Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

January 20, 2009

CHANGE NOTICE NO. 10
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **GC Services Limited Partnership** **6330 Gulfton** **Houston, TX 77081**	TELEPHONE Dennis Wojcicki **(713) 777-4441** BUYER (517) 241-1916 **Jim Wilson**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Department. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2010**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Per Contractor letter dated December 15, 2009, Contractor will provide an invoice credit of $20,833.33 on each monthly invoice beginning November 2009, through October 2010. Additionally, the Contractor will increase collection staff by an additional 15 account representatives at no additional cost to the State.

NOTE: The DMB Buyer for this Contract is changed to Jim Wilson (517) 241-1916.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per Contractor agreement (letter dated 12/14/09) and DMB/Purchasing Operations' approval.

CURRENT AUTHORIZED SPEND LIMIT REMAINS: $266,012,571.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

October 15, 2008

CHANGE NOTICE NO. 9
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **GC Services Limited Partnership** **6330 Gulfton** **Houston, TX 77081**	TELEPHONE Dennis Wojcicki **(713) 777-4441** BUYER (517) 373-1080 **Melissa Castro**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Department. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2010**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Effective immediately, the Department of Human Services, Office of Child Support is hereby added to this Contract to perform all things necessary for or incidental to the performance of the attached Statement of Work (see attachments). Funds in the amount of $500,000.00 are hereby added to this Contract. NOTE: The DMB Buyer for this Contract is changed to Melissa Castro (517) 373-1080.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per DHS request (PRF dated 8/14/08), Ad Board approval on 9/2/08, and DMB/Purchasing Operations' approval.

REVISED CURRENT AUTHORIZED SPEND LIMIT: $266,012,571.00

MICHIGAN DEPARTMENT OF HUMAN SERVICES
OFFICE OF CHILD SUPPORT
COLLECTION SERVICES

Article 1 – Statement of Work (SOW)

1.001 PROJECT REQUEST

The Michigan Department of Human Services (DHS), Office of Child Support (OCS) is seeking collection services to enhance child support collections in compliance with Section 902(2) of Act 131 of 2007. A copy of the Act can be obtained on the Michigan Legislature website at www.michiganlegislature.org. This will be a pilot project working with the Calhoun County Friend of the Court Office to generate payments from non-custodial parents on hard to collect cases. The potential exists to expand the project to include additional FOC offices subject to the procedural requirements of 1.403.

1.002 BACKGROUND

The Michigan child support program is comprised of approximately 1 million cases with annual collections of over $1.5 billion. Child support arrearages total over $9 billion almost half of which is owed to the State of Michigan as repayment for cash assistance (also referred to as Temporary Assistance to Needy Families (TANF)). Friends of the Court (FOC's) have statutory authority for enforcing/collecting child support orders. Because of state and county budgetary shortfalls, FOC's are seeking alternative collection mechanisms on hard to collect cases to allow their staff to concentrate on routine cases and other mandatory case management functions.

The child support program is 66% federally funded and was established in 1975 as Title IV-D of the Social Security Act. Child support regulations in part require that all child support orders include an immediate income withholding notice, payments be directed to a single state entity, i.e. State Disbursement Unit (SDU), payments be disbursed within two days, and payments that are reimbursement for cash assistance be directed to the state. The state and federal governments share in cash assistance reimbursements, with the state retaining approximately 42%. Over 75% of all child support payments are received through income withholding notices.

In this pilot project, 100% of collections directed toward the custodial party would be paid to the custodial party. A percentage of collections directed to the state as TANF reimbursement would be shared with the vendor once collections exceeded a baseline level established based on proceeding year reimbursements (see section 1.601 Compensation and Payments for a more detailed explanation).

Calhoun county child support arrearages for FY06 and FY07 totaled $137,088,339 and $140,482,495 of which approximately 42% is owed to the state and federal government. Calhoun county TANF collections for FY06 and FY07 totaled $1,796,125 and $1,805,220.

1.101 IN SCOPE

The DHS will provide the vendor with the latest relevant information on the state's child support system (MiCSES), and any other state systems as agreed to, on the hard to collect cases assigned to the vendor. For these cases the vendor will identify new assets, such as but not limited to employer or other sources of income, real and personal property and provide such data to the FOC. Based on this information the FOC will generate a new income withholding notice to the employer or liens against the newly identified asset. The vendor will seek new locate information on non-custodial parents and provide such data to the FOC. With the FOC's and DHS 's approval, the vendor will also work with non-custodial parents on hard to collect cases to establish repayment plans and have non-custodial parents begin making payments on such plans directly to the SDU.

The vendor will conduct other collection activities as jointly agreed to by the vendor and the DHS,OCS.

