - Progress to schedule, including hours spent on tasks in-progress and an updated estimate of hours remaining for the task
 - Clear identification of areas at risk of not meeting schedule
 - Additional issues affecting productivity or efficiency
 - Any other issues the Technical Support Manager feels should be communicated
2. Technical Team Staffing Plan – due one month after contract start, with updates as required thereafter.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide weekly status reports	Dev & Impl Vendor
Provide staffing plan	Dev & Impl Vendor
Manage staff responsible for performing tasks as part of this activity	Dev & Impl Vendor
Assist and oversee the Contractor Technical Planning and Support Team	PCO
Review staffing plan	PCO, State

Task 5 – Perform Technical Planning and Support Knowledge Transfer
Requirements of Task

It is the State’s intent to be able to perform the technical planning and support on its own at the completion of this contract. To this end, the Contractor shall work with the State to perform a “knowledge transfer” on the technical planning and support tasks identified previously. This knowledge transfer shall include involving State DIT personnel in technical planning and support activities from the beginning of the project.

The State intends to identify 2-3 individuals to participate on a full-time basis in technical planning and support activities. These people will have the requisite skills to participate on the team as identified by the Contractor in the System Support Transition Plan (reference *Activity 7, Task 3 – Transition Support to State*). The Contractor is expected to communicate concerns regarding specific areas/individuals if the Contractor feels there is an elevated level of schedule risk; the State will pursue other methods of performing the knowledge transfer for the given area in this situation.

The State staff participating in these activities is meant to provide a smooth transition of technical support upon completion of the contract. The Contractor should not rely on these individuals to reduce Contractor staffing levels on the technical planning and support team during the project.

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor’s performance is dependent upon the timely and effective satisfaction of the State’s responsibilities.

Deliverables from Task

1. Technical Planning and Support Knowledge Transfer – due by end of contract.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide DIT staff with requisite skills for knowledge transfer	State
Perform knowledge transfer (via documentation, training, and hands-on experience)	Dev & Impl Vendor

Task 6 – Perform COBIT Review
Requirements of Task

COBIT stands for Control Objectives for Information and related Technology. COBIT is recognized as a generally applicable and accepted standard for good Information Technology (IT) security and control practices that provides a reference framework for management, users, and IS audit, control and security practitioners. There are numerous websites where additional information can be found.

The Contractor shall conduct an initial COBIT review of the base system proposed by the Contractor four months from contract initiation. The extent of this review will be limited to the questions and information contained in Appendix L – COBIT Audit Form. The intent of this review is to identify gaps between the COBIT requirements and the base system proposed by the Contractor.

Three months after statewide deployment of Release 1.0, another COBIT review shall be completed.

All completed COBIT Audit Forms (i.e., COBIT reviews) must be approved by the PCO and the State.

Deliverables from Task

1. Initial COBIT review – due four months after contract start.
2. Second COBIT review - due three months after statewide implementation of Release 1.0.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Conduct COBIT reviews	Dev & Imp Vendor
Review and approve COBIT review (audit report)	State, PCO

Activity 2 – Application Development

Task 1 – Plan for Application Development
Requirements of Task

Given the time constraints of the project, the desire to mitigate risk, and the goal of involving the users as soon as possible, the preferred method for application development is an iterative development cycle. Iterations are intended to support the pipelining of development, testing, and deployment of resources. The draft iteration plan is included in Appendix R and described in attachment 5.4.2.1.

An iteration is a milestone or mini-release that consists of short phases: a unit of requirements capture and design, a slightly longer period of development and design clarification, and a unit of test and fix conducted by users and quality assurance testers.

It is anticipated that iterations will overlap, so that requirements capture and design are a continuous process, as are development and testing. If at all possible, multiple parallel teams should be used to maximize the efficiency of the development process. Anticipated exceptions to the iteration cycle would be activities such as the initial gap analysis, data conversion, and the initial rollout of the system. The Contractor is encouraged to identify other exceptions for whatever development methodology is proposed.

The Contractor shall deliver an Application Development Approach Plan one month after contract start. In this plan, the Contractor shall identify and describe its proposed development approach. The State, with the help of the PCO, will review and approve this plan. The Contractor is welcome to propose alternatives to the model of iterative development described above; however, the resulting development methodology must mitigate risk, maximize user involvement, and result in a structured approach with clear deliverables and releases.

As identified in **1.101 In Scope**, the State expects 3 major releases over the project duration. The State would like to see at least 3 “checkpoints” within each major release where a significant amount of functionality within the release has been completed and tested; with iterative development, this would equate to at least 3 completed cycles per major release.

It is assumed throughout the application development activities that the Contractor will actively involve State of Michigan DIT technical staff. The Application Development Approach Plan, Appendix R, shall address this requirement. Specifically, the plan will recommend training, document how DIT staff will be actively mentored, and how development tasks may be assigned to DIT staff if/when appropriate. As the project progresses, DIT staff should take a more active role in requirements capture, design, and development, with the eventual goal of the State taking over support of the application at contract completion. However, DIT staff availability and project schedule demands may affect whether or not this goal is achievable, and the Contractor shall retain responsibility for the delivery of the required functionality per the schedule requirements.

Deliverables from Task

1. Application Development Approach Plan – due one month after contract start; updated as changes occur thereafter.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Meet application development schedule contractually agreed upon as per the then approved Project Plan	Dev & Impl Vendor
Mentor DIT staff	Dev & Impl Vendor
Supply State technical staff during application development	State
Assign State staff to specific application development tasks	Dev & Impl Vendor
Review Application Development Approach Plan	PCO
Approve Application Development Approach Plan	State

Task 2 – Perform Analysis / Requirements Definition

Requirements of Task

For each release, functional requirements will be driven by a gap analysis between what the system currently provides versus the requirements detailed in Appendix A and further refined and mutually agreed upon as defined in the approved project deliverables. The State will be responsible for providing subject matter experts and other analysts to further define and clarify requirements.

During this analysis, the Contractor will be responsible for clearly identifying to the State what the system provides, how the system meets functional requirements, and what is specific to the state of origin for the system (if a system is transferred). The Contractor shall provide a Gap Analysis which identifies specific development/configuration activities required to bring the system in line with the State’s requirements. The goal of requirements definition will be to minimize changes to the proposed solution, as it exists “out of the box”. The Contractor will also produce a Traceability Matrix from the completed requirements to be used throughout the remainder of the development effort, and particularly in mapping user acceptance test criteria back to the requirements.

The preferred format for requirements documentation is use cases. The Contractor must provide a Requirements Document for each release, including a detailed description of the functionality surrounding each high-level requirement. The Gap Analysis will be an appendix to the Requirements Document.

The Contractor shall also provide a Requirements Overview Document - an outline of the high-level requirements, their dependencies, and a reference to the details of each high-level requirement. The Contractor is welcome to provide alternative formats and approaches consistent with the overall development methodology.

The Contractor shall also identify business processes within the State that are missing or must be modified to meet a particular functional requirement. For example, if the system supports a periodic automated balancing of caseloads within a County / District location which meets

Michigan's requirements, but is different than Michigan's current process of manually balancing caseloads, then this must be listed as a business process modification. The document will be known as the Business Process Change Document. Final versions of these documents shall be due with each major production release.

The Contractor shall also assist the State in redesigning the application form used by clients to request assistance. This will be necessary to facilitate the entry of intake and registration data to maximize efficiency and accuracy.

Deliverables from Task

1. Requirements Document, including Gap Analysis and Traceability Matrix – due for each release (timeframe to be determined based on Contractor's methodology and approach to development).
2. Requirements Overview Document – due for each release (timeframe to be determined based on Contractor's methodology and approach to development).
3. Logical Data Model – due for each release (timeframe to be determined based on Contractor's methodology and approach to development).
4. Business Process Change Document – identifies new or changed business processes based on the agreed upon (high-level) requirements; due for each release (timeframe to be determined based on Contractor's methodology and approach to development).

Roles and Responsibilities related to Task

Function/Task	Responsibility
Complete requirements definition/Gap Analysis/ Traceability Matrix	Dev & Impl Vendor
Identify impact on current business processes	Dev & Impl Vendor
Provide business subject matter experts on current State of Michigan business policy and procedure	State
Provide technical subject matter experts on legacy systems	State
Coordinate requirements definition with subsequent systems development activities, ensuring estimates and resources are obtained and assigned for each task	PCO
Approve requirements	State

Task 3 – Design System

Requirements of Task

The design task is intended to translate requirements into a set of deliverables that can be used to drive and support the building of software artifacts – code, configuration data, and rules. Each standard unit of development effort - whether an iteration cycle, a milestone, a functional module, or a release - will typically require the following items:

- A list of proposed schema changes
- Web page mockups for new or modified pages
- A set of high level classes to be implemented
- A textual description of algorithms to be deployed
- Business rules to be deployed in the rules engine
- Configuration changes in the application or framework to enable the necessary functionality
- Business process diagrams for modified business processes
- Descriptions of common user interface objects such as menus and other navigational items

Some of the above will need to be reviewed and approved by business staff (DHS and PMO members); for purposes of this contract, those items will be deemed the "Business Design". The remaining items will need to be reviewed and approved by technical staff (DIT and PCO technical support); these items will be deemed the "Technical Design". The exact components of each of these design documents will be determined by the Contractor, PCO, and State upon contract award.

In addition to the items listed above, Technical Designs shall include a unit test plan and a system integration test plan. The unit test plan describes how the developer will evaluate the resulting artifacts while testing the unit independent of all other units. The integration test plan describes how the developer will evaluate the resulting artifacts while testing the unit as a component of the system, emphasizing regression testing for common objects or other objects that have dependencies to other artifacts. The test plans should include test data, expected inputs and outputs, and any automated testing to be utilized.

Proposed Database changes will be reviewed by the joint database review team, which includes PMO, PCO and Contractor staff. Database changes will not be promoted and applied until reviewed and approved by the joint database review team. Restrictions based on the underlying application framework must be clearly identified and explained. Any requests that are rejected shall be documented and justified by the joint database review team.

The design documents must be concise and accurate. During testing, developers shall update the design documents to reflect any clarifications that were made during development and testing.

Deliverables from Task

1. Business Designs – due for each release (timeframe to be determined based on Contractor’s methodology and approach to development).
2. Technical Designs – due for each release (timeframe to be determined based on Contractor’s methodology and approach to development).
3. Physical Data Model - due for each release (timeframe to be determined based on Contractor’s methodology and approach to development).

Roles and Responsibilities related to Task

Function/Task	Responsibility
Initiate database change requests	Dev & Impl Vendor
Develop Business and Technical Designs	Dev & Impl Vendor
Create and maintain the logical and physical data model	Dev & Impl Vendor
Review and approve migration of database changes	PCO, PMO and Dev & Impl Vendor
Apply and promote database changes in a timely manner	PCO
Review and approve business designs	State
Review and approve technical designs, including unit test plans	PCO, State

Task 4 – Build and Unit Test System

Requirements of Task

The Contractor will have sole responsibility for developing source code, configuration data with respect to frameworks, rules for the rules engine, and the batch schedule. The Contractor shall unit test all of the resulting artifacts. The Contractor will check the resulting artifacts into the repository managed by the Project Control Office (PCO) and mark project artifacts as final when they are ready for promotion.

In addition to unit testing, the Development Team shall perform integration testing in the development environment, ensuring defects are not introduced when the unit is combined with the other software artifacts for the given iteration or release.

The Contractor should provide unit and integration test results to the PCO when an artifact is marked for promotion, including source code, configuration data, and meta data such as rules used by the rules engine. Test results should include as many artifacts as possible, minimizing the number of documents that must be approved.

Deliverables from Task

1. Software artifacts – due for each release (timeframe to be determined based on Contractor’s methodology and approach to development).

Roles and Responsibilities related to Task

Function/Task	Responsibility
Construct all software artifacts	Dev & Impl Vendor
Unit test software artifacts	Dev & Impl Vendor
Integration test software artifacts	Dev & Impl Vendor
Initiate/submit database change requests	Dev & Impl Vendor
Apply database change requests	PCO
Review and approve test results	PCO, State

Task 5 – Develop Technical Documentation

Requirements of Task

The Contractor is required to produce and update technical documentation for the system, including system documentation (i.e., Operations Manual) and application programming interface (API) documentation. Final versions of these documents are due with each major production release, as well as interim scheduled production releases as agreed upon by the Contractor and the State.

The Operations Manual shall include the following components:

- Object model
- System architecture
- High level interaction between modules/packages
- Backup procedures
- Batch schedule and procedures
- Annotated configuration files
- Standard system tasks such as starting up and shutting down software and servers

The goal of the system documentation is to quickly and accurately communicate information on the technical architecture of the system, thereby reducing maintenance and support effort for the system. The low level API documentation should be automatically produced using the “Javadoc” format if at all possible. All publicly facing APIs must be documented to facilitate developer training and system maintenance. The combination of the Operations Manual and the API documentation should be sufficient to provide initial training for technical staff.

The Contractor shall also provide Release Notes for every release of the system. These notes will document the changes in the system from the previous release, and must be written for an end user to understand.

One electronic version and one hardcopy of the technical documentation shall be provided to the State. The State will take responsibility for copying and distributing this documentation to staff as required.

Deliverables from Task

1. System documentation (Operations Manual) – due at completion of Quality Assurance Testing for each scheduled production release.
2. API documentation - due at completion of Quality Assurance Testing for each scheduled production release.
3. Release Notes – due at completion of Quality Assurance Testing for each scheduled production release.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Prepare technical documentation (System Documentation, API Documentation, Release Notes)	Dev & Impl Vendor
Review and approve technical documentation (System Documentation, API Documentation, Release Notes)	PCO, State
Produce copies of documentation and provide to staff	State

Task 6 – Manage Application Development Activities / Staff
Requirements of Task

The Contractor shall provide a full-time person, the Development Manager, to lead the Development Team. The Development Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of five years experience in all aspects of application development as outlined in the previous tasks. This person will be the primary point of contact for the State, PMO, and PCO for all development activity.

The Development Manager should also meet the following requirements:

- At least 2 years of experience managing projects using the development and testing methodologies proposed by the Contractor
- At least 3 years of experience of application development management
- At least 5 years experience in leadership roles overall
- At least 2 years of experience managing J2EE projects
- At least 3 years of experience working with Microsoft Project (or equivalent)

The Contractor shall also supply an identified group of “Team/Technical Leads” for each major area of the system as defined by the Contractor. This can include functional areas such as intake or eligibility, or it could be strictly technical such as interface design, middleware, and interface support. The same person may serve as Team/Technical Lead of multiple areas if the Contractor can justify it.

All Team/Technical Leads should meet the following requirements:

- At least 2 years of experience in a technical leadership role
- At least 3 years of experience in the technology and/or domain area assigned
- At least 3 years of experience in working with J2EE projects/systems

The Development Team shall work with the PCO to develop appropriate processes and procedures to control the flow of development work, including the identification of project schedule tasks, task assignments, database change request processes, requirements, design, and construction reviews, builds, and promotions.

Within one month of contract start, the Contractor shall provide a Development Team Staffing Plan for performing all tasks within this activity. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalents (FTEs), by month, by role. Refer to Appendix J for an example staffing plan.

The Contractor shall also provide an organization chart for the Development Team, including the role(s) of each staff member.

Deliverables from Task

1. Development Team Staffing Plan - due one month after contract start, with updates as required thereafter.
2. Organization Chart – due one month after contract start; updated as changes occur thereafter.
3. Status Reports – due to the PCO close of business on first business day of each week for prior week’s activities. Status reports shall include:
 - Major tasks accomplished

- Progress to schedule, including hours spent on tasks in-progress and an updated estimate of hours remaining for the task,
- Clear identification of areas at risk of not meeting schedule
- Additional issues affecting productivity or efficiency
- Any other issues the Development Manager feels should be communicated

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide weekly status reports	Dev & Impl Vendor
Provide time (effort) tracking information to PCO for tasks assigned to the Development Team	Dev & Impl Vendor
Review status reports, escalating issues as appropriate	PCO
Update the project schedule based on information provided by Development Team	PCO
Provide management structure and support for Development Team	Dev & Impl Vendor

Task 7 – Perform Application Development Knowledge Transfer

Requirements of Task

It is the State’s intent to be able to perform additional application development on its own at the completion of this contract. To this end, the Contractor shall work with the State to perform a “knowledge transfer” on the technical planning and support tasks identified previously. This knowledge transfer shall include involving State DIT personnel in application development activities from the beginning of the project.

The State intends to identify 8-12 individuals to participate on a full-time basis in application development activities. These people will have the requisite skills to participate on the team as identified by the Contractor in the System Support Transition Plan (reference *Activity 7, Task 3 – Transition Support to State*). The Contractor is expected to communicate concerns regarding specific areas/individuals if the Contractor feels there is an elevated level of schedule risk; the State will pursue other methods of performing the knowledge transfer for the given area in this situation.

The State staff participating in these activities is meant to provide a smooth transition of application development activities upon completion of the contract. The Contractor should not rely on these individuals to reduce Contractor staffing levels on the application development team during the project.

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor’s performance is dependent upon the timely and effective satisfaction of the State’s responsibilities.

Deliverables from Task

1. Application Development Knowledge Transfer – due by end of contract.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide DIT staff with requisite skills for knowledge transfer	State
Perform knowledge transfer (via documentation, training, and hands-on experience)	Dev & Impl Vendor

Requirement clarifications:

1. The Contractor and the State will work together to mutually agree upon the optimum level of State staffing..

Task 8 – Design and Implement an LDAP Repository
Requirements of Task

The Contractor must provide an LDAP solution built on Novell's directory solution. The State has adopted Novell's identity management system as one of the State standards for security. The Contractor must specify the products and licenses required as part of the technical architecture in **Activity 1**, and include the cost of the products and licenses in the appropriate section of the Price Proposal. The State will more than likely purchase the products and licenses outside of this contract based on the discounted pricing arrangement it has with Novell.

The solution must provide authentication for all aspects of the Contractor's solution except for users at the system level, including operating systems and databases. The solution must comply with the technical requirements in **Appendix B**. The Contractor is encouraged to provide additional functionality and value by leveraging additional capabilities of Novell's eDirectory solution.