The vendor will provide status reports as agreed to by the vendor, FOC and DHS.

1.102 OUT OF SCOPE

Any assistance provided to the FOC for data entry services is out of scope of this pilot project.

1.103 ENVIRONMENT

All work will be performed at the vendor's location. File formats and transmission methodologies will be jointly agreed to by the vendor and the DHS.

1.104 WORK AND DELIVERABLE

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

1. Execute data sharing and confidentiality agreements with DHS. These agreements must be signed by each vendor staff involved in the project and submitted to OCS before a staff begins working on the project. OCS will maintain copies all signed agreements.

Bidder Response:

GC Services understands and will execute data sharing and confidentiality agreements with DHS, and will require our employees to execute confidentiality agreements prior to working on the project. GC Services has followed similar confidentiality requirements in our contract with the Department of Treasury.

2. Establish jointly with DHS files to be shared.

Bidder Response:

GC Services will work with DHS to identify and establish the data files to be shared. We understand that this program is initially in a pilot stage. If successful, we propose the following data file interfaces:

Placement - A sample of a simple Child Support Account Placement format is included in our response to question 3. Other fields that are sometimes included: Court Order Number and Date, Jurisdiction County and State, Frequency of Support.

Refresh - A Refresh File is often in the same format at the Placement File, but the dollar amount fields are updated, thus reflecting the addition of current support and interest to the total due.

Payment File from Client - The Payment File must contain the Account Number, the Payment Amount, and the Payment Date.

Child Support programs may also require a Cancellation File or report.

Note that because all payments go to State Disbursement Unit (SDU), no "Payment to Client" files will be necessary for the proposed engagement.

These are file types we have found to be typical in child support programs. We would not want to force the State into an elaborate interface at the initial pilot as this would require development time from the DIT. Once it is determined that these file interfaces are mutually beneficial, we would request that the State work with us on committing the resources to establish a more robust interface based on DHS requirements..

3. Establish jointly with DHS file formats for data shared between DHS and the vendor.

Bidder Response:

GC Services will work with DHS to establish file formats for data shared between DHS and GC Services. GC Services has extensive experience in partnering with agencies like DHS in pilot collections programs and child support receivables management programs. Below is a sample file from another State child support collections program that illustrates data that has been shared. Other fields that are sometimes included: Court Order Number and Date, Jurisdiction County and State, Frequency of Support. Please also refer to our response to question 2 for formats for other file types.

CHILD SUPPORT

Record Layout Example

#	Client Field	GC Comment
1	Case Number	Client Account Number
2	Tot AR/In Due	Placement Amount
3	CS Due	Current support.
4	Last Payment Date	
5	NCP PIN	NCP Personal Identification Number
6	NCP Name	Debtor Name. F M L.
7	NCP SSN	Social Security Number.
8	Lang	NCP's primary language. 'aaa'
9	NCP Phone	Debtor Phone. '(nnn) nnn-nnnn'
10	NCP Address	Street Address
11	NCP City	
12	NCP State	
13	NCP Zip	
14	Status	Address Status.
15	Status Date	Address Status Date. 'mmddyy'
16	Employer Name	
17	Employer Address	
18	Employer City	
19	Employer State	
20	Employer Zip	
21	NCP Work #	
22	Employment Verification	
23	Employment Status	
24	Employment Status Date	'mmddyy'
25	CP Name	
26	CP Lang	CP Primary Language. 'aaa'
27	CP Phone NO	'(nnn) nnn-nnnn'
28	CP Role	
29	Name Child Occurs 12 times	
30	DOB Occurs 12 times	Child's date of birth.

4. Establish jointly with FOC file formats for data shared between the vendor and the FOC.

Bidder Response:

GC Services will work with FOC to establish formats for data shared between FOC and GC Services.

5. Establish jointly with DHS and the Michigan Department of Information Technology (DIT) the transmission mechanism to ensure secure data sharing between all parties.

Bidder Response:

GC Services understands and will work with DHS and DIT to establish the transmission mechanism to ensure secure data sharing between all parties. GC Services is already accustomed to working with these departments with our current program with the State.

We are cognizant of the extreme sensitivity of the referred caseload. Secure data sharing is our priority and we have a comprehensive and mandatory security methodology in place to assure that no breach of confidential material occurs. This includes mandatory policies and procedures, secure access controls, encrypted connectivity, background checks, and confidentiality agreements. Connectivity is typically via encrypted FTP or two factor identification/token encrypted VPN.