The Contractor must provide a Security Design Document subject to approval by the State and the PCO. This design must include the LDAP schema, authentication schemes, validation against the technical requirements, and an explanation of how State policies, procedures will be honored with the solution. The design should cause minimal disruption in the solution proposed by the Contractor, meaning the Contractor should not have to significantly modify the proposed system to meet these requirements.

The Contractor must implement the solution, working with the State and PCO to install the software, create the users, groups and roles, and link the solution to their application. The identity management solution must be used in all environments to ensure that the security is tested and implemented in the same manner throughout the development, testing and production environments. The solution must be implemented as part of Release 1.0.

Any changes in the security design after the initial implementation must be reflected in the security design document(s).

Deliverables from Task

1. Security Design Document – due within three months of contract start and modified as appropriate thereafter.
2. Initial Implementation of LDAP solution in development environment – due within six months of contract start.
3. Production Implementation of LDAP solution – due with the initial production release (Pilot implementation).

Roles and Responsibilities related to Task

Function/Task	Responsibility
Produce LDAP Repository Design	Dev & Impl Vendor
Approve LDAP Repository Design	PCO and State
Implement LDAP Repository Solution	Dev & Impl Vendor

Activity 3 – Testing and Software Implementation

Task 1 – Develop Test Plans
Requirements of Task

The Contractor is required to develop a Quality Assurance Test Plan for each scheduled production release of the system for the duration of the contract. During development of Release 1.0, if the Contractor is proposing iterative development, additional testing should be conducted at milestones, or checkpoints, when a substantial unit of functionality is completed. A draft version of the Release 1.0 Quality Assurance Test Plan should be used to conduct this test.

The Quality Assurance Test Plan must clearly set forth how the quality assurance test is designed to fully test the BRIDGES System functions and features included in the release. The plan must identify the inputs to the test, the steps in the testing process, and the expected results. The State may request that certain types of cases and transactions be included in the Quality Assurance Test Plan. The Quality Assurance Test shall be conducted in the Quality Assurance Testing environment.

As part of the Quality Assurance Test Plan, the Contractor shall also define test cycles and test scripts, and prepare the test data to address the functional and technical requirements of the given release. The plan should identify any software tools to be used during testing. The testing process must include the ability to advance the testing clock to provide for a complete test of the lifecycle of cases over many simulated months or years. The plan shall provide detailed descriptions of the test environment, regression testing procedures, test methods, workflow, and the defect identification and resolution process to be utilized during the quality assurance test. The test plan must be cross-walked to the requirements and design documents to ensure all requirements have been covered.

In addition, the BRIDGES system must be able to meet the performance standards and capacity requirements described in the technical requirements matrix in Appendix B. The performance testing task will include all batch and online processes within and interfaced to the BRIDGES system as a whole.

The Contractor shall develop a Performance Test Plan to complete this testing. The plan must address volume tests, string/workflow tests, and stress tests to simulate real production conditions and loads. This plan must identify how the load and performance testing will ensure that the system has sufficient capacity to handle production loads. The Contractor shall define test scripts and prepare the test data to test the system against the load and performance requirements. The plan should identify any software tools to be used during testing.

A Performance Test must be performed in an environment separate from the User Acceptance Testing. Performance Testing should be complete no later than two weeks prior to implementation. A Performance Test with actual converted data must be performed prior to the implementation of Release 1.0.

The Contractor is responsible for facilitating sessions with the State to develop a UAT Plan that covers the breadth and depth of the functionality to be delivered. The UAT Plan shall include test criteria, test case scenarios, test data, and expected results from the perspective of the end user.

Deliverables from Task

1. Quality Assurance Test Plan – due one month prior to the start of Quality Assurance Testing for each release.
2. Performance Test Plan – due at the start of Quality Assurance Testing for each release.
3. User Acceptance Test (UAT) Plan – due one month prior to the start of UAT for each release.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Create the Quality Assurance Test Plan	Dev & Impl Vendor
Review and approve the Quality Assurance Test Plan	PCO
Create the Performance Test Plan	Dev & Impl Vendor
Provide assistance to the Dev & Impl Contractor in developing the Performance Test Plan	PCO and State
Review and approve the Performance Test Plan	PCO
Create the User Acceptance Test (UAT) Plan	Dev & Impl Vendor
Review and approve the User Acceptance Test (UAT) Plan	State

Task 2 – Perform Quality Assurance and Performance Testing
Requirements of Task

The Contractor shall conduct quality assurance testing and performance testing in accordance with the Quality Assurance Test Plan and the Performance Test Plan. The Quality Assurance testing must be performed in the Quality Assurance (QA) Testing environment.

The Contractor shall resolve all defects and perform all other technical support required to successfully complete this testing. The Contractor must ensure that staffing levels are sufficient to address defects without interfering with other development and ongoing production support activities.

During this testing, the Contractor shall analyze and evaluate performance of all components of the system to be delivered, including the technical infrastructure as well as the actual application. The Contractor will be responsible for all technical architecture and application system modifications required to ensure system performance meets stated performance standards (reference Appendix B and attachment 5.3.0 - Technical Requirements).

Quality Assurance and Performance Test Results Documents shall be prepared by the Contractor. These documents must include enough information to permit the PCO to validate that the test plans have been successfully executed. These reports must also document any modifications made to the system. Any software or automated testing packages used by the Contractor during this testing, or the documentation thereof, must be provided as part of the test results to be added to the set of project artifacts. The Contractor shall conduct a walk-through of the testing process and the test results to enhance State understanding and to facilitate the PCO approval process, including a review of performance metrics and general “lessons learned” from all testing participants.

The Contractor should partner with the State DIT testing group so that State employees will be well versed in the testing approaches and methodologies used by the Contractor. The Contractor should work to ensure State DIT testing staff are adequately trained in the use of the testing products and, to the extent possible, actively involved in testing the various releases. However, no guarantee can be made to the availability of this staff, and the Contractor shall retain full responsibility for the Quality Assurance Testing and Performance Testing of each release.

Deliverables from Task

1. Quality Assurance Test Results Document – due at the completion of Quality Assurance Testing for each release.
2. Performance Test Results Document – due two weeks prior to the end of User Acceptance Testing for each release.
3. “UAT Ready” system – due at completion of Quality Assurance Testing for each release.

Roles and Responsibilities related to Task

<u>Function/Task</u>	<u>Responsibility</u>
Execute test plans	Dev & Impl Vendor
Document test results	Dev & Impl Vendor
Review and approve test results	PCO, State

Task 3 – Conduct User Acceptance Testing (UAT)

Requirements of Task

The Contractor shall schedule, coordinate, monitor, and manage all User Acceptance Testing (UAT) activities. The State is responsible for providing end users and subject matter experts to perform the user acceptance testing. Users participating in User Acceptance Testing are expected to sign off on the test results at completion of UAT, providing their recommendation to the PMO for formal approval and readiness for production.

The Contractor shall provide support for the duration of UAT. This support must include both business and technical assistance. The support should be “dedicated” (i.e., individuals assigned to nothing else) throughout UAT of the given release project; however, it must be dedicated for UAT of Release 1.0. The testing process will include the ability to advance the testing clock to provide for a complete test of the lifecycle of cases over many simulated months or years.

The Contractor shall support the UAT by monitoring system performance, investigating why data was not processed, monitoring computer resource usage, participating in problem review meetings, creating and running batch schedules, investigating problems and identifying potential problems, informally training users by answering questions about the system, investigating and ensuring user access to the system in the UAT environment, and generally helping the users execute tests and review results.

The Contractor shall also correct all defects discovered during UAT in a timely manner by following normal application development procedures – modifying the appropriate configuration items in the Development environment, unit and integration testing the change, promoting the configuration item to the Testing environment, quality assurance testing the change, and promoting the change to the UAT environment. Promotions to UAT shall occur on a regularly scheduled basis (e.g., weekly) unless it is an emergency situation (e.g., UAT cannot continue until problem is resolved).

User Acceptance Testing will occur for each scheduled release of the system. These releases will be promoted to production only after formal State approval is given.

Deliverables from Task

1. Production ready system – due at completion of User Acceptance Test for each release.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Schedule, coordinate, monitor, and manage user acceptance testing	Dev & Impl Vendor
Perform user acceptance testing	State
Assist Dev & Impl Contractor in scheduling, coordinating, monitoring and managing user acceptance testing	PCO, State
Resolve system issues during UAT	Dev & Impl Vendor
Provide formal approval (acceptance) of release prior to production implementation	State

Task 4 – Perform Software Implementation

Requirements of Task

Prior to each release, the Contractor is responsible for providing a Promotion and Software Implementation Plan to the Project Control Office (PCO). With the PCO’s assistance, the Contractor shall test and verify this plan. The Contractor shall support the PCO in promoting the software release to each environment, including production, and will assist in the resolution of problems, issues, and errors as they arise.

The Contractor shall identify all software artifact dependencies, the build order for software artifacts, and the execution (run) order for batch jobs in the Promotion and Software Implementation Plan. This information will be used for the promotion and software implementation process. The PCO is responsible for writing and executing the build scripts with the assistance of the Contractor.

Deliverables from Task

1. Promotion and Software Implementation Plan – due two weeks prior to the release build for Quality Assurance Testing for each release.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Define the order in which configurable items need to be built and applied	Dev & Impl Vendor
Identify new batch jobs and order of execution when combined with other batch jobs	Dev & Impl Vendor
Script the build process	PCO
Verify that the build is correct	PCO
Promote releases to Testing and environments other than development	PCO
Create the promotion and software implementation plan	Dev & Impl Vendor
Review and approve the promotion and software implementation plan	PCO

Task 5 – Manage Testing Activities / Staff

Requirements of Task

The Contractor shall provide a full-time person, the Testing Manager, to lead the Testing Team. The Testing Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of five years experience in all aspects of application testing as outlined in the previous tasks. This person will be the primary point of contact for the State, PMO, and PCO for all quality assurance and user acceptance testing activities.

The Testing Manager will be responsible for the coordination, execution and completion of testing activities, as well as resource assignments and monitoring of team progress. The Testing Manager shall provide weekly status reports to the PCO.

The Testing Manager should have the following qualifications:

- At least 5 years of experience with large projects in quality assurance testing
- At least 2 years of experience in the tools and testing methodologies proposed by the Contractor
- At least 1 year of experience in managing testing teams specifically responsible for testing HHS eligibility systems

Within one month of contract start, the Contractor shall provide a Testing Team Staffing Plan for performing all tasks within this activity. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalents (FTEs), by month, by role. Refer to Appendix J for an example-staffing plan.

Deliverables from Task

1. Testing Team Staffing Plan - due one month after contract start, with updates as required thereafter.
2. Status Reports – due to the PCO close of business on first business day of each week for prior week’s activities. Status reports shall include:
 - Major tasks accomplished
 - Progress to schedule, including hours spent on tasks in-progress and an updated estimate of hours remaining for the task,
 - Clear identification of areas at risk of not meeting schedule
 - Additional issues affecting productivity or efficiency
 - Any other issues the Testing Manager feels should be communicated

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide weekly status reports	Dev & Impl Vendor
Review status reports, escalating issues as appropriate	PCO
Update the project schedule based on information provided by Testing Team	PCO
Provide management structure and support for the Testing Team	Dev & Impl Vendor

Activity 4 – Implementation Support

Reference Attachment 5.4.4.1, 5.4.4.2, 5.4.4.3, 5.4.4.4, 5.4.4.5, 5.4.4.6 and 5.4.4.7 for description of how Contractor intends to approach and meet the requirements documented in the activity.

Task 1 – Perform Data Conversion

Requirements of Task

The Contractor shall convert legacy data to the BRIDGES system. Conversion shall include any supplemental data such as default values or mocked up standard data to make BRIDGES a fully functional system. Data conversion, including the accuracy of the conversion process, is the responsibility of the Contractor. The State is responsible for the quality and sufficiency of the legacy data.

The Contractor is responsible for producing a Conversion Mapping Document, which will map the data elements from the BRIDGES system to their source(s) in the legacy systems. This document must identify missing or corrupt data items from the legacy systems requiring manual cleanup or data entry. The cleansing of this data during the conversion process is the responsibility of the Contractor. The contractor expects the State to perform pre-conversion data cleanup, only when automated means of interpreting and accurately converting the legacy system data is not feasible. For post-conversion data cleanup, Contractor will identify (flag) cases that require manual intervention, and the State worker will need to take the appropriate action to remedy the situation. The Contractor and the State will make reasonable efforts to minimize the amount of manual post conversion data cleanup.

The State will supply a detailed data dictionary, subject matter experts for the legacy systems (business and technical), data extracts, and direct access to Oracle data in LOA2 and other systems as needed. Mainframe data required for conversion will be provided by the State in ASCII extract files.

The State will rely heavily upon the Contractor's experience to successfully convert data to the new system. Towards this end, the Contractor shall provide a Conversion Plan six months after project start. This plan shall identify the approach to completing all conversion activities for Release 1.0. The plan will be updated by the Contractor for subsequent releases and as conversion plans change. The Conversion Plan shall address such items as how and when data cleansing is performed, timing issues in converting to the new system while continuing to support the existing business, and back-end data reporting and interfacing impacts.

One of the main considerations for the conversion approach is to develop the criteria for data conversion in conjunction with State DHS staff. For example, it may be possible to convert the legacy data to BRIDGES and maintain the benefit amount from the legacy system in BRIDGES "as is", until such time as the worker applies a reported change or completes the next redetermination. The benefit of such an approach would be to spread the detailed review and cleanup of the cases over the next year. It would also reduce the client questions and additional worker effort from potentially having hundreds of cases converted with changed payment amounts.

The conversion plan defines the conversion approach proposed by the contractor.

The following cases will be converted.

- Cases with at least one open or pending open program;
- Closed cases in which the last program was denied or closed within the last four years;
- Cases, open or closed, with an outstanding recoupment and;
- Cases in which at least one individual has an intentional program violation.

The number and type of cases will be further refined and mutually agreed upon in the approved Conversion plan deliverable.

The conversion criteria will be consistent with the BRIDGES data retention requirements. These criteria will be reviewed with the Contractor.

- Maintain closed cases four years after the date of last program closure;
- Maintain case with outstanding recoupments for four years after recoupment is satisfied;
- Maintain cases with client error or intentional program violation for 6 years after case closure; and
- Maintain certain State Emergency Relief client/program data indefinitely (e.g. for lifetime limits on benefits).

It is the responsibility of the Contractor to determine data conversion requirements and to develop automated conversion software and scripts for data cleansing and actual conversion. State staff will be available for assistance as described above. The Contractor is responsible for designing, constructing, testing, and executing all conversion software and scripts. The accuracy of the data conversion process shall be the Contractor's responsibility. The State is responsible for the quality and sufficiency of the legacy data.

The Contractor will conduct an audit of "data to be converted" before and after conversion to verify the accuracy and correctness of the data conversion process. PCO and State approval of the results are required.

The Contractor will convert legacy data for testing the BRIDGES application throughout development and provide converted data as required for each production release. The Contractor will report on the progress of conversion on a weekly basis.

Deliverables from Task

1. Conversion Plan – due six months after contract start; due six months prior to completion of all subsequent releases; updated as changes occur thereafter.
2. Conversion Mapping Document – due six months after contract start for Release 1.0; due at the completion of Technical Design for all subsequent releases.
3. Conversion Programs (software artifacts) – due three months prior to the initiation of the pilot for Release 1.0; due three months prior to the completion of each subsequent release.
4. Converted Data – due throughout development and testing for all releases; production version due upon implementation of the given office(s) for Release 1.0 and upon release of the software to production thereafter.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide HHS data conversion expertise to define a viable conversion plan/strategy	Dev & Impl Vendor
Answer conversion-related questions about legacy data and transfer legacy system (data) knowledge to Contractor	State
Perform conversion mapping of data elements	Dev & Impl Vendor
Assist Contractor in performing conversion mapping	State
Create and execute data conversion programs	Dev & Impl Vendor
Provide converted legacy data for testing throughout the development cycle	Dev & Impl Vendor
Review and validation of data conversion	PCO

Review and approval of data conversion	State
Approve conversion deliverables	PCO, State
Provide mainframe data extracts for conversion	State
Manual data entry before and after conversion	State

Requirement clarifications:

1. The system will continue to issue the benefit amount from the legacy system until the next worker case action, unless mutually agreed upon. The approach for batch actions will be mutually agreed upon. The worker will collect additional information at the next case action or redetermination, whereby the Bridges system will begin calculating the *Client Benefit Amount*.

Task 2 – Prepare and Perform Training

Requirements of Task

The Contractor requirements for this section are broken down into the following high-level areas:

1. Plan / Conduct Needs Analysis for Training
2. Develop Training Materials
3. Develop Online User Aids
4. Develop and Maintain Training Data
5. Provide Classroom Training
6. Develop Evaluation of Training and Improvement Plan
7. Provide Post-Classroom Practice Exercises
8. Train the Trainers

The remainder of this section provides the detailed requirements for the Contractor.

- 1) Plan / Conduct Needs Analysis for Training: The Contractor shall provide a detailed Training Plan six (6) months after contract start, and this plan shall include a comprehensive approach to conducting the training. Acceptable methods include the following, or combinations of the following:
 - facilitated classroom training
 - practical, hands-on exercises
 - web-based/webcast training
 - help references

Regardless of the training approach proposed, the State requires that staff shall receive their primary instruction away from their normal work environment, under the guidance of and personal interaction with Contractor training personnel.

The Contractor will create a detailed Training Plan using instructional design standards. The purpose of instructional design is to improve employee performance and to increase organization efficiency and effectiveness. The Training Plan shall include a Training Needs Analysis. This analysis shall include an assessment of the target audience: their knowledge, skills, attitudes, and readiness for training. The Training Needs Analysis must take into consideration available resources and project timeframes. The State staff attending the training will have the skills and knowledge as defined in the Training Needs Analysis.

As a result of the Training Needs Analysis, the Contractor will develop a Training Plan that allows for a wide variety of pre-existing skills and minimize the amount of time students are away from the job. The Training Plan must describe an off-site, facilitator-led training supported by a training database and technology solutions. The instructional strategies must include meaningful hands-on training exercises, allowing the student to build upon simple processes and working to more complex processes. The training shall be skills-based and emphasize how to use the system to accomplish specific DHS tasks rather than how the system works.

The Training Plan shall also recommend type and scope of classroom curriculum (by functionality), association of curriculum to user type (i.e., who should get what training), the number of trainers required, a proposed schedule, by office and staff member within the office, for the classroom training, and the general training approach. The training approach

should be flexible to account for various ways a trainee will grasp and comprehend the training material (i.e., reading, observing, listening, practicing).

The Contractor shall utilize the State Training facilities (reference Appendix E) for facilitator-led classroom training. [Reference the release deployment discussion in **1.101 In Scope** for more information on Release 1.0 deployment timeframes.] Depending on the rollout strategy, additional State Training facilities may be required. If additional training facilities are required, the State DHS Office of Training and Program Support will procure additional temporary training sites. The Contractor will use the DHS Office of Training and Program Support Learning Management System (LMS) to register and schedule training, and to track training history

The Contractor's Training Needs Analysis will define and drive the specific components and composition of the training plan. The items listed below are required components, but the Contractor will tailor each of these components and offer additional components based on the results of the Training Needs Analysis. The State will evaluate and approve the Training Plan.

- 2) Develop Training Material: The Contractor shall be responsible for creating an Instructor's Manual and a Student Manual to be used during all Classroom sessions. The Contractor shall provide an electronic version of all end user training material, as well as ten hardcopies of this material for review purposes. The Contractor shall be responsible to provide all required copies of the Student Manual and Instructor Manual for classroom sessions.

The Student Manual shall include additional practical exercises in the back of the manual that the end user can complete upon return to their work location. Both manuals should include curriculum by functionality, with sufficient examples and exercises to accomplish the stated training objective of assuring that end users gain the skills necessary to perform their job functions in the new BRIDGES framework. The Contractor shall also create any other necessary training aids such as presentation outlines and audiovisual materials.

The Contractor's training plan and approach shall include training on how to effectively utilize the Online User Aids described below.

Additional training materials may also include Web Based Tutorials (WBTs), videos and virtual classrooms. An introduction to these items should be provided during the classroom training, with the intent that these materials supplement the training received by students upon their return to their work location.

All training materials shall be delivered to, and become the property of, the DHS Office of Training and Program Support upon the completion of the final rollout for Release 1.0

- 3) Develop Online User Aids
The Contractor shall produce Online User Aids including web page and field help, an Online User Interface Guide, and an industry standard Electronic Performance Support System or EPSS, all functioning as an integral part of the BRIDGES system. The Online User Interface Guide and EPSS are combined as a single application. The Online User Interface Guide and EPSS should be delivered in electronic format only, but be printable by the end user if desired. The Contractor will design and develop the Online User Interface Guide and EPSS to include:
 - a. Features most used in BRIDGES
 - b. Features hardest to understand
 - c. Problems most significant to the end user
 - d. Features that cause the most calls to a help desk
 - e. Features that would potentially result in less training required, supplementing the training already received
 - f. Simulations to help the user do a task

The EPSS shall address the usage of the system from a business process (workflow) perspective, describing how to accomplish business processes associated with the new system. It should be easy to use by enabling users to quickly locate the particular help they need with options such as "how do I?" and step by step procedures. The Online User

Interface Guide shall link to the DHS Policy Manuals and the DHS-Net to allow the user to identify the policy or regulation directing or yielding an eligibility outcome.

The Online User Interface Guide and EPSS must be available in conjunction with User Acceptance Test (UAT) tasks to allow for testing of the user instructions in parallel to the software.

- 4) Develop and Maintain Training Data: The Contractor will be responsible for developing and maintaining base data for all training activities. The PCO will refresh the training data to its base state upon request. The Contractor must schedule as many data refresh requests as possible in advance with the PCO to ensure base data is available at the start of each training activity. The responsibility for the training data continues for the duration of the contract.
- 5) Provide Classroom Training: The Contractor shall provide both system and business process (workflow as it relates to the automated processes) training to the end users. The Contractor will not be required to provide training in navigating in a browser-based environment or in basic keyboard skills.

Training for the end users shall coincide with the schedule in the Project Work Plan for system deployment of Release 1.0. **The Contractor shall provide training for Release 1.0 only.** The Contractor shall provide training to an end user no more than 30 days prior to deployment (rollout) of Release 1.0 to the end user's office.

Training will be conducted by region in coordination with the State rollout plan. The Contractor is responsible for scheduling people using State Training facilities and the DHS Office of Training and Program Support registration and scheduling database as per the approved Training Plan. The Contractor shall minimize travel time/cost for trainees when developing the region and facility training portion of the Training Plan. Costs for training facilities and the establishment of temporary training facilities as mutually agreed upon by the State and the Contractor to conduct training will be the responsibility of the State.

First-line managers, referred to as Family Independence Managers (FIMs) and Office Services Supervisors, will be trained prior to the primary end users: Family Independence Specialists (FIS), Eligibility Specialists (ES), Administrative Support staff, and Information Technology Technicians (ITTs). This first-line manager training shall address the needs of a first-line supervisor beyond just the use of the BRIDGES functionality to assist their staff with day to day processes. FIMs and Office Services Supervisors must be trained in the supervisory and caseload management aspects of the system to better manage their responsibilities as public assistance program managers. These additional needs include topics such as quality assurance, reports utilization, managing workload, managing to standards of promptness, and other supervisory requirements. This will enable the FIMs and Office Services Supervisors to play a more active support role upon implementation. FIMs and Office Services Supervisors will return for refresher training prior to their office's scheduled rollout.

"BRIDGES Experts" as defined in Activity 5, Task 1 will also be trained prior to the main body of trainees for a specific region/rollout. Training content for BRIDGES Experts will be specialized to allow them to serve as the first line of support for end users.

The Contractor shall provide initial training for all end-users via a hands-on Classroom/PC Lab. Each trainee shall have their own PC. The Classroom training will begin with a high-level introduction and interaction with the system and will progress deeper into low-level end user system functionality (web pages) and business workflows.

Classroom training will be directed and offsite, except in instances where a local office or county has an available training facility meeting classroom training requirements. Pre and Post classroom training shall be conducted using computer based training methods and will be done at the trainee's convenience and will not be directed or offsite. Classroom training will be business process driven and specific to the trainee audience. The training within the classroom will utilize a practice database and the actual Release 1.0 application (i.e., not a

mocked-up version or pre-release version). The larger percentage of classroom training should be hands-on and job-related.

The maximum class size shall be 18 students. Each class will have at least one facilitator and an assistant. The State expects each FIS, ES, Administrative Support, and ITT staff attending training to spend no more than 40 hours in the classroom environment. The Contractor and the State will make reasonable efforts that all end-users that have completed the training curriculum will have the ability to correctly complete activities and functions within the BRIDGES environment corresponding to their day-to-day responsibilities. The Contractor and the State expect that minimally 95% of the trainees will achieve this level of proficiency. An option to repeat the training will be available, but the Contractor should expect that the expected number of repeats is already included in the staff counts.

Minimizing time away from the office, yet ensuring each user is properly skills-based trained, is the challenge presented. The State is very interested in Contractor approaches to accomplishing these seemingly conflicting objectives. Pre-classroom training may be one option the Contractor wishes to explore, as well as other training options with which the Contractor has had success.

Each trainee grouping will receive training that includes an overview of all the functionality, including a clear understanding of how their responsibilities relate to and rely upon all the other BRIDGES functionality. The Contractor shall plan different classroom curriculum based on functionality and the results of the Training Needs Analysis.

The Contractor shall provide training for up to 10,000 end users, according to geographic location (region) and job classification as shown in Appendix G.

The Contractor shall be responsible for collecting and reporting information on classroom training using the LMS on a weekly basis throughout the Release 1.0 training effort, including:

- Progress to Schedule (classes scheduled v. classes actually held, total planned to be trained v. number actually trained)
- Number and category of staff trained
- Material covered by trainee
- Proficiency attained in each section/module by trainee, based on analysis of evaluation levels 1 and 2 described below

6) Develop Evaluation of Training and Improvement Plan: The Contractor shall be responsible for designing a method to collect information from trainees and their supervisors to evaluate the effectiveness of the end-user training. The Contractor will evaluate the effectiveness of training, preferably using a standard four level evaluation approach:

- Level 1, Trainee Satisfaction, collected at completion of training; ,
- Level 2, Pre-Test and Post-Test Skills, evaluated at the point of training;
- Level 3, Impact on Job Performance, evaluated randomly based on OTJ evaluations when the trainee is back on the job; and
- Level 4, Organizational Training Impact, sampled randomly and measured throughout the life of the contract.

This evaluation process may yield updates and modifications to improve the training approach, curriculum, and materials to ensure training goals are met.

A Final Training Report is required two months after the conclusion of the classroom training for Release 1.0. This report shall cover all aspects of the training activity, including:

- Final information from the weekly classroom training reporting
- Demonstration that all training sessions were held, that training covered all the areas required in the approved Training Plan, and that the Contractor made a concerted effort to include all personnel required to be trained by DHS
- Gap analysis of the difference between the pre-training state and desired state of worker proficiency in using the system to perform their daily responsibilities
- Evaluation levels 3 and 4 statewide analysis

- 7) Provide Post-Classroom Practice Exercises: The Contractor shall provide the capability for post-classroom, self-directed practice to allow recently trained end-users to build upon the initial classroom training. The post-classroom practical exercises shall enable end-users to practice, based on their job responsibilities, in the sandbox environment. Trainees will be supported in their practice efforts via the Online User Aids, Web Based Tutorials (WBT) and their classroom training material (Student Manual).
- 8) Train the Trainers: The Contractor will be responsible for training the DHS Office of Training and Program Support trainers. The responsibility for training of new system users brought on-board after the completion of the final rollout region for Release 1.0 will be transitioned to the DHS Office of Training and Program Support.

The Contractor will work with State staff from the DHS Office of Training and Program Support throughout all training-related planning and delivery activities. At the outset of the contract, the Contractor should plan to work with approximately three DHS Office of Training and Program Support staff. This number will increase to approximately fifteen staff at the time of training responsibility transfer. The Contractor should utilize appropriate techniques to ensure a transfer of knowledge to these staff. Pairing State staff with Contractor staff to facilitate the knowledge transfer is encouraged. The DHS Office of Training and Program Support shall assume training responsibility at the completion of training for the final rollout region of Release 1.0.

Upon transition of training responsibility to the DHS Office of Training and Program Support, the Contractor shall provide consulting support to the DHS Office of Training and Program Support throughout the life of the contract.

Deliverables from Task

1. Training Plan / Training Needs Analysis – due 6 months after contract start.
2. Training Material – due 30 days prior to the first training session (except for Online User Aids).
3. Online User Aids – due at completion of Quality Assurance Testing for each scheduled production release.
4. Classroom Training – due within 30 day window prior to users' office going live with Release 1.0 of the new system.
5. Post Classroom Practice Exercises – Available to all trainees upon completion of Classroom Training
6. Training Evaluation and Improvement Plan – due as part of each training session for Level 1 and 2, within 60 days after training for Level 3, and for Level 4, at the completion of Pilot for Release 1.0; updated throughout statewide rollout of Release 1.0.
7. Classroom Training Progress Report - due weekly upon the commencement of classroom training for Release 1.0.
8. Final Training Report – due two months after the completion of classroom training for Release 1.0.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Develop Release 1.0 training materials	Dev & Impl Vendor
Review and approve Release 1.0 training materials	State
Develop Online User Aids	Dev & Impl Vendor
Approve Online User Aids	State
Provide Release 1.0 training and training materials	Dev & Impl Vendor
Provide training and training materials after Release 1.0	State
Provide and maintain training environments and data	Dev & Impl Vendor
Review and approve Training Plan	PCO, State
Review Final Training Report	State
Provide limited number of copies of Instructor and Student Training Manuals	Dev & Impl Vendor
Produce mass copies of Student and Instructor manuals to be used during Release 1.0 training	Dev & Impl Vendor

Assess effectiveness of training	Dev & Impl Vendor, State
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Requirement clarifications:

1. State of Michigan (SOM) “Bridges Experts” are intended to be the first line of support for end users after the post-implementation site support period for their office has ended.

Task 3 – Perform Site Support
Requirements of Task

The purpose of Site Support is to ensure the successful implementation of the system in each office upon initial release of the system. Site Support provides coordination of all project-related activities taking place at the local office and provides staff to perform analysis and implementation support activities within each office. **Site Support is required for Release 1.0 of the system only.**

The Contractor shall provide onsite support 30 days prior to and 30 days subsequent to each office converting to the new system. This onsite assistance will supplement the Contractor's end user support provided by the Help Desk (reference *Activity 4, Task 4 – Provide Help Desk Services*) and Ongoing Production Support Team (reference *Activity 5, Task 1 – Maintain and Support Application*), providing the higher level of support required for such a high visibility project. It is the State's expectation that a majority of the user requests for assistance in the 30 days after implementation can be handled by the onsite support personnel. [Specific service level support requirements can be found in the two tasks referenced earlier.]

The Contractor shall develop a Detailed Implementation Plan for each office, starting with Pilot, accounting for all project-related activities impacting the office during the implementation period. This plan should address:

- a. Communications – regularly scheduled status calls
- b. Site Support Planning, including schedule and resources for:
 - Orientation
 - Training
 - Data readiness activities
 - Workflow readiness activities
 - Post-implementation support activities
 - Help Desk support activities
- c. Data Conversion Planning, including schedule and resources for:
 - Automated data conversion
 - Review of error and exception reports
 - Manual data corrections prior to implementation
 - Manual data corrections post implementation

The Contractor shall perform the required activities for Release 1.0 to ensure each office implements successfully. This shall include the following tasks:

- a. Monitor progress against the detailed implementation plan for the office ensuring each task is completed correctly and on schedule.
- b. Communicate with the central Implementation Manager (reference *Task 7 – Manage Implementation Support Activities/Staff* of this activity) to provide status and escalate issues. Participate in a daily call with the central implementation team to coordinate activities, discuss status, and resolve issues.
- c. Provide an orientation at the beginning of each regional implementation to communicate the plan and the outcomes to the local offices within that region, as included in the detail site implementation plan, Appendix S and further refined and mutually agreed upon as defined in the approved project deliverables.
- d. Coordinate the local office training schedule with the training group.
- e. Ensure data readiness:
 - Coordinate with the data conversion team to address manual and automated data correction activities pre- and post-conversion.
 - Provide staff to perform manual and automated data cleanup / conversion activities.

- f. Implement new workflow:
 - Perform an incremental workflow gap analysis at the office.
 - Work with office staff to plan the transition from the existing workflow to the new one.
 - Ensure the local office staff understands the new workflow.
- g. Provide onsite help post-implementation to resolve workflow and application issues.

The Contractor shall also provide an orientation for private agency partners who use the system for query access and receive reports on client status and payments.

The Contractor shall perform a post-implementation review to assess the implementation activities, review lessons learned, and fine-tune subsequent implementations.

Please reference Appendix G for a listing of local offices and a map of the Michigan counties and zones.

Deliverables from Task

1. Detailed Implementation Plan – due one-month prior to start of onsite support for each office to be implemented, including the Pilot office(s).

Roles and Responsibilities related to Task

Function/Task	Responsibility
Develop Detailed Implementation Plan	Dev & Impl Vendor
Approve Detailed Implementation Plan	State
Provide Site Support	Dev & Impl Vendor
Conduct Daily Site Support Status Call	Dev & Impl Vendor
Facilitate Daily Site Support Status Call	PCO
Conduct Post-Implementation Review, with State participation	Dev & Impl Vendor

Requirement clarifications:

1. Most sites will require full-time, onsite support for 30 days subsequent to implementation of that site. Onsite support for the 30 day pre-implementation period will occur as necessary to meet the requirements specified. The Contractor commits a minimum of 20 site support personnel to meet these requirements. The Contractor and the State will mutually agree upon site support staffing as part of the Implementation Plan deliverable.

Task 4 – Provide Help Desk Services
Requirements of Task

The purpose of this task is to provide a centralized Help Desk service as a primary point of help for local offices and central office business units relative to the implementation of the new system. This service is also referred to by the State as “triage” to signify the quick assessment of criticality the help requests should receive.

The Contractor is to handle help issues related to the application, data, and implementation starting at Pilot implementation and continuing until three months after statewide deployment of Release 1.0. Issues not related to the application, data, and implementation of BRIDGES will be forwarded to the State’s standard Help Desk (also known as the “Client Service Center”).

Site support personnel (reference *Task 3 – Perform Site Support* above) are also intended to be an integral part of the post-implementation help, resolving routine issues onsite without Contractor Help Desk intervention.

The Contractor shall perform the following activities:

- 1) Develop a Help Desk Guide with help desk processes and scripts to support the new application, data, and workflow.
- 2) Communicate the help desk processes to the local office staff.

- 3) Provide Help Desk support staff during normal business hours (Monday through Friday, 7am – 6pm) during implementation to perform the following tasks:
 - Implement a “triage” process to determine criticality of request.
 - Perform initial investigation, impact assessment, and prioritization on all requests.
 - Handle routine requests such as logon id, password, and security profile issues immediately (within 15 minutes) during the formal post-implementation period for each office. [This may also be done by onsite support personnel.]
 - Handle routine requests such as logon id, password, and security profile issues within 2 hours after the formal post-implementation period for each office has ended.
 - Forward non-BRIDGES related issues to the State’s Client Service Center.
 - Forward requests that cannot be resolved immediately to the Ongoing Production Support Team; if possible, develop and communicate end user workarounds for such requests.
- 4) Capture and track help desk requests (i.e., “tickets”) in Remedy (State provided tool).

During the post-implementation site support period, the following service levels shall be provided by the Contractor. The State anticipates that a majority of these requests will be handled by the onsite support staff during the post-implementation support period.