GC Services secure environment has achieved the following certifications and compliances:

- Our Director of Corporate Security is certified with the Information Systems Audit and Control Association as a Certified Information Security Manager, CISM. The Information Security program is modeled on ISO17799. GC Services completes an annual SAS 70 Type II Assessment of Controls.
- GC Services is in compliance with the VISA Cardholder Information Security Program (CISP). CISP establishes a set of 12 industry-wide requirements designed to protect sensitive information from being compromised. These requirements, which also include numerous sub-requirements, are directed at all businesses that store, process, or transmit cardholder information. The compliance demonstrates GC Services continuing commitment to protecting the confidentiality and integrity of cardholder data and personal data.
- GC Services security program is also in compliance with the Payment Card Industry (or PCI) Data Security Standard, which stands alongside the ISO 17799 and ISO 27001 security certifications in depth of review and required program monitoring/controls.
- GC Services' Home Office and Central Computing Center has completed an Accudata Systems Network Vulnerability Assessment.

GC Services addresses data integrity as part of a comprehensive business continuity and security methodology. Our Information Systems Security Program establishes a basis for safeguarding the electronic and data environment and it emphasizes the dual responsibility that Information Technology and Business Operations share for data integrity. These Standards enhance rather than replace existing laws, rules and general best practices for information security and are the backbone through which the company ensures confidentiality and privacy of its data resources. These include the following:

- GC Services Enterprise Security Model sets a foundation for creating the GC Services Security and Disaster Recovery Environment.
- GC Services Data Security Policy establishes the baseline for creating and implementing a security program and process for the company.
- GC Services Security Standards defines the specific standards of compliance to GC Services' security policy and formulates the backbone of our security and disaster recovery process.
- GC Services Extranet Policy sets the specific requirements through which we allow interconnection between GC Services' Information and Resource environment and our outside clients.
- GC Services Disaster Recovery Policy establishes a baseline for ongoing risk assessment, vulnerability analysis and contingency planning.
- GC Services Internet Policy establishes the rules of use for the Internet by GC Services' employees.

One key to our commitment to data protection is a layered-controls scheme including the following administrative controls.

- Security and Privacy Controls – Data Security Policy, Confidentiality Rules
- Ongoing Risk Analysis of Infrastructure – Yearly review of potential threats
- Ongoing Vulnerability Analysis of Sites – Yearly review of potential threats
- Annual Review of Security & Privacy Policies – Security Steering Committee
- Electronic Access Termination and Logon ID Management Process
- Intrusion Prevention Process – Proactive risk mitigation process at all sites
- Incident Management Process – Heat and Incident reporting processes
- Application Development Methodology – XP system development methods
- Formal Data Backup and Offsite Storage – SAN and tape backup media

6. Initiate case file data exchanges with DHS and FOC

Bidder Response:

GC Services understands and will initiate case file data exchanges with DHS and FOC as required. Prior to initiating these data exchanges we would conduct tests with DHS and FOC to ensure that the interfaces are functioning properly.

7. Initiate data exchanges with State agencies as approved by DHS.

Bidder Response:

GC Services understands and will initiate data exchanges with State agencies as approved by DHS.

8. Perform data mining, verification, skip tracing and other collection processes/methodologies necessary to locate non-custodial parent employers, other income or assets of the non-custodial parent, and/or new contact information for non-custodial parent.

Bidder Response:

It is our experience that skiptracing and locating non-custodial parents and their employers is the key to a successful child support collection program. GC Services will perform data mining, verification, skip tracing and other collection processes/methodologies necessary to locate non-custodial parent employers, other income or assets of the non-custodial parent, and or new contact information for non-custodial parent as required.

Collection Activity Overview

GC Services is confident that our solutions have been proven to increase the overall performance on child support delinquent obligations. GC Services will accept all referred cases and will typically commence collection activities on every referred case within five (5) days of the receipt of the referral. In most cases, collection activity will begin sooner; plus, 'demand letters' will be mailed to all obligors within twenty-four (24) hours of case receipt.

GC Services operates in accordance with our basic collection policy, as well as within the moral and ethical boundaries set forth by executive management. We maintain strict control to ensure that all accounts are followed up on a timely basis and in accordance with approved methods and FDCPA. Our internal controls make certain all accounts are being worked thoroughly and within the proper framework. Locate accounts are worked within a 30 day period while Good Numbered accounts are followed up within 7 days. Any account with a valid address is set up on an automated letter series with letters going out at a minimum of 30 days or as determined by the DHS.

Attempts to contact the NCP by telephone begin the day the accounts are received in our National Service Center, as well as by letter attempt. If there is no telephone number listed for the NCP on the placement documents, SkipNet or Directory Assistance is utilized. If these procedures do not result in determining a telephone number, more extensive skiptracing procedures begin. If the NCP does not have a telephone, contact will be attempted by calling nearbys who may be willing to relay a return telephone number to the NCP. In each instance, the confidential nature of the call will be strictly maintained.

This information will be recorded on the account record for future reference by authorized personnel.

All delinquent NCPs will be instructed that they have an obligation to pay their delinquent child support debt as expeditiously as possible. Each NCP contact is thoroughly documented by our collectors into our automated collections system in regards to the specific activity that has taken place on the account. These collector notes cannot be deleted or changed once entered. Management regularly performs file reviews of these notes in order to insure compliance with standards set forth by the DHS. If requested, we will also provide the DHS with access to these case notes. Below is a screenshot of the information we attempt to obtain upon initial contact with the NCP.

```
                        TALKOFF # 1

1 NAME                                21 NAME2

2 ADDR1                               22 N2 RELAT

3 ADDR2                               23 N2 POE

4 CITY -----------------              24 N2 POE ADR

5 STATE -- 6 ZIP ---------            25 N2 POE CTY

7 HO PH -------------                 26 N2 POE STE 27 ZIP

8 POE NAME                            28 N2 POE PHN

9 POE ADDR                            29 N2 OCCUP

10 POE CITY                           30 N2 INCOME

11 POE STATE      12 ZIP              31 N2 POE VER

13 POE PHONE                          32 BANK NAME

14 OCCUP --------------------         33 BANK BRNCH

15 EMP TY   16 INCOME                 34 BANK ADDR

17 VERIFIED                           35 BANK CITY

18 ASSET TYPE     36 BANK STATE       37 ZIP

19 ASSET VAL                          38 BANK ACCT#
```

When authorized, repayment schedules can be considered in those situations where GC Services has determined through its fact gathering that payment-in-full is not immediately available. Repayment terms could then be negotiated for the best possible arrangement, both in regards to the monthly payment amount and the duration along with the repayment guidelines established by the DHS. The terms that are agreed upon will be included in the account record, together with a hold date for follow-up.

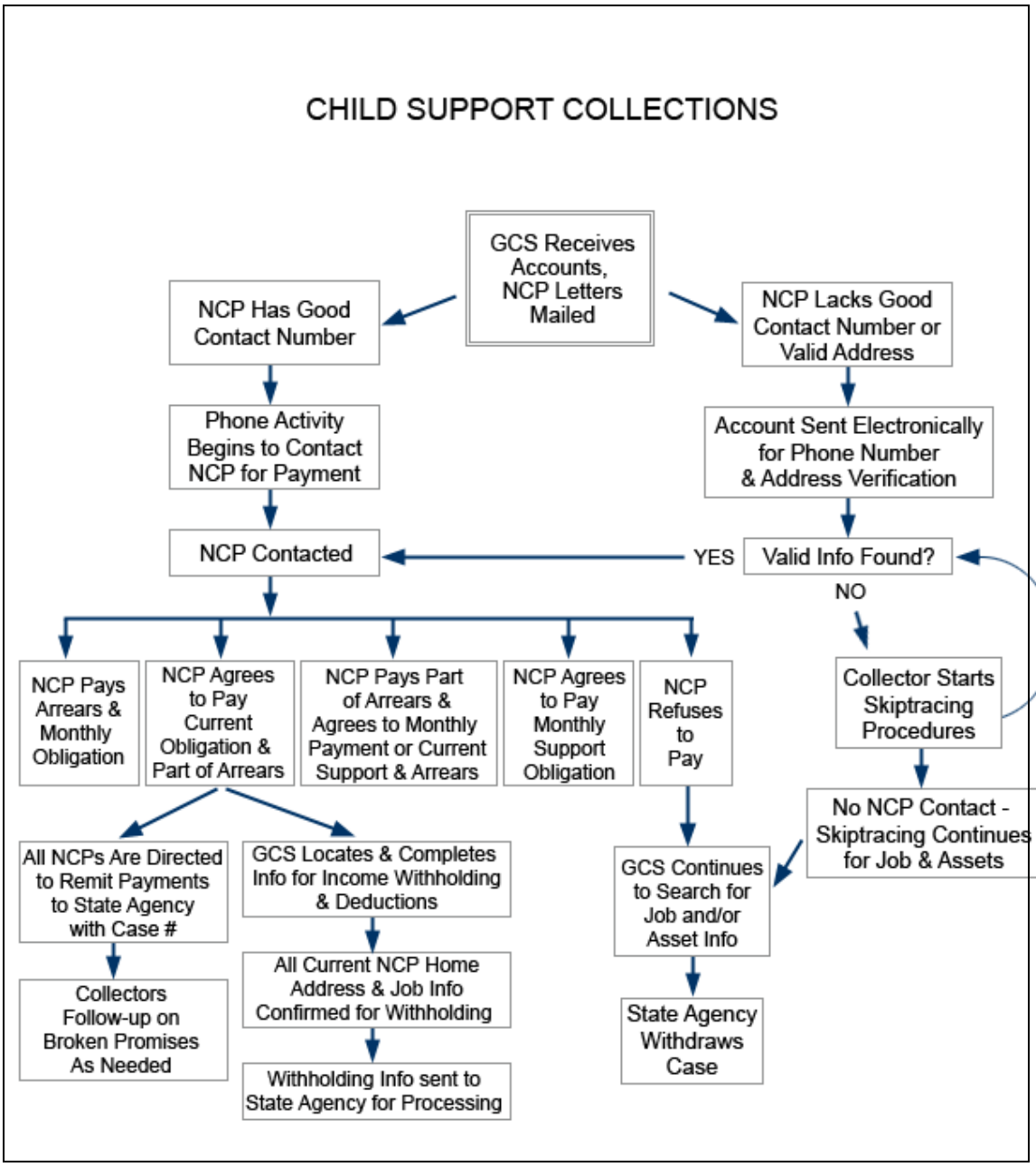
This hold date ensures immediate follow-up in order for the NCP keeps payment arrangements previously agreed upon.