Event Description	Response Time	Resolution Time
Set up a new user	2 hours	24 hours
Reset a password	15 minutes	15 minutes
Answer how to do something	15 minutes	60 minutes
Change a security profile	1 hour	2 hours

After the post-implementation site support period, when onsite support is no longer available at the local office, the following service levels shall be provided by the Contractor:

Event Description	Response Time	Resolution Time
Set up a new user	2 hours	48 hours
Reset a password	30 minutes	1 hour
Answer how to do something	1 hour	4 hours
Change a security profile	2 hours	24 hours

A Help Desk (Triage) Ticket Report shall be generated weekly. This report will minimally include:

- Number of tickets opened in period
- Number of tickets closed in period
- Total number of tickets open
- Total number of tickets closed

Deliverables from Task

1. Help Desk (Triage) Ticket Report – due to the PCO close of business on first business day of each week for prior week’s activities.
2. Help Desk Guide – due two months prior to commencement of Pilot.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Produce weekly Help Desk Ticket Report from Remedy	Dev & Impl Vendor
Provide tools, programming, and Remedy expertise to produce Remedy reports	State
Develop Help Desk processes and scripts	Dev & Impl Vendor
Approve Help Desk processes and scripts	State
Conduct weekly Help Desk status reporting meetings	Dev & Impl Vendor
Facilitate weekly Help Desk status reporting meetings	PCO
Capture/update Help Desk tickets	Dev & Impl Vendor
Communicate Help Desk procedures to local offices	Dev & Impl Vendor
Provide facilities and phone services for Help Desk	State

Task 5 – Transition Help Desk to State
Requirements of Task

The Contractor will perform Help Desk services during, and for three months after, statewide deployment of Release 1.0. Three months after statewide deployment, the Contractor will transition the help desk function to the State’s Help Desk (i.e., Client Service Center).

Additionally, upon transition of help desk responsibility to the Client Service Center, the Contractor shall support the Client Service Center throughout the life of the contract by providing updates to the Help Desk Guide to reflect new functionality as it is released.

The Contractor shall perform the following activities for Release 1.0:

- 1) Develop training for Client Service Center staff based on the help desk processes and scripts developed for Release 1.0 (reference *Task 4 – Provide Help Desk Services* above).
- 2) Develop a Help Desk Transition Plan to transition the help desk function to the Client Service Center.
- 3) Train the Client Service Center staff.
- 4) Transition support to the Client Service Center at the completion of the three month Help Desk Support window.
- 5) Support the Client Service Center by providing updates to the Help Desk Guide reflecting new functionality as it is released.

Deliverables from Task

1. Help Desk Transition Plan – due one month before help desk services are to be transitioned.
2. Help Desk Guide (updates) – due two weeks prior to the time new functionality is to be released to the production environment.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide training to State Help Desk personnel	Dev & Impl Vendor
Develop Help Desk Transition Plan	Dev & Impl Vendor
Approve Help Desk Transition Plan	State
Transition Help Desk Services to State Help Desk	Dev & Impl Vendor
Provide updates to Help Desk Guide	Dev & Impl Vendor
Approve updates to Help Desk Guide	State
Facilitate transition of Help Desk services from Contractor to State	PCO

Task 6 – Conduct Pilot

Requirements of Task

The Contractor shall conduct a Pilot of the Release 1.0 software. The Pilot shall consist of at least one medium sized county office, preferably in the vicinity of Lansing, Michigan. The Pilot shall process all casework previously handled by ASSIST, LOA2, and CIMS (online portion) in the production environment. Caseworkers will NOT use the legacy systems during or after Pilot (i.e., once converted to the new system, use of the legacy systems for update purposes shall cease). The Pilot should commence no later than 16 months after contract start, and shall run a minimum of 2 months before other offices are converted to the new system.

This Pilot shall include all of the implementation support activities identified earlier in this activity – namely:

- Data conversion
- Training
- Site support
- Help Desk support

Due to the tremendous visibility the Pilot will receive from stakeholders, the State expects the Contractor to staff accordingly, as the State, the PCO, and the Contractor are expected to “do what it takes” to ensure the Pilot is a success.

At the completion of the Pilot, the Contractor shall provide a formal report on the Pilot to the State. This report shall include information on:

- Readiness of the software for statewide use;
- Data conversion issues and current status;
- Training issues and current status;
- Site support activities;
- Help Desk support activities and;
- Issues, concerns, and lessons learned for statewide deployment.

Based on this report, the State will make a “go/no go” decision for implementing the BRIDGES solution statewide.

Deliverables from Task

1. Pilot Review Report – due to the State by the end of Pilot.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Conduct pilot implementation	Dev & Impl Vendor
Provide information to the State to enable a “go/no go” decision for implementing BRIDGES statewide	Dev & Impl Vendor
Make “go/no go” decision on implementing BRIDGES statewide	State
Provide input on readiness of BRIDGES system and services to go statewide	PCO

Requirement clarifications:

1. Site support for the Pilot will include at least one full-time, onsite support person 30 days prior and 60 days subsequent to implementation at all Pilot sites.

Task 7 – Manage Implementation Support Activities / Staff

Requirements of Task

The purpose of the Implementation Support Team is to provide oversight and coordination of all office-related implementation support activities as the system is deployed statewide. Deployment of the system statewide shall include any private agency partners, as well as non-DHS State staff utilizing the new system.

The Contractor shall provide a full-time person, the Implementation Manager, to lead the Implementation Support Team. The Implementation Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of five years experience in all aspects of implementation support as outlined in the previous tasks. This person will be the primary point of contact for the State, PMO, and PCO for all implementation support activities.

The Implementation Manager will be responsible for all implementation activities as the system is deployed statewide. The Implementation Manager shall provide weekly status reports to the PCO. Specific responsibilities of the Implementation Manager are:

- Manage activities & monitor progress for each regional area as it is converted to ensure that each task is completed in a timely and accurate manner in each office.
- Ensure private agency partners receive appropriate communications, documentation, and training regarding standard reports and online query access.
- Ensure data readiness.
- Monitor training activities.
- Ensure office workflow readiness.

- Oversee site support both pre- and post-implementation.
- Provide status to the core project team (i.e., PMO).
- Oversee Help Desk activities for each release.

The Implementation Team must also develop a statewide rollout strategy to bring all required offices onto the new system, including the satellite offices located in hospitals and Family Resource Centers. This team shall also develop a master plan template to be used for each regional area to be converted. This template should include:

- Orientation for DHS staff
- Private agency partner readiness
- Data readiness activities
- Training
- Office workflow readiness
- Site support – pre- and post-implementation
- Status reporting

The Implementation Manager should have the following qualifications:

- At least 5 years of experience in large system implementations
- At least 2 years of experience in HHS eligibility system data conversion activities
- At least 2 years of experience with help desk and site support services in the HHS eligibility system area
- At least 1 year of experience in managing implementation teams specifically responsible for implementing HHS eligibility systems

The Contractor shall also provide a full-time person, the Conversion Manager, to oversee the Conversion Team. The Conversion Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of three years experience in data conversion activities as outlined in *Task 1 – Perform Data Conversion*. This person will be the primary point of contact for the State, PMO, and PCO for BRIDGES data conversion activities.

The Conversion Manager will be responsible for the activities in *Task 1 – Perform Data Conversion* as the system is deployed statewide. This person is responsible for data conversion resource assignments, as well as the monitoring and reporting of team progress. The Conversion Manager should provide weekly status reports to the Implementation Manager.

The Contractor shall also provide a full-time person, the Training Manager, to oversee the Training Team. The Training Manager will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of three years experience in providing training services as outlined in *Task 2 – Prepare and Perform Training*. This person will be the primary point of contact for the State, PMO, and PCO for BRIDGES training activities.

The Training Manager will be responsible for the activities in *Task 2 – Prepare and Perform Training* as the system is deployed statewide. This person is responsible for training resource assignments, as well as the monitoring and reporting of team progress. The Training Manager should provide weekly status reports to the Implementation Manager.

Within one month of contract start, the Contractor shall provide an Implementation Support Team Staffing Plan for performing all tasks within this activity. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalents (FTEs), by month, by role. Refer to Appendix J for an example staffing plan.

Deliverables from Task

1. Statewide Implementation/Rollout Strategy Document – due six months after contract start.
2. Master Plan Template (regional rollout plans) – due nine months after contract start.
3. Implementation Support Team Staffing Plan - due one month after contract start, with updates as required thereafter.
4. Status Reports – due to the PCO close of business on first business day of each week for prior week’s activities. Status reports shall include:

- Major tasks accomplished
- Progress to schedule, including hours spent on tasks in-progress and an updated estimate of hours remaining for the task,
- Clear identification of areas at risk of not meeting schedule
- Additional issues affecting productivity or efficiency
- Any other issues the Implementation Manager feels should be communicated

Roles and Responsibilities related to Task

Function/Task	Responsibility
Develop rollout strategy	Dev & Impl Vendor
Develop implementation master plan for each region	Dev & Impl Vendor
Track and report status to implementation schedules (by region, by office)	Dev & Impl Vendor
Facilitate tracking and reporting of status on implementation support activities	PCO

Activity 5 – Ongoing Production Support

Reference Attachment 5.4.5.0, 5.4.5.1, 5.4.5.2 and 5.4.5.3 for description of how Contractor intends to approach and meet the requirements documented in the activity.

Task 1 – Maintain and Support Application

Requirements of Task

The successful bidder is required to support the system, once implemented in the production environment, for the duration of the contract. This support shall include the following categories:

- a. Corrective Maintenance – “bug” fixes to correct data and/or functionality not working per requirements. This encompasses the following work:
 - Investigate batch job failures
 - investigate and correct defects
 - repair jobs scheduled or run incorrectly
 - repair problems due to system hardware or software failures
 - repair problems due to operator/scheduler error
 - repair problems due to program or control language errors
 - repair application security problems
 - repair corrupted files/databases
 - repair documentation
 - repair problems due to jobs run with incorrect data

“Emergency requests” shall be defined as problems preventing benefit issuance, or those having a significant impact on the end user’s ability to perform their job. These requests will require “emergency fixes” and shall be resolved within 24 hours of notification.

It is the State’s intent to limit the number of “emergency” fixes. The State intends to bundle corrective maintenance requests together and perform a “patch release” on a monthly basis. This enables the patch release to be tested as a whole, increasing the likelihood of a successful release with no unforeseen side effects (i.e., new bugs), minimizing the disruption to the end users. [The first month after a major release, the patch releases may be more frequent – e.g., weekly or bi-weekly.]

Non-emergency corrective maintenance requests should be completed in the next patch release.

- b. Adaptive Maintenance – adaptive maintenance addresses upgrades to the system due to technical changes to system components to keep the system maintainable, including the following services:
 - upgrades or patches of application server, java virtual machine, operating system, DBMS, or other system software

- software modifications and upgrades necessary because of expiring Contractor support
- hardware, database, or application conversions that do not modify user functionality
- file moves (from one device to another) due to hardware swaps
- one time loads or reformats of user data (due to upgrades)
- report distribution changes
- disaster recovery plan activities

By and large, these changes should be transparent to the end user. It is the State's intent to perform (i.e., release) adaptive maintenance changes in a monthly patch release; for major upgrades requiring a more significant amount of time to develop, test, and implement, the changes should be completed as part of a development release. The selected resources on this team as well as the technical team will be granted administration privileges to all system hardware and software, as needed.

- c. Perfective Maintenance – perfective maintenance addresses activities to improve the performance of the application, as well as investigate and fix potential problems that have NOT YET occurred. Perfective maintenance includes the following services:
- improve the performance, maintainability or other attributes of an application system
 - preventive maintenance
 - data table restructuring
 - data purges to reduce/improve data storage
 - run time improvements
 - replace utilities to reduce run time
 - potential problem correction
 - data set expansions to avoid space problems

It is the State's intent to perform (i.e., release) perfective maintenance changes in a monthly patch release or, for major changes requiring a more significant time to develop, test, and implement, the changes should be completed as part of a development release.

Activities that can typically be completed independent of a production release (e.g., data set expansions, data purges) may be completed on a more frequent basis (e.g., daily or weekly).

- d. Application Support – support for the system to keep it operating as expected, including the following services:
- monitoring and reporting system performance
 - investigation as to why data was not processed
 - monitoring and reporting computer resource usage
 - preparing and participating in application system problem review meetings
 - creating special holiday and year-end schedules
 - preliminary investigation of problems NOT identified by customer
 - model office, test environment, development environment, or prototype support
 - ad hoc schedule changes
 - data resource management

Application support will not typically involve changes to modules, functions, database items, or documentation and, thus, do not need to be promoted from environment to environment.

“Investigation as to why data was not processed” shall begin immediately after notification is received.

The Contractor shall provide a monthly report on system performance and computer resource usage, including trend analysis, as well as recommendations on potential changes to improve the efficiency and effectiveness of delivery of application support services.

All other application support services shall be performed on a daily (and/or as needed) basis.

- e. User Support – direct support of the end user for technical questions and issues which cannot be handled by the Help Desk. The Contractor shall provide User Support for the application, including the following services:
- informal user training
 - system broadcasts
 - answering customer questions about the application
 - preliminary investigation into possible problems identified by customer
 - investigating and ensuring user access to application system
 - ad hoc reporting
 - customer requested updates to data in database tables

It is the State’s intent to identify a State of Michigan (SOM) employee to be a designated “BRIDGES expert” for each office / business unit. Offices and business units with more than 40 end users will have multiple people identified for this role. BRIDGES experts will serve as the first line of support for end users, which should minimize the user support required from the Help Desk (reference *Task 4 – Provide Help Desk Services*) and Ongoing Production Support Team. [Reference *Activity 4 – Implementation Support, Task 3 – Perform Site Support* for requirements regarding onsite support immediately before and after the initial implementation, as these Contractor staff will assist the SOM BRIDGES expert(s) in providing user support during this time.]

The Contractor shall provide staff to address the more detailed and difficult user support issues and questions regarding the application that cannot be handled by a SOM BRIDGES expert or a Contractor Site Support person. The Contractor shall acknowledge receipt of all production support requests for user support immediately by creating a “ticket” with a unique tracking number. Each ticket will be classified as ‘urgent’, ‘high’, ‘medium’, or ‘low’ priority, with the following service level requirements for user support requests:

<u>Priority</u>	<u>Anticipated % of tickets</u>	<u>Started</u>	<u>Completed</u>
Urgent	10%	Immediately	Within 24 hours
High	10%	Within 24 hours	Within 48 hours
Medium	50%	Within three days	Within two weeks
Low	30%	Within two weeks	Within two months

- f. Minor Enhancements – it is the State’s intent to create a “BRIDGES enhancement budget” to fund enhancements that will improve the efficiency and effectiveness of the system in supporting the business objectives of the State. Enhancement requests will NOT be the responsibility of the Ongoing Production Support Team, and Contractor’s price proposals should reflect such. [Reference *Task 1 – System / Service Enhancements of Activity 7 – Miscellaneous* for more information on the handling of enhancement requests and enhancement releases.]

Deliverables from Task

1. Emergency fixes as required
2. Monthly patch releases (to all relevant environments)
3. Monthly report on system performance
4. Monthly report on computer resource usage
5. Documented resolution for each production support request
6. Daily Batch Job Schedule
7. Documented production support requests, including the following information:
 - requestor
 - date of request
 - production support category (i.e., user support, corrective maintenance, etc.)
 - brief description of problem or question
 - estimated severity (priority)
8. Completed production support requests

Roles and Responsibilities related to Task

Function/Task	Responsibility
Perform corrective maintenance for system	Dev & Impl Vendor
Perform adaptive maintenance for system	Dev & Impl Vendor
Perform perfective maintenance for system	Dev & Impl Vendor
Perform application support for system	Dev & Impl Vendor
Perform user support for system	Dev & Impl Vendor
Perform Initial assessment of severity/priority of tickets	Dev & Impl Vendor
Perform final determination of severity/priority of tickets	State and Dev & Impl Vendor
Oversee Contractor to ensure service levels are met	PCO
Facilitate ongoing production support meetings to ensure timely review of tickets / assignment of priority	PCO

Requirement clarifications:

1. State of Michigan (SOM) “Bridges Experts” are intended to be the first line of support for end users after the post-implementation site support period for their office has ended. The SOM Bridges Expert , by no later than 4th week of the post implementation for the site, will assist the contractor’s site support staff in providing site support during the implementation period.

Task 2 – Manage Ongoing Production Support Activities / Staff

Requirements of Task

The Contractor shall provide a full-time person to lead the Ongoing Production Support team. This person, the Production Support Manager, will be identified as “Key Personnel” (reference **2.506 – Staff**), and should have a minimum of three years experience in all aspects of production support as outlined in *Task 1 – Maintain and Support Application*.

The Contractor shall work with the Project Control Office (PCO) to develop all processes and procedures necessary to record and track ongoing production support requests (i.e., production “tickets”). The Contractor shall also work with the PCO to develop appropriate processes and procedures to control the flow of ongoing production support work, including production support ticket assessment, configuration management, patch release testing, builds, and promotions.

Within one month of contract start, the Contractor shall provide an Ongoing Production Support Team Staffing Plan for performing all tasks within this activity. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalent (FTE) staff positions, by month, by role. Refer to Appendix J for an example staffing plan.

Deliverables from Task

1. Ongoing Production Support Team Staffing Plan - due one month after contract start, with updates as required thereafter.
2. Status Reports – due to the PCO close of business on first business day of each week for prior week’s activities. Status reports shall include:
 - Major tasks accomplished
 - Work in progress, upcoming work (i.e., patch releases)
 - New support requests created since last status report (by category)
 - Support requests completed since last status report (by category)
 - Total number of outstanding support requests (by category)
 - Issues affecting productivity or efficiency
 - Any other issues the Ongoing Production Support Manager feels should be communicated

Roles and Responsibilities related to Task

Function/Task	Responsibility
Record/track production support requests (i.e., “tickets”)	Dev & Impl Vendor
Develop processes and procedures to control the flow of ongoing production support work	Dev & Impl Vendor
Review/approve processes and procedures to control	PCO, State

the flow of ongoing production support work	
Assign individuals to specific requests/tickets	Dev & Impl Vendor
Estimate effort hours for individual requests/tickets	Dev & Impl Vendor
Recommend production tickets to be included in the next patch release	Dev & Impl Vendor
Determine production tickets to be included in the next patch release	State
Facilitate process to determine scope of next patch release	PCO

Task 3 – Perform Ongoing Production Support Knowledge Transfer
Requirements of Task

It is the State’s intent to perform ongoing production support on its own at the completion of this contract. To this end, the Contractor shall work with the State to perform a “knowledge transfer” on the ongoing production support tasks identified previously. This knowledge transfer shall include involving State DIT personnel in ongoing production support activities from the commencement of this support.