GC Services realizes that often, the debtor does not have the ability to pay a delinquent child support debt in full; however, experience has shown that some will, when properly motivated. Our objective is to motivate those who have the ability to pay using a firm, yet fair and friendly approach. If an NCP states that he/she does not have the funds, we will ask questions regarding his/her financial circumstances. If he/she cooperates, we will attempt to point out sources where funds can be obtained. If it is obvious to us that there is ability to pay all or a large portion of the balance, we will press the individual to pursue that source. If it is determined that the NCP cannot pay the past due balance in full, we will determine whether a payment plan can be established to pay the delinquent arrearage in full as soon as possible.

GC Services collection personnel appeal to emotions such as honesty and integrity while they point out the legal consequences of the NCP not meeting their obligation. When a debtor refuses to provide us with information about his financial circumstances, we again push for the balance in full in an effort to get him or her to cooperate.

We recognize that child support debt is an extremely emotional and sensitive subject. Debtors are more emotional, and are harder to locate. With this in mind, we have designed our approach to ensure sensitivity, while maximizing our recoveries.

Below is a flow chart depicting our general approach to child support collections activities. This process will be customized to meet DHS's specifications.


CHILD SUPPORT COLLECTIONS
GCS Receives Accounts, NCP Letters Mailed
NCP Has Good Contact Number
NCP Lacks Good Contact Number or Valid Address
Phone Activity Begins to Contact NCP for Payment
Account Sent Electronically for Phone Number & Address Verification
NCP Contacted
YES
Valid Info Found?
NO
NCP Pays Arrears & Monthly Obligation
NCP Agrees to Pay Current Obligation & Part of Arrears
NCP Pays Part of Arrears & Agrees to Monthly Payment or Current Support & Arrears
NCP Agrees to Pay Monthly Support Obligation
NCP Refuses to Pay
Collector Starts Skiptracing Procedures
No NCP Contact - Skiptracing Continues for Job & Assets
All NCPs Are Directed to Remit Payments to State Agency with Case #
GCS Locates & Completes Info for Income Withholding & Deductions
GCS Continues to Search for Job and/or Asset Info
Collectors Follow-up on Broken Promises As Needed
All Current NCP Home Address & Job Info Confirmed for Withholding
State Agency Withdraws Case
Withholding Info sent to State Agency for Processing

Skiptracing Activities

GC Services understands the importance of skiptracing. As such, we will implement and customize our in-depth skiptracing approach to fit the program's skiptracing needs. We understand our debtor mix, and that we have access to data sources that compile information from individuals who are industry classified as "sub-prime" credit customers. These individuals are known to frequent places such as rent-to-own furniture stores, check cashing companies, and used car lots. Understanding the credit sources for our debtor mix allows us to better allocate our skiptracing resources in order to ensure that we obtain information that helps us locate the NCP as well as attachable assets.

Accounts placed with missing or incomplete information that precludes contacting the customer immediately upon placement are sent to skiptracing. The goal of skiptracing is to develop sufficient information so that an account representative can make contact and affect a resolution to the account. If an account has a good address but no phone number, GC Services uses our SKIPNET program to determine if a number exists at the address under a different name, and to contact people at nearby addresses who may assist us in locating the account holder. We also employ a number of other sources to help us locate the account holder. Some possible resources are Credit Bureau reports, Lexis-Nexis, local tax assessor, utilities, banks, multiples (same last name), Secretary of State; same SIC businesses; and professional licensing resources. When a contact is made the account is then handled for resolution. If no contact is made but a verified address can be established, GC Services initiates a letter campaign.