The State intends to identify 3-6 individuals to participate on a full-time basis in ongoing production support activities. These people will have the requisite skills to participate on the team as identified by the Contractor in the System Support Transition Plan (reference *Activity 7, Task 3 – Transition Support to State*). The Contractor is expected to communicate concerns regarding specific areas/individuals if the Contractor feels there is an elevated level of schedule risk; the State will pursue other methods of performing the knowledge transfer for the given area in this situation.

This staff is meant to provide a smooth transition of ongoing production support upon completion of the contract. The Contractor should not rely on these individuals to reduce Contractor staffing levels on the ongoing production support team during the project.

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor’s performance is dependent upon the timely and effective satisfaction of the State’s responsibilities.

Deliverables from Task

1. Ongoing Production Support Knowledge Transfer – due by end of contract.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide DIT staff with requisite skills for knowledge transfer	State
Perform knowledge transfer (via documentation, training, and hands-on experience)	Dev & Impl Vendor

Activity 6 – Project / Contract Management

Reference Attachment 5.4.6.0, 5.4.6.1, 5.4.6.2 and 5.4.6.3 for description of how Contractor intends to approach and meet the requirements documented in the activity.

Task 1 – Perform Project Management Functions

Requirements of Task

Upon commencement of the project (contract), the Contractor shall work with the Project Control Office (PCO) and Program Management Office (PMO) to perform Project Startup and Initiation for the BRIDGES initiative. This shall include establishment of a Contractor project team in Lansing, Michigan, acclimating the Contractor team to the BRIDGES project, meeting client management and staff, setting up the work environment, and, with the BRIDGES PMO and PCO, conducting a formal kickoff meeting. This should occur within two weeks of contract start so as to not delay the start of Release 1.0 analysis and requirements definition.

Each release will be managed as a “project,” with its unique scope, schedule, risks, and issues. Each requires effective project management to plan, execute, and control to achieve the desired outcome. The Contractor’s role in each release is critical, as it provides the business and system knowledge and experience to develop and complete an aggressive - yet attainable - plan.

With the Project Control Office (PCO) facilitating, the Contractor shall develop a plan for each release and gain agreement on the plan from all stakeholders. This plan shall contain the scope, schedule, staffing plan, cost, and risk items associated with the release (project), as well as documented assumptions.

Again, with the PCO facilitating, the Contractor shall execute and control the plan to achieve the agreed upon objectives of the release (project). This will include performing impact assessment on proposed changes in scope (i.e., Change Control Impact Assessment), identifying risks and issues, developing and executing risk mitigation plans, assigning specific tasks to specific individuals, tracking resource effort and progress on tasks, and generally managing the staff and project activities necessary to complete the project successfully. Communicating and sharing information with the PCO and other stakeholders in a timely and accurate manner will also be a critical responsibility of the Contractor.

At the completion of each release project, with the PCO facilitating, the Contractor shall perform a project closedown activity. This shall include a review of project metrics and general “lessons learned” from project participants, and shall generate a Post-Implementation Evaluation Report (PIER). The PIER should minimally include a review of the quantity and type of issues encountered, general root causes for the issues, and recommendations for improving the subsequent release project. A comparison of actuals to estimates for total effort, staff-months, number of configuration items, etc. should also be conducted, yielding input for estimates on subsequent release projects. A formal review of the PIER document shall be conducted with the PMO. This should be completed within one month of release implementation.

The Contractor is responsible for managing the interdependencies between the various Contractor teams / sub-teams (i.e., Technical Planning and Support, Application Development, Testing, Implementation Support, and Ongoing Production Support) to efficiently and effectively complete the BRIDGES project work.

The BRIDGES program also requires effective project management to ensure the overall goals and objectives are met. Periodic reviews of the overall strategy to achieve these goals and objectives will occur throughout this contract and the Contractor, with its depth and breadth of industry experience, is a critical participant in these reviews.

The State’s Program Manager will conduct periodic Executive Steering Committee meetings to review and gain agreement on BRIDGES program status and direction. The Contractor’s Project Manager will attend these meetings.

Deliverables from Task

1. Startup & Planning Document (i.e., Project Plan) (release by release)

2. Change Control Impact Assessment (request by request) (duration, effort, cost, risk)
3. Issue and risk items (release by release)
4. Risk mitigation plans (release by release)
5. Task estimates – duration, effort, cost (initial and ongoing)
6. Resource time (effort) tracking/reporting (weekly, by task)
7. Individual task assignments
8. Project Closedown (i.e., PIER) Report – within one month of project implementation (release by release)

Roles and Responsibilities related to Task

Function/Task	Responsibility
Develop processes and procedures for development of the Startup & Planning Document (Project Plan)	PCO
Create the “Startup & Planning” Document (i.e., create Project Plan content)	Dev & Impl Vendor
Develop processes and procedures for executing and controlling each release project	PCO
Execute and control each release project	Dev & Impl Vendor
Provide tools to facilitate the planning, execution, and control of each release project	PCO
Participate in Executive Steering Committee meetings	Dev & Impl Vendor, PCO, State
Provide Project Closedown input	All
Produce Project Closedown Report (e.g., PIER)	Dev & Impl Vendor

Task 2 – Perform Contract Management Functions

Requirements of Task

The Contractor is generally responsible for managing the overall contract from its company’s perspective, including but not limited to:

- Financial management – producing bills/invoices
- Subcontractor management - managing subcontractors, contracts and relationships
- Scope management

Deliverables from Task

1. Bills/Invoices – as agreed upon

Roles and Responsibilities related to Task

Function/Task	Responsibility
Manage subcontractors	Dev & Impl Vendor
Submit invoices	Dev & Impl Vendor
Review, approve, and pay invoices	State

Task 3 – Manage Project / Contract Management Activities / Staff

Requirements of Task

The successful bidder shall provide a full-time person (“Contractor Project Manager”) to act as the focal point for project level discussions and decisions. This person will be identified as “Key Personnel” (reference **2.506 – Staff**), and shall report directly to the BRIDGES Program Manager. The Contractor Project Manager will have overall responsibility for the management of Contractor staff assigned to the project (contract), as well as the work produced/delivered by Contractor staff.

The Contractor Project Manager should meet the following requirements:

- Ten years of experience managing large application development and implementation projects

- Five years of experience in the Health and Human Services (HHS) industry, preferably in implementing HHS eligibility determination systems in other large states
- Two years of experience in managing a project using the Contractor's proposed solution

The Contractor Project Manager is expected to work with the Program Manager and Project Control Office (PCO) to appropriately staff the project. The Contractor Project Manager will be responsible for transitioning Contractor staff onto and off of the project as needs dictate. Management of the overall contract, and any processes and procedures necessary to ensure the efficient and effective management of the contract, are also the responsibility of the Contractor Project Manager.

Additional project management, administrative support, or any other staff necessary to manage the project and contract should also be included here.

Within one month of contract start, the Contractor shall provide a Project / Contract Management Team Staffing Plan for performing all tasks within this activity, as well as *Task 2 – Support Federal Cost Allocation Reporting* of Activity 7. This plan shall identify individuals assigned to the team, the percentage of time assigned to the team, and the total number of full-time equivalents (FTEs), by month, by role. Refer to Appendix J for an example staffing plan.

Deliverables from Task

1. Project/Contract Management Team Staffing Plan - due one month after contract start, with updates as required thereafter.
2. Status Reports – due to the PCO close of business on first business day of each week for prior week's activities. Status reports shall include:
 - Major accomplishments
 - Major upcoming work
 - Significant issues and concerns for the overall project
 - Any other issues the Contractor Project Manager feels should be communicated

Roles and Responsibilities related to Task

Function/Task	Responsibility
Provide BRIDGES Program Manager with a primary point of accountability for all Contractor activities	Dev & Impl Vendor
Participate as critical members of the BRIDGES Program Management Office (PMO)	Dev & Impl Vendor, State, PCO
Provide status reports for all Contractor activities, tasks, and deliverables	Dev & Impl Vendor

Activity 7 – Miscellaneous

Task 1 – Provide System / Service Enhancements

Requirements of Task

Enhancement requests - requests for new functionality and/or changes to the system, as well as new services and/or changes to existing services provided via this contract – will occur throughout this project. This section is intended to facilitate the handling of these requests so that only those with a solid business case can be efficiently incorporated into the project.

The State intends to establish funding for 30,000 hours per year for system enhancements and services from the Contractor above and beyond those contractually required by this contract. Actual funding for enhancements will occur on a yearly basis, and there is no guarantee as to the level of funding for enhancements, if any, available to the project.

Enhancement requests will go through a rigorous review process established by the BRIDGES PCO before being submitted to the Contractor for impact assessment and estimates. This process will serve to weed out requests for which there is no funding, as well as requests lacking

an obvious business case. A limited amount of Contractor time may be required in this review process, but only to provide a cursory review of the request.

The requests considered potentially viable will then be passed to the Contractor for impact assessment (i.e., impact on existing plans and estimates). Requests may be considered for inclusion in an existing release (e.g., Release 1.0), for a future planned release (e.g., Release 2.0), or bundled for an entirely new release (e.g., Release 1.1). Requests for impact assessment and estimates may be made on an individual (request by request) basis or on a “group of requests” basis.

Enhancements must not impact the schedule, service level, or cost of the other activities and tasks requested in this Contract without the express acknowledgement and consent of the PCO and the State.

Deliverables from Task

- 1) Impact Assessment – duration, effort, cost, risk (by request or bundle) – as needed
- 2) Estimates – duration, effort, and cost (initial and ongoing, by individual request or group (bundle) of requests) – as needed

Roles and Responsibilities related to Task

Function/Task	Responsibility
Establish and enforce change control processes for BRIDGES	PCO
Establish a process for quickly reviewing enhancement requests prior to submission to Dev & Impl Contractor	State, PCO
Perform impact assessment and estimates for enhancements	Dev & Impl Vendor
Verify impact assessment and estimates provided by Dev & Impl Contractor	PCO
Formal approval of enhancements	State

Task 2 – Support Federal Cost Allocation Reporting

Requirements of Task

There will be three Cost Allocation Plans for BRIDGES:

- a) An existing Planning APD Cost Allocation Plan (CAP), already approved by DHHS and USDA/FNS;
- b) a new Cost Allocation Plan (CAP) specifically related to BRIDGES development and implementation costs that will be approved through the USDA/FNS and DHHS Implementation Advance Planning Document (IAPD) process;
- c) an existing CAP approved by the Division of Cost Allocation (DCA) in DHHS, this plan will be amended to include BRIDGES hardware, operations, and maintenance costs.

The State shall have sole responsibility for the existing Planning APD CAP. The Contractor will have no responsibility related to this plan.

To ensure continued federal financial participation (FFP), the successful bidder is required to work with State staff to develop a BRIDGES-specific plan for allocation of development and implementation costs to the federal programs and agencies impacted by the new system and to provide data needed for the existing CAP.

Within 90 days of the contract start date, the Contractor will prepare a Cost Allocation Plan for the BRIDGES development and implementation activities using the DHHS Cost Allocation Methodologies (CAM) Toolkit (released May 2004). The CAM Toolkit can be found on the following internet URL: <http://www.acf.hhs.gov/programs/cse/stsys/tab10.htm>

The CAM Toolkit is used for “software development costs” which, according to the federal CAM Handbook (p. 27), encompasses the following development and implementation costs:

- Project management
- Requirements
- Design
- Development
- Testing (unit testing through user acceptance testing)
- Training (actual cost of training, but not costs for staff time during training)
- Pilot (Contractor staff but not state/local staff)
- Deployment/rollout (Contractor staff but not state/local staff)

The Contractor will develop the BRIDGES Cost Allocation Plan based on the “Benefit Received” cost allocation methodology described in the CAM Handbook. There are six major steps defined for the Benefit Received cost allocation methodology:

- 1) Document system and cost allocation information
- 2) Identify benefiting programs’ system usage
- 3) Process benefiting programs’ usage
 - a. Direct usage – use direct charges
 - b. Shared usage – use Benefit Received cost allocation methodology to determine objective Program Share of Cost %
- 4) Prepare Cost Allocation Plan
- 5) Get final Cost Allocation Plan approval or negotiate interim approval of a cost allocation methodology and Program Share of Cost %
- 6) Report actual costs; if interim approval, make cost adjustments to benefiting programs if required

The Contractor will have primary responsibility for steps 1-4, in coordination with the State; the State will have primary responsibility for steps 5 & 6. In all steps, the State will have final review and approval.

If there is a need for data and/or reports to support the reporting of development costs under the BRIDGES development CAP, the Contractor will be responsible for any associated requirements definition, design, coding and testing. These activities must be coordinated not only with the BRIDGES project, but also the DHS Revenue and Federal Reporting Division.

Once the system is operational (i.e. a release of functionality is in production statewide), the Contractor will be responsible for providing system reports/data to support the DHS federally approved operational Cost Allocation Plan. It is the Contractor’s responsibility to work with the BRIDGES Project and the DHS Revenue and Federal Reporting Division to determine the data requirements and to perform any design, coding and testing needed to provide the data.

Deliverables from Task

1. Cost Allocation Plan for BRIDGES Development/Implementation – due within 90 days of contract start.
2. Data to support BRIDGES Development CAP – due on a fiscal quarter basis or as otherwise requested by the State.
3. Data to support BRIDGES Operational CAP – due on a fiscal quarter basis or as otherwise requested by the State.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Develop BRIDGES Cost Allocation Plan for Development/Implementation	Dev & Impl Vendor
Obtain federal approval of the BRIDGES Cost Allocation Plan for Development/Implementation	State
Assist the State in developing and gaining federal approval on the operational Cost Allocation Plan	Dev & Impl Vendor
Obtain federal approval of the BRIDGES operational Cost Allocation Plan	State
Identify, collect, and report data to support the BRIDGES	Dev & Impl Vendor

and DHS CAPs to the State	
Report actual costs to appropriate federal agencies	State
Track issues and progress related to the Cost Allocation tasks	PCO
Provide updates to the Planning APD Cost Allocation Plan and get federal approval	State

Task 3 – Transition Support to State
Requirements of Task

It is the State's intent to support the system on its own at the completion of this contract. To this end, the Contractor shall work with the State to transition support for the system to State of Michigan business (DHS) and technical (DIT) staff. This should include involving State personnel in a variety of areas – ongoing production support, data conversion, requirements definition, application development, etc. - during the life of this contract.

For informational purposes, the State intends to assign 13-21 DIT and 3-6 DHS staff to the project on a full-time basis for the duration of the project. These individuals are expected to become the subject matter experts for various areas of the system. The intent is for the State to have experience and knowledge in all aspects of BRIDGES by the end of the contract. The State expects the Contractor to pair these people up with key individuals from the Contractor team. The Contractor will manage these staff in terms of work assignment. However, the Contractor should not rely on these individuals to reduce Contractor staffing levels.

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities.

The Contractor shall provide a formal transfer of knowledge to DIT and DHS staff by the conclusion of the project. The plan to complete the transfer of knowledge shall be documented by the Contractor in a "System Support Transition Plan". The plan will be approved by the BRIDGES Program Management Office (PMO). This plan shall include mandatory and suggested training - business, system, and toolset – by role (e.g., DBA, business analyst, system developer) to complete the formal transition of system support responsibility to the State. The plan must also identify the estimated staff, by role, required to adequately support the system long-term.

The Contractor shall also identify minimal training and experience requirements for State staff prior to participating in BRIDGES project activities. The minimal training and experience requirements, or requisite skills, for participation on the technical planning and support team, application development team, and ongoing production support team must be identified. Requisite skills for other areas for State participation proposed by the Contractor should also be identified. A Requisite Skills document shall be provided by the Contractor 2 months after contract start.

Deliverables from Task

1. System Support Transition Plan – due six months after contract start.
2. Documentation/Knowledge Transfer – due by end of contract.
3. Requisite Skills Document – due 2 months after contract start.

Roles and Responsibilities related to Task

Function/Task	Responsibility
Document System Support Transition Plan	Dev & Impl Vendor
Provide DIT and DHS staff for transition	State
Perform knowledge transfer (via documentation, training, and hands-on experience)	Dev & Impl Vendor
Identify minimum training/experience required by staff prior to participation in BRIDGES project activities, by team and by role	Dev & Impl Vendor

Provide training/experience to staff prior to participation in BRIDGES project activities	State
Identify mandatory and suggested training/experience for staff, by role, to complete the knowledge transfer	Dev & Impl Vendor

Requirement clarifications:

1. The Contractor and the State will work together to mutually agree upon the optimum level of State staffing.

1.2 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

Detailed Contractor roles and responsibilities have been documented in the specific activities and tasks of section **1.104 – Work and Deliverables**. However, the following overview provides some additional clarification on State v. PCO Contractor v. Development & Implementation Contractor roles and responsibilities:

1. The **Development & Implementation Contractor** is accountable to the State of Michigan BRIDGES Program Management Office (PMO). Their primary responsibility is to modify an existing base solution to meet the requirements of this contract, implement it statewide, and support it for a period of time thereafter. This Contractor brings Health and Human Services (HHS) industry experience to the project, as well as industry product (solution) knowledge that the State of Michigan lacks.
2. The **PCO Contractor**, awarded through a different contract, 071B6200023, is also accountable to the State of Michigan BRIDGES Program Management Office (PMO). Their primary responsibility is to provide independent third-party control, monitoring, and project management processes for the project. This Contractor provides depth and breadth of knowledge and experience in project management and technical control processes to ensure project delivery.
3. The **State** maintains overall authority and control over the BRIDGES effort. This is primarily manifested in the BRIDGES Executive Steering Committee, comprised of DHS, DCH, and DIT representatives, which will meet to review overall plans – and progress against those plans – on a regular basis. The Steering Committee will rely on the BRIDGES Program Management Office (PMO) for the day-to-day operational oversight necessary to maintain control of the effort.

The following Contractor staff roles are identified as “Key Personnel” (reference **2.506 – Staff**) for this project.

<u>Role</u>	<u>Section 1.104 reference</u>	<u>Individual</u>
Technical Support Manager	Activity 1, Task 4	Rob Cerra
Development Manager	Activity 2, Task 6	C M Sathe
Testing Manager	Activity 3, Task 5	Neil Killey
Implementation Manager	Activity 4, Task 7	Joanne Gallagher
Conversion Manager	Activity 4, Task 7	Kenneth Smith
Training Manager	Activity 4, Task 7	Robert Spector
Production Support Manager	Activity 5, Task 2	Uday Kulkarni
Contractor Project Manager	Activity 6, Task 3	Kevin King

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

Detailed State roles and responsibilities have been documented in the specific activities and tasks of section **1.104 – Work and Deliverables**. Please refer to this section, or section 1.201 above, for more information.