At the heart of the GC Services' skiptrace program is our proprietary database SKIPNET. SKIPNET was designed to increase the efficiency and lower the cost of our skiptracing efforts on behalf of our clients.

SKIPNET allows our account representatives to access, from their workstations, nationwide telephone directory information sorted by name, address or standard industry code (for business listings). A brief description of the various functionalities is shown below.

Search by Name – Account representatives can search for individuals using full or partial names, addresses, cities, states, or zip codes. Within seconds the representative receives the first 15 listings that fit their search criteria. At that point they are able to make the decision to widen or narrow the geographic area searched in order to find the most probable leads. Since we receive monthly updates to the file of adds, changes and deletes, our ability to expand the searched geography to a nationwide level makes this tool superior to directory assistance.

Search by Address – Going beyond the limitations of directory assistance and published telephone directories, SKIPNET allows our account representatives to find a listing using only an address. This is particularly helpful in those cases where the phone is listed to a name other than the account holder's that we are skiptracing. Common examples include roommates, women's married names, and stepparents. In all of these examples the phone is listed under a name other than the person owing our client money. By searching by address we are able to locate such people. Another utility involves nearbys—that is, people who reside near the party we seek. Nearbys often are able to provide contact information for the person whom we seek. In the event that the nearby does not know the account holder sought, he or she can still be helpful by leaving a request for call back message on the person's door.

Search by Standard Industry Code – This functionality locates a type of business in a defined geographic area when we don't know the name of the business. When collecting consumer debt, many times we learn during our skiptracing efforts that our party works at "some candy factory in Pennsauken." With this feature of SKIPNET, we are able to locate the exact name, address, and phone number for all candy factories in Pennsauken. Another use for this feature is our ability to find possible places of employment for account holders when we have prior knowledge of their occupation or trade. When collecting debts owed by businesses, the search by SIC code can be invaluable in obtaining information from either businesses similar to the one we seek or from businesses that would naturally have dealings with the one we seek.

In addition to SKIPNET, GC Services uses credit data and other tools as sources of information. For those individuals with a credit file we are able to obtain new and recent address information, current and previous employment information, and credit and bank references. GC Services also can contact credit and bank references for additional account information. Additionally, cross-referenceable credit header data allows us to locate people who share or shared an address with our skiptracing subject. These relatives, roommates, and friends often have information about how to contact our skip at home or work.

The additional resources (in addition to SKIPNET and Credit Bureau data) include:

National Real Property – Asset information compiled from County Assessor's property tax files and County Recorder's deed transfer files. We can search by owner name, seller name or property address.

National Judgment, Tax Liens and Bankruptcies – This file is updated weekly and contains names, addresses, social security numbers, attorney name, and assets.

National Fictitious Business Names – This contains newly formed businesses and has records dating back to 1989. Information is obtained from Secretaries of State and other licensing offices. Each record contains names, addresses, and SIC codes.

Various internet resources such as usps.gov and superpages.com.

Our newest enhancement to skiptracing is GC Services' proprietary SkipWEB. SkipWEB stores and displays credit data and the telephone numbers, names and addresses of all generated leads. SkipWEB displays purchased batch vendor data for our subject, and allows the generation of new phone leads from either phone conversations or manual vendor sources, and updates all potential phone numbers as either usable or exhausted. SkipWEB improves representative's productivity by reducing the amount of time spent searching for needed information.

By providing quick and often automated access to potential account holder phone numbers, SkipWEB allows our representatives more time to do what they do best-- talk on the phone to account holders and to those leads likely to give information for or give a message to the account holder.

GC Services recognizes that it must continually refine its skiptracing procedures to fit our clients' needs. We continue to research ways of getting needed information to the account representative quickly in order to improve our science. We provide ongoing training, monitoring and quality assurance to improve our art.

Furthermore, we have determined that our database of obligors is frequently individuals whom have severely impaired credit and are therefore subject to utilizing sub-prime credit issuers. Therefore, traditional credit bureau leads may prove less helpful than leads garnered from sources like Teletrack. We utilize a combination of the two in order to achieve the greatest possibility of gather additional locate and asset information available.

In conclusion, it is the application of the data and not just the data itself that differentiates GC Services' skiptracing programs from our competitors. The human intelligence skills that maximize our ability to obtain information over the phone from those who know our skiptracing subject are critical. Recognizing that you can neither reveal the debt to a third party, nor misrepresent yourself in an attempt to collect a debt, GC Services teaches the soft skills of controlling conversations, asking direct questions, and being utterly gracious when dealing with third parties. These skills are taught in our initial training and continually developed on the collection floor.