1.203 OTHER ROLES AND RESPONSIBILITIES

The Project Control Office (PCO) will play a significant role in the BRIDGES project. Detailed roles and responsibilities of the PCO Contractor have been documented in the specific activities and tasks of section **1.104 – Work and Deliverables**. Please refer to this section, or section 1.201 above, for more information.

1.3 Project Plan

Reference Attachment 6.0 for description on how Contractor intends to approach this project and meet the requirements in this section.

1.301 PROJECT PLAN MANAGEMENT

The project plan encompasses the key project management deliverables, documenting how the project will be successfully completed. The Project Plan includes the following elements:

- Project Scope
- High-Level Requirements
- Project Schedule
- Assumptions and Risks
- Communication Plan
- Staffing Plan

Each major release will be managed as a unique project, and a Project Plan will be created for each release project. All stakeholders will sign the Project Plan, signifying their agreement to the plan and their willingness to do their part to ensure the plan is successfully executed.

It will be the role of the PCO to establish the tools, processes and procedures to develop, execute, and control the Project Plan; the Contractor is responsible for the content of the Project Plan, as well as the actual completion of assigned work agreed upon in the plan. The PCO will update the various portions of the Project Plan and facilitate the status meetings; the Contractor will provide the information (input) to enable the updates to the Plan.

1.302 REPORTS

The Project Control Office (PCO) will establish a number of weekly status meetings to monitor and control the approved Project Plan. The intent of these meetings will be to identify the true status of the project and, where progress is not in line with original plans, put corrective action plans in place to bring the project back on track. These meetings will also serve to keep all levels of management informed of project status, highlighting major issues and roadblocks requiring management involvement and/or decisions.

As outlined in **Activity 6 – Project and Contract Management in 1.104 Work and Deliverables**, the Contractor will play a critical role in managing the project and participating in these meetings.

Specific status reporting requirements for various teams / sub-teams are identified in various activities and tasks within **1.104 Work and Deliverables**.

1.4 Project Management

1.401 ISSUE MANAGEMENT

The BRIDGES Project Control Office (PCO) is responsible for establishing an issues management process, including the creation of an issues log; meetings to prioritize, review, and resolve issues; and the development and execution of an issues escalation procedure. The PCO is also responsible for providing the tool(s) to track the project issues. It is the State's intent to leverage DIT standard processes and tools utilized successfully on other State IT projects. But the prospective Contractor should know that the PCO owns the responsibility for the issues process and toolset.

The Contractor is responsible for the identification of issues impacting the quality and/or timing of their deliverables, as well as the timely resolution of assigned issues.

1.402 RISK MANAGEMENT

The BRIDGES Project Control Office (PCO) is responsible for establishing a risk management process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, the monitoring of risk items, and periodic risk assessment review. Similar to issues management, the PCO owns the processes and tools for risk management.

The Contractor is responsible for the identification of risks for each project (release) and the BRIDGES program as a whole. Mitigating and/or eliminating assigned risk items will also be the responsibility of the Contractor.

1.403 CHANGE MANAGEMENT

The BRIDGES Project Control Office (PCO) is responsible for establishing a change control process, including the recording of proposed change controls, impact assessment, change control review, and formalization of the acceptance or denial of the proposed change. Similar to issues and risk management, the PCO owns the processes and tools related to change management. This process will be used to suggest modifications to agreed upon releases, as well as enhancement requests above and beyond original scope of this contract (reference *Task 1 – System/Service Enhancements of Activity 7 – Miscellaneous* in **1.104 Work and Deliverables**).

The Contractor is responsible for the identification of potential change controls (along with other stakeholders), impact assessment (including schedule, cost, and risk), and participation in the formal change control reviews.

1.5 Acceptance

1.501 CRITERIA

To the extent known, requirements for the deliverables have been documented in this contract. However, prior to the creation and submission of each deliverable, the Contractor will work with the Project Control Office (PCO) to determine and agree upon the final format, content, acceptance criteria, and review process for the deliverable. The result will be a Deliverables Expectation Document (DED) for each deliverable.

The Contractor shall propose a format for each deliverable and gain State approval prior to preparation of the deliverable. This approval process shall include submission of a DED. The sole purpose of the DED is to ensure that a common understanding exists between the State and the Contractor regarding the scope and content (depth and breadth) of the deliverable prior to the Contractor beginning work on the deliverable. The complexity of the DED should be proportional to the complexity of the deliverable. The DED will contain items such as:

- Deliverable objectives.
- An outline of the deliverable, table of contents, sample format, sample pages, and a general description of the information that will be contained in the deliverable.
- Deliverable acceptance criteria which is consistent with the requirements of the contract.

1.502 FINAL ACCEPTANCE

Final acceptance for this contract will be based on the following:

1. Statewide deployment of the system meeting all mandatory functional requirements contained in Appendix A and further refined during *Activity 2, Task 2 – Perform Analysis/Requirements Definition*. The system must be utilized in the production environment for a minimum of two months.
2. Statewide deployment of the system meeting all mandatory technical requirements contained in Appendix B and further refined during *Activity 2, Task 2 – Perform Analysis/Requirements Definition*. The system must be utilized in the production environment for a minimum of two months.
3. Transition of the Help Desk to the State as outlined in *Activity 4, Task 5 – Transition Help Desk to State*.
4. Completion of user training for Release 1.0 as outlined in *Activity 4, Task 2 – Prepare and Perform Training*.
5. Completion of site support services for Release 1.0 as outlined in *Activity 4, Task 3 – Perform Site Support*.
6. Transition of system support to the State as outlined in *Activity 7, Task 3 – Transition Support to State*.

Each of the above will be signified by formal approval from the BRIDGES Program Manager and the Contract Manager.

1.6 Compensation and Payment

The State will reimburse the Contractor for Hardware and Software acquired on behalf of the State, with-in 45 calendar days from the submission of the invoice.

Compensation and payment for the commodities and services required by this contract include:

- Development and Implementation – Release 1.0: fixed price quoted in Table 2 of the Contractor’s Cost Proposal. **No payment shall be made prior to October of 2006 for this work, excluding Hardware and Software.** 30% paid upon approval of “Deliverable Package A”, 30% paid upon User Acceptance Test (UAT) approval, and remainder (40%) paid upon successful implementation of Release 1.0 statewide.

“Deliverable Package A” consists of the following:

Deliverable	Reference
Technical Environments – Experimental, Development, Integration, QA Testing, UAT Testing, Conversion, and Staging	Activity 1, Task 3
Release 1.0 Technical Designs	Activity 2, Task 3
Release 1.0 Business Designs	Activity 2, Task 3
Release 1.0 Conversion Plan	Activity 4, Task 1
Release 1.0 Training Plan / Training Needs Analysis	Activity 4, Task 2
Master (Implementation) Plan Template (Regional Rollout Plans)	Activity 4, Task 7

- Development and Implementation – Release 2.0: fixed price quoted in Table 2 of Contractor’s Cost Proposal. 50% paid upon approval of “Deliverable Package B”, with remainder (50%) paid upon successful implementation of Release 2.0.

“Deliverable Package B” consists of:

Deliverable	Reference
Disaster Recovery Plan	Activity 1, Task 2
Release 2.0 Technical Designs	Activity 2, Task 3
Release 2.0 Business Designs	Activity 2, Task 3
Release 2.0 Conversion Plan	Activity 4, Task 1

- Development and Implementation – Release 3.0: fixed price quoted in Table 2 of Contractor’s Cost Proposal. 50% paid upon approval of “Deliverable Package C”, with remainder (50%) paid upon successful implementation.

“Deliverable Package C” consists of:

Deliverable	Reference
Release 3.0 Technical Designs	Activity 2, Task 3
Release 3.0 Business Designs	Activity 2, Task 3

- Ongoing Production Support (Maintenance): fixed monthly prices quoted in Table 3 of Contractor’s Cost Proposal; to be invoiced and paid monthly.
- System and Service Enhancements: firm, fixed hourly rates quoted in Table 4 of Contractor’s Cost Proposal based on actual hours expended on completed work; paid upon successful implementation of the enhancement.

Requirement clarifications:

1. System and Service Enhancements may be billed based on actual hours expended OR as a fixed price based on the estimated effort. Both methods will use the firm, fixed hourly rates quoted in Contractor’s Cost Proposal. For each enhancement, the State and Contractor will mutually agree on the method of billing prior to commencement of the work.
2. For Development and Implementation – Release 3.0, invoicing and payment may be based on the method outlined above (50% for “Deliverable Package C”, 50% for implementation) OR by software

iteration release. In either case, the total shall be the fixed price quoted in the Contractor's Cost Proposal.

**CLARIFICATIONS MODIFICATIONS
OF THE ORIGINAL PROPOSAL REGARDING
BRIDGES PRICING SHEETS**

Vendors are requested to submit this revised version as part of their price proposal

BRIDGES PRICING SHEETS

TABLE 1
HARDWARE & SOFTWARE
PRICE INFORMATION

1. 4-year Hardware Price (total all 5 columns Table 1A)	<u>\$4,509,646</u>
2. 4-year Software Price (total all 5 columns Table 1B)	<u>\$6,499,252</u>
HARDWARE/SOFTWARE PRICE PROPOSED FOR PROJECT	<u>\$11,008,898</u>

Notes:

1. Hardware and software prices quoted in this price proposal shall be used only for proposal evaluation purposes; the bidder is not committed to delivering the hardware and software for the price quoted.
2. The State reserves the right to procure the hardware and software through other procurement mechanisms (contracts).

Table 1A

HARDWARE PRICE INFORMATION

(Year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Inv	Hardware	Purchase Price				Ongoing Maintenance/Service (if any)			
		Year 1	Year 2	Year 3	Year 4				
EXP	V240, 1 Processor, 512 MB	\$ 3,721	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V240, 2 Processors, 4 GB	\$ 6,727	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
	BIG-IP 1000IP APP Switch V4.5 w/8prot 10/100 and 1 GB Fiber	\$ 12,600	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530
EXP	Experimental TOTAL	\$ 38,199	\$ 20,004	\$ 20,004	\$ 20,004	\$ 20,004	\$ 20,004	\$ 20,004	\$ 20,004
DEV	V240, 2 Processors, 2 GB [3]	\$ 17,544	\$ 12,333	\$ 12,333	\$ 12,333	\$ 12,333	\$ 12,333	\$ 12,333	\$ 12,333
	V490, 4 Processors, 16 GB	\$ 45,130	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
	Tool/OpCon/Build Workstation [3]	\$ 3,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEV	Development TOTAL	\$ 69,504	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761
INT	V240, 1 Processors, 512 MB	\$ 3,721	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 4 Processors, 16 GB	\$ 45,130	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
INT	Integration TOTAL	\$ 64,002	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761
CON	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
CON	Conversion TOTAL	\$ 15,151	\$ 10,252	\$ 10,252	\$ 10,252	\$ 10,252	\$ 10,252	\$ 10,252	\$ 10,252
QA	V240, 1 Processors, 512 MB [2]	\$ 7,443	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 4 Processors, 16 GB [2]	\$ 90,261	\$ 24,796	\$ 24,796	\$ 24,796	\$ 24,796	\$ 24,796	\$ 24,796	\$ 24,796
	V20z, 2 Processors, 2 GB	\$ 6,910	\$ 4,060	\$ 4,060	\$ 4,060	\$ 4,060	\$ 4,060	\$ 4,060	\$ 4,060
	V480, 2 Processors, 8 GB	\$ 15,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
	BIG-IP 1000IP APP Switch V4.5 w/8prot 10/100 and 1 GB Fiber	\$ 12,600	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530	\$ 1,530
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
QA	QA Total	\$ 155,906	\$ 61,352	\$ 61,352	\$ 61,352	\$ 61,352	\$ 61,352	\$ 61,352	\$ 61,352

Table 1A

HARDWARE PRICE INFORMATION

(Year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Env	Hardware	Purchase Price	Ongoing Maintenance/Service (if any)			
			Year 1	Year 2	Year 3	Year 4
UAT	V240, 1 Processors, 512 MB	\$ 3,721	\$ 4,111	\$ 4,111	\$ 4,111	\$ 4,111
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ 8,222	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 4 Processors, 16 GB	\$ 45,130	\$ 12,398	\$ 12,398	\$ 12,398	\$ 12,398
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
UAT	UAT Total	\$ 64,002	\$ 26,761	\$ 26,761	\$ 26,761	\$ 26,761
STA	V240, 1 Processors, 512 MB	\$ 3,721	\$ -	\$ 4,111	\$ 4,111	\$ 4,111
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ -	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 4 Processors, 16 GB	\$ 45,130	\$ -	\$ 12,398	\$ 12,398	\$ 12,398
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ -	\$ 2,030	\$ 2,030	\$ 2,030
STA	Staging Total	\$ 64,002	\$ -	\$ 26,761	\$ 26,761	\$ 26,761
TRA	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ -	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 8 Processors, 32 GB	\$ 49,414	\$ -	\$ 12,398	\$ 12,398	\$ 12,398
	V20z, 2 Processors, 2 GB	\$ 3,455	\$ -	\$ 2,030	\$ 2,030	\$ 2,030
TRA	Training Total	\$ 64,565	\$ -	\$ 22,650	\$ 22,650	\$ 22,650
PRD	V240, 1 Processors, 512 MB [2]	\$ 7,443	\$ -	\$ 8,222	\$ 8,222	\$ 8,222
	V490, 4 Processors, 16 GB [6]	\$ 270,783	\$ -	\$ 74,390	\$ 74,390	\$ 74,390
	e2900, 12 Processors, 48GB [2]	\$ 249,672	\$ -	\$ 146,102	\$ 146,102	\$ 146,102
	V20z, 2 Processors, 2 GB [2]	\$ 6,910	\$ -	\$ 4,060	\$ 4,060	\$ 4,060
	V480, 4 Processors, 16 GB [2]	\$ 57,600	\$ -	\$ 27,000	\$ 27,000	\$ 27,000
	BIG-IP 1000IP APP Switch V4.5 w/8prot 10/100 and 1 GB Fiber	\$ 12,600	\$ -	\$ 1,530	\$ 1,530	\$ 1,530
	BIG-IP 1000IP APP Switch V4.5 w/8prot 10/100 and 1 GB Fiber	\$ 12,600	\$ -	\$ 1,530	\$ 1,530	\$ 1,530
	Sun VPN/Firewall Solution	\$ 28,050	\$ -	\$ 2,805	\$ 2,805	\$ 2,805
	Rack [6]	\$ 21,519	\$ -	\$ -	\$ -	\$ -
	V240, 2 Processors, 2 GB [2]	\$ 11,696	\$ -	\$ 8,222	\$ 8,222	\$ 8,222
PRD	Production Total	\$ 678,873	\$ -	\$ 273,861	\$ 273,861	\$ 273,861

Table 1A

HARDWARE PRICE INFORMATION

(Year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Env	Hardware	Purchase Price				Ongoing Maintenance/Service (if any)			
		Year 1	Year 2	Year 3	Year 4				
STORAGE	Non-Production								
	EMC Clarion CX700	\$ 315,062	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
	8GB Cache								
	17 TB non-mirrored RAID-5 (3+1)								
	17 TB Usable for Time Finder								
	300GB 10K Disk Drives (80 Data; 59 TimeFinder; 4 Spare)								
	Disaster Recovery								
	EMC DMX-2000-D2	\$ 540,000	\$ -	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500
	32 GB Cache								
	6TB Mirrored Usable (12TB total)								
	2 TB non-mirrored usable for UAT								
	6TB Usable for SRDF (remote replication for DR)								
	6TB Usable for TimeFinder (Local replication)								
	146GB 10K Disk Drives(84 Data; 42 SRDF; 42 TimeFinder; 4 Spare)								
	Production								
	EMC DMX 2000-D2	\$ 540,000	\$ -	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500
	32GB Cache								
	6TB Mirrored Usable (12 TB total)								
	6TB Usable for SRDF (remote replication for DR)								
	6TB Usable for TimeFinder (local replication)								
	146GB 10K disk drives								
STORAGE	TOTAL	\$ 1,395,062	\$ 27,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000

TOTAL Hardware (All Environments)	\$ 2,609,266	\$ 198,891	\$ 567,163	\$ 567,163	\$ 567,163	\$ 567,163
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Total Including all Maintenance	\$4,509,646
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Table 1B

SOFTWARE PRICE INFORMATION
(year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

ENV	Software	Purchase Price	Ongoing Maintenance/License Fees (if any)			
			Year 1	Year 2	Year 3	Year 4
EXP	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	Oracle 10g Database Enterprise Edition -10 Users	\$ 5,040	\$ 1,107	\$ 1,107	\$ 1,107	\$ 1,107
	SyncSort	\$ 8,370	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM	\$ 2,025	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0	\$ 3,461	\$ -	\$ 692	\$ 692	\$ 692
EXP	Experimental TOTAL	\$ 49,676	\$ 3,537	\$ 7,955	\$ 7,955	\$ 7,955

DEV	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726
	IsPELL Global Site License	\$ 895	\$ 313			
	Elixir DesignPro Tools/Lifetime Support	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	Novell eDirectory for 250 names	\$ 450				
	Oracle 10g Database Enterprise Edition -75	\$ 37,800	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302
	SyncSort	\$ 11,610	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM	\$ 2,025				
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384
DEV	Development TOTAL	\$ 97,232	\$ 11,045	\$ 15,842	\$ 15,842	\$ 15,842

INT	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	Oracle 10g Database Enterprise Edition -75	\$ 37,800	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302
	SyncSort	\$ 11,610	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM	\$ 2,025				
	Crystal Reports XI Server, 5 concurrent access licenses	\$ 6,750	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384
INT	Integration TOTAL	\$ 95,887	\$ 10,732	\$ 15,842	\$ 15,842	\$ 15,842