Our goal at GC Services is to merge innovative technologies and sources with proven skiptracing techniques to maximize recoveries on behalf of our clients. By paying equal attention to the science (using technology and multiple data sources to generate leads) and art ("How do you get strangers to help you?") of skiptracing, GC Services offers state-of-the-art skiptracing capabilities and superior results.

The following tables summarize our skiptracing tools.

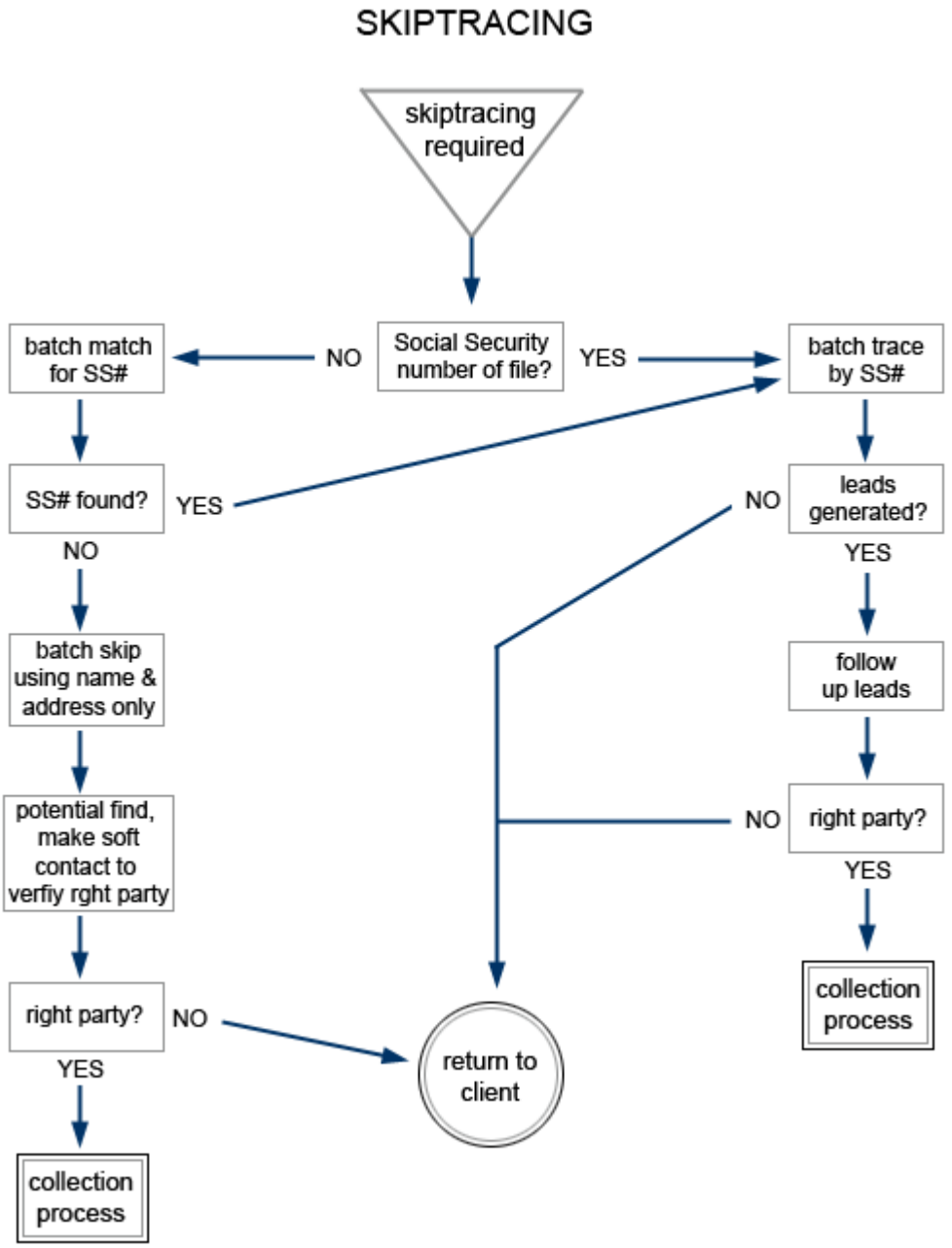
Batch processing is available on the following tools:

RESOURCE	VENDOR	DATA PROVIDED
Metronet	*Experian*	Phone overlay
PRO-CD	*Axciom*	Nationwide white and yellow pages; directory assistance, nearbys, multiples. The base information for SkipNet.
Experian Collection Advantage	*Experian*	Possible phone numbers provided by credit bureau subscribers, current & prior addresses, POE information, credit score. Source data for SkipWeb.
Batch Accurint	*Lexis Nexis*	Possible phone numbers; current and prior addresses and dates reported, POE information, relatives and associates; Source data for SkipWeb.