Table 1B

SOFTWARE PRICE INFORMATION
(year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Env	Software	Purchase Price	Ongoing Maintenance/License Fees (if any)				
			Year 1	Year 2	Year 3	Year 4	
CON	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	PCL2PDF for UNIX 5.5	\$ 1,136	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
CON	Conversion TOTAL	\$ 45,588	\$ 2,430	\$ 7,540	\$ 7,540	\$ 7,540	\$ 7,540
QA	IBM WebSphere Application Server V6.0 [8]	\$ 74,520	\$ -	\$ 14,904	\$ 14,904	\$ 14,904	\$ 14,904
	Mercury TestDirector for Quality Center 8.2 [20]	\$ 50,634	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675
	Mercury LoadRunner 8.0 Controller	\$ 14,850	\$ 3,960	\$ 3,960	\$ 3,960	\$ 3,960	\$ 3,960
	Mercury LoadRunner 8.0 Virtual Users - 2500	\$ 111,375	\$ 29,700	\$ 29,700	\$ 29,700	\$ 29,700	\$ 29,700
	Mercury Load Runner Server Monitor	\$ 2,025	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
	Mercury LoadRunner Oracle Monitor	\$ 2,025	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
	Mercury LoadRunner WebSphere Monitor	\$ 2,025	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
	Mercury Diagnostics for J2EE Advanced Edition (AD)	\$ 86,062	\$ 22,950	\$ 22,950	\$ 22,950	\$ 22,950	\$ 22,950
	Group 1 (address validation) [1,000,000 record license]	\$ 7,830	\$ 6,660	\$ 6,660	\$ 6,660	\$ 6,660	\$ 6,660
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	PCL 2PDF	\$ 1,135	\$ -	\$ -	\$ -	\$ -	\$ -
	Novell eDirectory [1000]	\$ 1,800	\$ -	\$ -	\$ -	\$ -	\$ -
	Mercury QuickTest Professional 8.2 [15]	\$ 91,125	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300	\$ 24,300
	Oracle 10g Database Enterprise Edition- [225]	\$ 113,400	\$ 24,907	\$ 24,907	\$ 24,907	\$ 24,907	\$ 24,907
	Oracle 10g Real Application Cluster [225]	\$ 56,700	\$ 12,555	\$ 12,555	\$ 12,555	\$ 12,555	\$ 12,555
	Storage Foundation Standard [2]	\$ 43,214	\$ 14,405	\$ 14,405	\$ 14,405	\$ 14,405	\$ 14,405
	SyncSort [2]	\$ 47,340	\$ -	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM [2]	\$ 4,050	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -
	Novell eDirectory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
QA	QA TOTAL	\$ 742,682	\$ 144,162	\$ 160,450	\$ 160,451	\$ 160,451	\$ 160,452

Table 1B

SOFTWARE PRICE INFORMATION

(year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Env	Software	Purchase Price				Ongoing Maintenance/License Fees (if any)			
		Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
UAT	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	PCL 2PDF	\$ 1,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Oracle 10g Database Enterprise Edition - 75	\$ 37,800	\$ -	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302
	SyncSort	\$ 11,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
UAT	UAT TOTAL	\$ 94,997	\$ 2,430	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842
STA	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726
	Elixir DesignPro Tools	\$ 12,150	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	Oracle 10g Database Enterprise Edition - 75	\$ 37,800	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302	\$ 8,302
	SyncSort	\$ 11,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM	\$ 2,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
STA	Staging TOTAL	\$ 95,887	\$ 10,732	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842	\$ 15,842
TRA	IBM WebSphere Application Server V6.0 [2]	\$ 18,630	\$ -	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726	\$ 3,726
	Oracle 10g Database Enterprise Edition - [100]	\$ 50,400	\$ -	\$ 11,070	\$ 11,070	\$ 11,070	\$ 11,070	\$ 11,070	\$ 11,070
	SyncSort	\$ 11,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Opcon LSAM	\$ 2,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports Enterprise	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
TRA	Training TOTAL	\$ 96,337	\$ -	\$ 16,180	\$ 16,180	\$ 16,180	\$ 16,180	\$ 16,180	\$ 16,180

Table 1B

Table 1B

SOFTWARE PRICE INFORMATION
(year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Env	Software	Purchase Price	Ongoing Maintenance/License Fees (if any)				
			Year 1	Year 2	Year 3	Year 4	
PRD	IBM WebSphere Application Server V6.0 - 24	\$ 223,560	\$ -	\$ 44,712	\$ 44,712	\$ 44,712	\$ 44,712
	Elixir DesignPro Tools	\$ 12,150	\$ -	\$ 2,430	\$ 2,430	\$ 2,430	\$ 2,430
	Group 1 (address validation) [6]	\$ 14,850	\$ 14,940	\$ 14,940	\$ 14,940	\$ 14,940	\$ 14,940
	Ispell - Global Site License	\$ 900	\$ -	\$ -	\$ -	\$ -	\$ -
	PCL2PDF 20 User Server License	\$ 1,136	\$ -	\$ -	\$ -	\$ -	\$ -
	Oracle 10g CPU Based License Database Enterprise Edition [24]	\$ 604,800	\$ -	\$ 133,056	\$ 133,056	\$ 133,056	\$ 133,056
	Oracle 10g CPU Based License Real Application Cluster [24]	\$ 302,400	\$ -	\$ 66,528	\$ 66,528	\$ 66,528	\$ 66,528
	Storage Foundation Standard HA, Solaris, v4.1 [2]	\$ 43,214	\$ -	\$ 14,405	\$ 14,405	\$ 14,405	\$ 14,405
	SyncSort	\$ 23,670	\$ -	\$ -	\$ -	\$ -	\$ -
	OpCon Starter Kit	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
	OpCon LSAM [2]	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports XI Server	\$ 6,750	\$ -	\$ -	\$ -	\$ -	\$ -
	Novell eDirectory	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM WebSphere MQ V6.0 [2]	\$ 6,922	\$ -	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384
	Q*Pass!	\$ 23,580	\$ 3,537	\$ 3,537	\$ 3,537	\$ 3,537	\$ 3,537
Production TOTAL	\$ 1,338,932	\$ 18,477	\$ 280,992	\$ 280,992	\$ 280,992	\$ 280,992	
STORAGE	Non-Production						
	EMC Clarion CX700 Management Software	\$ 315,000	\$ 6,750	\$ 6,750	\$ 6,750	\$ 6,750	\$ 6,750
	Disaster Recovery						
	EMC DMX-2000-D2 Management Software	\$ 360,000	\$ -	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
	Production						
EMC DMX-2000-D2 Management Software	\$ 360,000	\$ -	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	
Storage TOTAL	\$ 1,035,000	\$ 6,750	\$ 186,750	\$ 186,750	\$ 186,750	\$ 186,750	

Table 1B

SOFTWARE PRICE INFORMATION
(year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc)

Eny	Software	Purchase Price				Ongoing Maintenance/License Fees (if any)			
		Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
WINTEL									
WORKSTATIONS									
	IBM Rational RequisitePro [18]	\$ 26,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational ClearCase [40]	\$ 182,813	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Watchfire Bobby 5.0	\$ 269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational Software Architect [5]	\$ 19,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational Software Modeler [20]	\$ 24,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational Application Developer for WebSphere [30]	\$ 83,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	CA-ERWIN Data Modeler r4.14 [1]	\$ 7,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	PCL2PDF	\$ 1,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Crystal Reports Developer [10]	\$ 6,426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Macromedia Studio 8[10]	\$ 8,991	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195
	Captive[10]	\$ 4,491	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Robo Help Office Pro [5]	\$ 8,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational RequisitePro [2]	\$ 2,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	IBM Rational ClearCase [10]	\$ 45,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Workstation TOTAL	\$ 422,251	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195	\$ 1,195

Total Software (All Environments)	\$ 4,114,469	\$ 211,490	\$ 724,430	\$ 724,431	\$ 724,432
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Total Including all Maintenance	\$ 6,499,252
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Table 2

**DEVELOPMENT AND IMPLEMENTATION
PRICE INFORMATION**

Activity/Task	Release 1.0	Release 2.0	Release 3.0
Technical Planning & Support (Activity 1 – all tasks)	\$3,462,017	\$3,110,638	\$1,525,924
Application Development (Activity 2 – all tasks)	\$9,114,953	\$4,287,103	\$4,299,799
Testing & Software Implementation (Activity 3 – all tasks)	\$1,980,088	\$1,760,040	\$589,851
Data Conversion (Activity 4 – Task 1)	\$2,352,487	\$	\$
Training (Activity 4 – Task 2)	\$4,032,248	\$95,158	\$
Site Support (Activity 4 – Task 3)	\$1,435,526	X	X
Help Desk (Activity 4 – Task 4 and Task 5)	\$663,618	X	X
Pilot (Activity 4 – Task 6)	\$2,340,996	X	X
Implementation Support (Activity 4 – Task 7)	\$641,784	\$404,987	\$
Project / Contract Management (Activity 6 – all tasks and Activity 7 – Task 2 and Task 3)	\$1,910,780	\$687,759	\$635,790
TOTAL DEVELOPMENT & IMPLEMENTATION (by release)	\$27,934,497	\$10,345,685	\$7,051,364

Notes:

1. Prices quoted are all inclusive - vendor staff, materials, travel, management overhead, etc. – for:

- Activity 1 – Technical Support & Planning
- Activity 2 – Application Development
- Activity 3 – Testing and Software Implementation
- Activity 4 – Implementation Support, including Data Conversion, Training, Site Support, and Help Desk services
- Activity 6 – Project and Contract Management
- Activity 7, Task 2 – Federal Cost Allocation Support
- Activity 7, Task 3 – Transition Support to State

2. Prices quoted are fixed price.

3. Payment for Release 1.0 shall be 30% upon completion of "Deliverable Package A", 30% upon UAT approval and 40% upon successful Statewide deployment.

4. Payment for Release 2.0 shall be 50% upon completion of "Deliverable Package B" and 50% upon successful implementation.

5. Payment for Release 3.0 shall be 50% upon completion of "Deliverable Package C" and 50% upon successful implementation.

6. See 1.6 Compensation and Payment for a list of deliverables in each "package".

TABLE 3

**ONGOING PRODUCTION SUPPORT (OPS)
PRICE INFORMATION**

(Year 1 = Contract Months 1-12; Year 2 = Contract Months 13-24; etc.)

Timeframe	Year 1*	Year 2	Year 3	Year 4
Month 1	\$0	\$0	\$189,200	\$114,344
Month 2	\$0	\$30,020	\$189,200	\$114,344
Month 3	\$0	\$30,020	\$189,200	\$114,344
Month 4	\$0	\$30,020	\$189,200	\$114,344
Month 5	\$0	\$30,020	\$189,200	\$114,344
Month 6	\$0	\$189,200	\$192,874	\$115,784
Month 7	\$0	\$189,200	\$153,106	\$115,784
Month 8	\$0	\$189,200	\$153,106	\$115,784
Month 9	\$0	\$189,200	\$114,344	\$115,784
Month 10	\$0	\$189,200	\$114,344	\$72,440
Month 11	\$0	\$189,200	\$114,344	\$72,440
Month 12	\$0	\$189,200	\$114,344	\$72,440
TOTAL OPS (by year)	\$0	\$1,444,480	\$1,902,462	\$1,252,176

* The State anticipates there will be no ongoing production support cost the first year, but depending on vendor's proposed approach and other factors, this may not necessarily be the case.

Notes:

1. Prices quoted are all inclusive - vendor staff, materials, travel, management overhead, etc. -- for:
 - Activity 5 – Ongoing Production Support
2. Prices quoted are fixed price.
3. Ongoing Production Support to be invoiced and paid monthly after the initial release of software to the production environment (i.e. Pilot). [Note that the first payment may encompass more than one month (if vendor staffs the team prior to initial release).]

TABLE 4

SYSTEM & SERVICE ENHANCEMENTS
PRICE INFORMATION

FIRM, FIXED HOURLY RATES FOR STAFFING CATEGORIES

<u>Staffing Category</u>	<u>Est. Hrs (per yr)</u>	<u>Hourly Rate</u>	<u>Extended Price</u>
Junior Analyst/Developer	12,176	\$52	\$633,152
Senior Analyst/Developer	4,064	\$66	\$268,224
DBA	2,016	\$80	\$161,280
Technical Architect	2,016	\$80	\$161,280
Trainer	1,344	\$44	\$59,136
Site Support	672	\$44	\$29,568
Tester	4,064	\$50	\$203,200
Help Desk	672	\$52	\$34,944
Project Manager	320	\$250	\$80,000
Team Lead	2,016	\$160	\$322,560
Quality Assurance	640	\$120	\$76,800
TOTALS	30,000		\$2,030,144

Notes:

1. Hourly rates quoted are firm, fixed rates for the duration of the contract, inclusive of vendor staff and management overhead; travel and other expenses to be reimbursed at actual expense on a case-by-case basis. "Estimated Hours" and "Extended Price" are non-binding and will be used at the State's discretion to determine best value to the State.
2. The State intends to establish funding for 30,000 hours per year for system and service enhancements from the Development & Implementation Vendor. Actual funding for enhancements will occur on a yearly basis, and there is no guarantee as to the level of funding, if any, available to the project.
3. Invoiced and paid upon successful implementation of given system or service enhancements.

TABLE 5

BRIDGES PRICING INFORMATION

**CALCULATE/TRANSFER TOTAL PRICE FOR EACH ITEM
FROM APPLICABLE TABLE**

1. 4-Year Hardware & Software (Table 1)	<u>\$11,008,898</u>
2. Development & Implementation – Release 1.0 (Table 2)	<u>\$27,934,497</u>
3. Development & Implementation – Release 2.0 (Table 2)	<u>\$10,345,685</u>
4. Development & Implementation – Release 3.0 (Table 2)	<u>\$7,051,364</u>
5. 4-Year Ongoing Production Support (Table 3)	<u>\$4,599,118</u>
6. 4-Year System / Service Enhancements (Table 4)	<u>\$8,120,576</u>
TOTAL 4-YR PRICE PROPOSED FOR BRIDGES PROJECT	<u>\$69,060,138</u>
Additional 10 staff for on site support 30 days pre/post implementation	\$926,000.00
REVISED 4-YR PRICE FOR BRIDGES PROJECT	<u>\$69,986,138</u>

1.7 Additional Terms and Conditions Specific to this SOW

The State requires all Contractor staff to perform all work for the BRIDGES project on site at the BRIDGES project office location(s) in the Lansing, Michigan, area. Occasional off-site work may be permitted if the State agrees in writing prior to the performance of such off-site work; however, bidders should plan for all work to be done in the Greater Lansing area. The State will provide physical workspace for all Contractor staff. Included in this workspace are basic office furniture, telephone for local calls, and a PC configured to meet State requirements. In some instances, Contractor staff shall be required to share a cubicle and telephone. In all instances, each individual Contractor staff person shall be provided a PC and shall not be required to share a PC. The Contractor is responsible for its own office supplies, parking, cell phones, and pagers.

Remote access to the State network is provided only through a Virtual Private Network (VPN) with a Remote Access Server (RAS) secure id token. VPN access will be granted on a very limited basis, and only where necessary. Contractors should not expect to have a VPN request approved; moreover, the Contractor will be expected to absorb the cost of secure id tokens for staff requiring VPN access.

Article 2 – General Terms and Conditions

2.0 Introduction

2.001 GENERAL PURPOSE

The Contract is for *system development, integration and implementation services for the BRIDGES Project* for the State of Michigan. Orders will be issued directly to the Contractor by various State Agencies on the Purchase Order Contract Release Form.

2.002 ISSUING OFFICE AND CONTRACT ADMINISTRATOR

The Contract is issued by Acquisition Services, State of Michigan, Department of Management and Budget, hereinafter known as Acquisition Services, for the *Department of Information Technology / Department of Human Services*, hereinafter known as *DIT/DHS*. Where actions are a combination of those of Acquisition Services and the State agencies, the authority will be known as the State.

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

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

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

Department of Management and Budget
Acquisition Services
Attn: Joann Klasko
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
(517) 241-7233
klaskoj@Michigan.gov

2.003 NOTICE

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

2.004 CONTRACT TERM

The term of this Contract will be for four (4) years and will commence with the issuance of a Contract. This will be approximately *February 8, 2006*, through *February 7, 2010*.

Option. The State reserves the right to exercise (1) one-year option, 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. Any such option exercise will be contingent upon the State and Contractor mutually negotiating and reaching mutual agreement on a statement of work and pricing to govern the option year period.

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

Written notice will be provided to the Contractor within 30 days provided that the State gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension. If the Government exercises this option, the extended contract shall be considered to include this option clause.

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, Contractor 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. Pertinent financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, federal agencies providing federal financial participation (FFP), 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. This provision does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

2.102 NOTIFICATION OF OWNERSHIP

The Contractor shall make the following notifications in writing:

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

The Contractor shall:

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

2.103 RESERVED

2.104 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 Department of Information Technology'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, Department of Information Technology, 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 Department of Information Technology, Enterprise Application Services Office, e-Michigan Web Development team, for evaluation and approval of each alternate tool prior to proposal evaluation by the State.

(If the solution is to be hosted on the michigan.gov hosted environment, then the application may need to be compliant with WebSphere, or need to be evaluated for compatibility with WebSphere.)

2.105 DELIVERABLE ACCEPTANCE PROCEDURE

Pursuant to Section 1.5 of the Contract, the parties have agreed to the following deliverable acceptance procedure:

(a) All Deliverables prepared by Contractor shall have the written approval of the State project director or his or her written designee that such Deliverables comply in all material respects with the requirements of the Contract, which approval shall not be unreasonably withheld.

(b) The State shall complete its review of a Deliverable in not more than ten (10) business days. The State shall provide Contractor (i) with approval of the Deliverable or (ii) with a written statement, as provided below, of the deficiencies preventing approval. Such business days shall be counted from and include the first working day following the delivery of the Deliverable to the State.

(c) The State's review and approval of Deliverables shall be solely for the purpose of determining compliance in all material respects with the requirements for such Deliverable as set forth in the Contract and not for any other purpose, including, without limitation, format or style of the Deliverables or the incorporation at that time of additional ideas or functionality. Approval shall be granted if the Deliverable conforms in all material respects to such requirements. In the event of the State's rejection of a Deliverable, the State shall provide a written statement which identifies in reasonable detail all deficiencies and which cites the corrective actions or changes to be made by Contractor in order to make the Deliverable conform in all material respects to the Contract requirements. Deliverables requiring only minor or cosmetic corrections and not requiring extensive re-review by the State and for which corrections have been promised by Contractor within specified times will be deemed approved.

(d) Contractor shall have thirty (30) business days to complete all such corrective actions or changes in order for such Deliverable to conform in all material respects with the requirements set forth herein. The count of such business days shall begin on the first business day following Contractor's receipt of the written statement of required corrective actions or changes as set forth in paragraph (b) of this Section.

(e) The State shall have five (5) business days to complete a review of the corrective actions or changes made to the Deliverable in response to the State's written statement of deficiencies as set forth in paragraph (b) of this Section and notify Contractor in writing of acceptance or rejection. The count of such days shall begin on the first business day after the State receives the corrected or changed Deliverable from Contractor. The State's review and approval of such corrected or changed Deliverable shall be solely for the purpose of determining that corrections have been made to bring the Deliverables into compliance in all material respects with the Contract's requirements and not for any other purpose, including, without limitation, for format, style or the incorporation of additional ideas or functionality.

(f) Notwithstanding the foregoing provisions of this Section, approval of a Deliverable or corrected Deliverable shall be deemed given by the State if (1) the State has not delivered to Contractor a notice of deficiencies in writing for such Deliverable (or corrected Deliverable) prior to the expiration of any period for the State review thereof as set forth in this Section or (2) the Deliverable (or corrected Deliverable) is placed by the State into production or used by the State in its operations.

(g) Contractor shall be entitled to rely on any such approval of a Deliverable for purposes of all subsequent stages of Contractor's performance hereunder. Upon the State's approval of each Deliverable, the State agrees that in the event of a contradiction between the relevant Statement of Work and the approved Deliverable, the contradiction shall be resolved by the approved Deliverable controlling.

2.106 RESERVED

2.107 RESERVED

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 upon their request. Failure to disclose this information may be a material breach of this agreement.

2.180 Insurance

2.181 *Liability Insurance*

(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 or authorized representative. All Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED 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.

2.2 Contract Performance

2.201 DELIVERY SCHEDULE & CONTRACTOR EFFORT

The parties acknowledge the importance of the proposed date for submission of the Release I system deliverable (pilot) for user acceptance testing, as provided in the then current project plan. Contractor agrees to use diligent and all commercially reasonable efforts to meet such date. .

2.202 CONTRACT PAYMENT SCHEDULE AND CONTRACT PRICING

See Section 1.6 Compensation and Payment regarding the contract payment schedule.

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services shall be provided at the firm, fixed hourly rate provided in Section 1.6.

Invoices will be subject to audit for accuracy and allowability by the Contract Administrator and federal agencies providing federal financial participation (FFP).

Contractor's properly submitted invoices will be paid by the State within forty-five (45) days of receipt. Contractor shall be entitled to interest in accordance with State law with respect to any late payments.

2.203 POSSIBLE PROGRESS PAYMENTS

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

2.204 RESERVED

2.205 ELECTRONIC PAYMENT AVAILABILITY

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

2.206 PERFORMANCE OF WORK BY CONTRACTOR

The Contractor shall perform on the site, and with its own organization, according to the statement of work of this contract, work equivalent to at least 100 percent of the total amount of work to be performed under the contract. This percentage may be reduced by a supplemental agreement to this contract if, during performing the work, the Contractor requests a reduction and the Contract Administrator determines that the reduction would be to the advantage of the Government.

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 RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual responsibilities of Contractor, 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.

Each party shall reasonably cooperate with the other party in the performance of the Contract, including provision by the State of timely access to data, information, and its personnel. The State shall be responsible for the performance of its obligations and for the accuracy and completeness of data and information provided to the Contractor. Contractor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities hereunder.

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.

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 extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation, in each case with respect to third party claims initiated against the State: (1) for bodily injury (including death) or damage to real or tangible property, in each case that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable .

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 (other than third party materials including commercial software and hardware), or the operation of such equipment, software, commodity or service (other than third party materials including commercial software and hardware), or the use or reproduction of any documentation provided with such equipment, software, commodity or service (other than third party materials including commercial software and hardware) infringes any United States 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. The obligations under this provision shall not be applicable to: (1) modification by the State or its agents or contractors of the equipment, software, commodity or service provided by the Contractor (unless such modification is at Contractor's direction); (2) any material provided by the State to Contractor and incorporated into, or used to prepare, the equipment, software, commodity or service (except to the extent that Contractor has modified such material and such modification is the basis of the infringement); (3) use of the equipment, software, commodity or service by the State in other than its specified operating environment; or (4) the State's failure to use corrections or enhancements made available to the State by the Contractor.

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 set forth in Section 2.507(b).

Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in sub clauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other sub clause.

Continuation of Indemnification Obligation

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

Indemnification Procedures

The procedures set forth below shall apply to all indemnity obligations under this Contract and any indemnification is contingent upon the following.

- (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 the State. No failure to so notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor suffers 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").

- (b) If Contractor delivers a Notice of Election relating to any claim, Contractor shall promptly initiate defense of the claim and: (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 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 that involves any admission of fault 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 commencement by Contractor of any case or proceeding for relief as debtor under the bankruptcy, insolvency or similar laws of any competent jurisdiction. 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 reasonable 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

The Contractor's liability for damages to the State, regardless of the form of action, shall be limited to \$17,000,000 or professional fees paid which ever is higher. The foregoing limitation of liability 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 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.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark 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; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

2.307 CONTRACT DISTRIBUTION

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

2.308 FORM, FUNCTION, AND UTILITY

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

2.309 ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

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

2.310 RESERVED

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 *180 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

Upon full payment for each such deliverable, all deliverables first created and required to be provided under the Contract ("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 any of the Work Product, including all related intellectual property rights, is not owned in its entirety by the State automatically upon full payment for each such Work Product, 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 developed outside the Contract (collectively, the "Development Tools") and created, adapted or used by the Contractor in its business generally, including any and all associated intellectual property rights, and any derivative works thereof, 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 use, for its internal purposes, any such Development Tools that are delivered solely in connection with the Work Product. Such rights belonging to the State shall include, but not be limited to, the right to use, execute, reproduce, display, perform and distribute copies of and prepare derivative works based upon the Work Product, and the right to authorize others to do any of the foregoing, irrespective of the existence therein of preexisting work, materials and Development Tools, except as specifically limited herein.

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

2.313 PROPRIETARY RIGHTS

A. Software Ownership

Ownership of Work Product by State.

All software Deliverables first created under the Contract, upon full payment by the State for each such Deliverable, shall be owned by the State and shall be considered works made for hire by the Contractor for the State. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables. Development Tools (as defined in Section 2.312) shall be and remain the sole property of the Contractor, and the State shall have no

interest in or claim to such Developmental Tools, except as necessary to use, for its internal purposes, any such Development Tools that are delivered solely in connection with the Deliverables.

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

Software License: Base Software Package & Other Third Party Commercial Software

The system to be developed pursuant to the Contract will involve the licensing to the State of core software originally developed for the state of Texas, aka The Texas TIERS Application and other third party commercial software ("Licensed Software"). The State is licensing from the state of Texas or the federal government a non-exclusive, royalty-free, unlimited license to the Core Software and related documentation. .

With respect to any Licensed Software, the State's use of any such software shall be in accordance with the terms and conditions of the commercial license provided by the vendor of each such Licensed Software, provided that Contractor shall endeavor to cause any such vendor to agree to license terms and conditions that are identical to license terms and conditions that such vendor has already agreed with the State under existing license agreement(s). Contractor shall provide the State with a copy of such license terms in advance of delivering the Licensed Software.

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:

Patty Bogard
Department of Information Technology
Contracts and Procurement
525 W. Allegan Street, Atrium
Lansing, MI 48909
Email: BogardP@michigan.gov
Phone: 517-335-4051

2.402 PERFORMANCE REVIEWS

Acquisition Services in conjunction with the [DIT/DHS](#) 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

- (a) **Inspection of Work Performed.** The State's authorized representatives, including Federal agencies, shall at all reasonable times and with ten (10) days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and shall have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon ten (10) Days prior written notice and during business hours, the State's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that such access will not interfere or jeopardize the safety or operation of the systems or facilities. Contractor must provide all reasonable facilities and assistance for the State's representatives, so long as no security, labor relations policies and propriety information policies are violated.
- (b) **Examination of Records.** No more than once per year, Contractor agrees that the State, including its duly authorized representatives, until the expiration of seven (7) years following the creation of the material (collectively, the "Audit Period"), shall, upon twenty (20) days prior written notice, have access to and the right to examine any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the terms and conditions of the Contract and with applicable laws and rules, including the State's procurement rules, regulations and procedures, and actual performance of the Contract for the purpose of conducting an audit, examination, excerpt and/or transcription but the State shall not have access to any information deemed confidential to Contractor to the extent such access would require such confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.
- (c) **Retention of Records.** Contractor shall maintain at least until the end of the Audit Period all pertinent financial and accounting records pertaining to the Contract in accordance with generally accepted accounting principles and other procedures specified in this Section. Pertinent financial and accounting records shall be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records must be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.
- (d) **Audit Resolution.** If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor will respond to each audit report in writing within thirty (30) days from receipt of such report, unless a shorter response time is specified in such report. The Contractor and the State shall develop and agree upon an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in such audit report.
 - 1. **Errors.** If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.
 - 2. In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten (10%), then the Contractor shall pay all of the reasonable costs of the audit.

2.5 Quality and Warranties

2.501 PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Acquisition Services has approved a change.

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 professional standards customary 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. With respect to time-and-materials services, 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 complies with all applicable laws and regulations;
6. The Contractor has duly authorized the execution, delivery and performance of the Contract;
7. The Contractor is capable in all respects of fulfilling and shall fulfill all of its obligations under this contract.
8. The contract appendices, attachments, and exhibits identify all types of equipment and software services represent the contractors good faith estimate necessary for the deliverable(s) to perform and operate in compliance with the contract's requirements.
9. Except for third party software and hardware, 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.
10. If, under this Contract, Contractor procures any third party 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.
11. The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter this contract, on behalf of Contractor.

12. The Contractor is qualified and registered to transact business in all locations where required.
13. To Contractor's knowledge, neither the Contractor nor any Affiliates, nor any employee of either working on the Contract, 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 promptly of any such interest that Contractor believes would create such a conflict of interest.

To the extent that any such information was provided, to Contractor's knowledge, all financial 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 information. Since the respective dates or periods covered by such financial information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor. To Contractor's knowledge, all written information furnished to the State by Contractor in connection with this Contract, including its bid, is materially true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

2.506 STAFF

The State reserves the right to approve the Contractor's assignment of Key Personnel to this project and to recommend reassignment of personnel deemed unsatisfactory by the State.

The Contractor shall not remove or reassign, without the State's prior written approval, any of the Key Personnel until such time as the Key Personnel have completed all of their planned and assigned responsibilities in connection with performance of the Contractor's obligations under this Contract. The Contractor agrees that the continuity of Key Personnel is critical and agrees to the continuity of Key Personnel. Removal of Key Personnel without the written consent of the State may be considered by the State to be a material breach of this Contract. The prohibition against removal or reassignment shall not apply where Key Personnel must be replaced for reasons beyond the reasonable control of the Contractor including but not limited to illness, disability, resignation or termination of the Key Personnel's employment.

The following vendor staff roles are identified as "Key Personnel" for this project. Required, as well as desired, qualifications for these persons can be found in specific activities and tasks of section **1.104 – Work and Deliverables**.

Role	Section 1.104 reference	Individual
Technical Support Manager	Activity 1, Task 4	Rob Cerra
Development Manager	Activity 2, Task 6	C M Sathe
Testing Manager	Activity 3, Task 5	Neil Killey
Implementation Manager	Activity 4, Task 7	Joanne Gallagher
Conversion Manager	Activity 4, Task 7	Kenneth Smith
Training Manager	Activity 4, Task 7	Robert Spector
Production Support Manager	Activity 5, Task 2	Uday Kulkarni
Vendor Project Manager	Activity 6, Task 3	Kevin King

2.507 SOFTWARE/SYSTEM WARRANTIES

- (a) Performance Warranty [

For a period of 90 days following statewide deployment of the System (the "Warranty Period"), Contractor warrants that the System will conform in all material respects to the requirements of the System as set out in the Contract and the accepted Deliverables. For purposes hereof, "System" means Release III, as defined in the Contract.

If, within the Warranty Period, the System fails to comply with this warranty, Contractor will repair Defects as necessary to bring the System into compliance with the warranty at no cost, provided that, for any such failure the State notifies Contractor in writing of the failure and describes the correct

operation, provides Contractor with adequate documentation and evidence to reproduce the failure, and, when necessary, demonstrates the failure so that the cause of the failure may be traced and corrected. Contractor will make such warranty repairs within two weeks following written notification or such longer period as may be necessary using diligence and dispatch. For purposes hereof, "Defect" means any material error in the System that prevents the System from performing materially in compliance with the required System functionality.

Contractor will have no obligation to make warranty repairs attributable to the State's misuse or modification of the System; the State's failure to use corrections or enhancements that are made available; the State's use of the System in combination with any product other than one specified by us; the quality or integrity of data from other automated or manual systems with which the System interfaces; hardware, systems software, telecommunications equipment or software not a part of the System which is inadequate to allow proper operation of the System or which is not operating in accordance with the manufacturer's specifications; or operation or utilization of the System in a manner not contemplated by the Contract.

Contractor does not warrant that all nonconformities, errors or defects have been or can be eliminated from the System or that operation of the System will be error-free.

With respect to any third party hardware product or any software product, the terms and conditions of the warranty to the State with respect to such a product will be identical to the terms and conditions of the warranty provided by the manufacturer or software developer of the product and subject to all limitations contained therein. Contractor bears no responsibility of any kind for those products and the warranties for those products will be passed through to the State. The terms of this warranty do not apply to those third party products.

The performance warranties expressly included in this Contract are the exclusive warranties with respect to the System and its performance and all other warranties are waived.

(b) No Surreptitious Code Warranty

The Contractor represents and warrants that no copy of custom developed software developed hereunder and provided to the State contains or will contain in any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty." This warranty shall also apply to third party software licensed by Contractor to the State, except to the extent that Contractor informs State in writing that any such third party software may contain surreptitious code. Contractor may update this list throughout the course of the Contract.

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any custom developed software prior to delivering it to the State.

(c) Calendar Warranty

The Contractor represents and warrants that all software for which the Contractor 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 calendar year rollover 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., web pages, 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.

(d) Third-party Software Warranty

The Contractor represents that it will disclose the incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. At the State's request, the notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use or resell the Third-party Software. Contractor may use an affiliate to "resell" any such third party products.

**2.508
RESERVED**

**2.509
RESERVED**

2.6 Breach of Contract

2.601 BREACH DEFINED

Failure to comply with articles, sections, or subsections of this agreement, or making any false statement in this agreement may 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 reasonable 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 matter 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); changes in applicable law or regulation, 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. In the event of any change in applicable law or regulation that imposes additional requirements on the State with respect to the system, the parties will mutually negotiate an equitable adjustment to the Contract price and schedule with respect to any additional system functionality that the State desires to meet such additional requirements.

2. If any of the above enumerated circumstances, other than changes in applicable law or regulation, 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 (or an acceptable plan of correction presented) within the reasonable 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, subject to the agreed limitation of liability set forth in this Contract, the Contractor shall be responsible for all reasonable costs incurred by the State in canceling the Contract, including 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.
6. Termination by Contractor for Breach. Contractor may terminate the Contract based upon a breach by the State of any material obligation applicable to the State under this Contract, which breach has not been cured (or an acceptable plan of correction presented) within thirty (30) days of the State's receipt of written notice of breach from the Contractor

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 reasonably necessary, or that the State may reasonably 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, upon full payment therefore, 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 plus any reasonable costs arising out of such 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 Contractors pricing section. If the Contract is terminated by Contractor under **Section 20**, then Contractor may condition its provision of termination assistance under this Section on reasonable assurances of payment by the State for such assistance, and any other amounts owed under the Contract.

C. Reservation of Rights

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

D. End of Contract Transition

In the event the Contract is terminated, for convenience or cause, or upon expiration, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of the Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 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 facilitate the State's use of Contractor's subcontractors.
- (2) Knowledgeable Personnel. Contractor will make available to the State or a Third Party Provider knowledgeable personnel familiar with the operational processes and procedures used to deliver products and services to the State. The Contractor personnel will work with the State or third party to help develop a mutually agreeable transition plan, work to transition the process of ordering, shipping and invoicing equipment and services to the State.

- (3) Information - The Contractor agrees to provide reasonable detailed specifications for all Services needed by the State, or specified third party, to properly provide the services required under the Contract. The Contractor will also provide any licenses required to perform the Services under the Contract.
- (4) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services under the Contract. This shall include any documentation being used by the Contractor to perform the Services under the Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level.
- (5) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of the Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations). The hourly rates or fixed price to be charged will be agreed upon prior to the work commencing.
- (6) Single Point of Contact. Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the Contract until all product and service obligations have expired.
- (7) With respect to these efforts under this provision, the State shall compensate 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.

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) Reasonably 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 promptly 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. Work may not be stopped under this Contract for an aggregate period in excess of 180 days. In the event of any stop work order in excess of thirty (30) days, Contractor may reassign key personnel without penalty, provided a suitable replacement is provided if work is resumed.

2.705 RESERVED

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 EXTENSIONS

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/CHANGES Change Order/Contract Modification Process

The State reserves the right to modify this contract within the general scope at any time during the contract term pursuant to the process set forth in this Section. 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.

In the event that the State desires such a modification or change, it shall deliver a written change request to the Contractor. The Contractor shall then, within a reasonable period of time, deliver to the State a proposed change order response setting forth any proposed changes in the Contract's delivery schedule and Contract price resulting from the State's change request. Such change order response shall then be subject to the mutual agreement of the State and the Contractor. If such change order response is mutually agreed by the State and Contractor, the Contract shall be modified, in writing, accordingly to reflect the parties' agreement of the change order response (including whether such change shall be performed on a fixed price or T&M basis). The Contractor will not be required to perform any such change unless there is mutual agreement on the change order response.

Changes may be increases or decreases. IN THE EVENT PRICES OF CHANGES ARE NOT ACCEPTABLE TO THE STATE, THE CHANGES SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.

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

2.804 AUDIT AND RECORDS UPON MODIFICATION

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

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

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

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

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