Collectors have access to the following tools on a manual basis:

RESOURCE	VENDOR	DATA PROVIDED
PRO-CD	*Axciom*	Nationwide white and yellow pages; directory assistance, nearbys, multiples.
Accurint	*Lexis Nexis*	Varies depending on access level: but includes direct phone numbers, address history, family members, property data, business filings and other public data
GC Intranet	*Insight Collect Search Bug Skipease White Pates Yellow Pages*	Collectors have access to various skip engines to search for direct contact numbers, addresses, POE, multiples, neighbors, relatives and property ownership information.
Credit Bureaus	*Equifax, Trans Union, Experian*	Aliases, direct phone numbers, address history, employment data; full credit bureau tradelines and inquiries.

Please refer to the following flow chart for our typical skiptracing action sequence.



9. Submit verified case information in the agreed-upon format to the FOC so that the FOC can initiate proper enforcement collection activities.

Bidder Response:

GC Services will submit verified case information in the agreed-upon format to the FOC so that the FOC can initiate proper enforcement collection activities as required. GC Services will coordinate an acceptable method in which to report pertinent information regarding any/all cases. This may include reporting via email and/or fax information concerning a verified place of employment, to the updating of demographic data via electronic file transfer. GC Services will work with the FOC on a protocol that meets the needs of both the pilot phase requirements of this project as well as any future requirements that may require a more in depth need for electronic file transfers. It is our intent to develop a means by which all updated information identified through our skip tracing initiatives are forwarded to the FOC and County for maintenance on the State's case management system. This data may include new address, phone, employer and collector note data. While this information may require extensive programming for both GC and the County, a satisfactory alternative will be devised using GC Staff to help manually update required systems until an electronic interface can be developed.

10. Establish jointly with DHS and FOC non-custodial repayment plans and processes for implementation.

Bidder Response:

GC Services will establish jointly with DHS and FOC non-custodial repayment plans and processes for implementation. GC Services is accustomed to establishing repayment plans, and working with NCPs to bring accounts current.

11. Establish and collect on repayment plans agreed to with non-custodial parents.

Bidder Response:

GC Services will follow all guidelines set forth by DHS and FOC in order to establish repayment plans with a non-custodial parent, as required. Arrangements will be made in accordance with GC's basic collection policy that states:

"[we will] require debtors to pay in a manner consistent with their ability to repay their debt. We will always keep in mind the human rights and dignity of the debtor and we will allow no unreasonable demands to be made or implied."

The collector will determine the NCP's current situation and circumstances by asking questions and updating the NCP's personal information. The collector understands that he/she can not accept any arrangements that does not meet or exceed the monthly obligation amount determined by DHS and FOC.

12. Submit status reports as agreed to by vendor, DHS and FOC.

Bidder Response:

GC Services will submit status/performance reports as agreed to by all parties. In addition submitting written status reports, we plan on meeting monthly, at a minimum, to review results for the month, short and long term plans, and any issues that require resolution. GC Services foresees providing updated account information via a flat file transfer process. Conceptually, this will be a custom report generated by our proprietary collection system and transferred via Momentum to a TBD location using secure encrypted FTP or another mutually acceptable process. Our collection system will easily generate a variety of packaged and custom reports and transmit them in a secure fashion. All specified report formats and content requirements will be provided.

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

The contractor shall provide staff that has knowledge of child support programs and collection opportunities. The contractor shall also identify the individual who is the project manager and who will be the primary contact person on this project. The contractor shall introduce all employees assigned to this project to the DHS project manager if the employee will be working directly with DHS and/or FOC staff. The vendor will be solely responsible for the research and development of collection strategies for this project and will obtain approval from DHS prior to implementation of such plans. DHS and FOC staff may provide available data and information to the vendor's staff.

The vendor must comply with all processes, procedures and policies related to Title IV-D of the Social Security Act and material published by OCS Action Transmittals and manuals. This information will be provided by DHS, OCS.

The vendor may assign business analyst and consultant personnel to assist the project management. Persons accepted for work assignments will be considered key individuals and may not be replaced without DHS concurrence. DHS will retain the right to release outright or request the replacement of any person who is working at an inferior level of performance determined by the DHS project manager. The contractor will be given 5 working days advance notice of this action and a replacement will be provided within 30 calendar days.

Bidder Response:

GC Services has read, understands and will comply. We will provide experienced and qualified personnel for this program. We have extensive experience in child support locate and collection contracts. We currently represent or previously collected child support delinquencies for Ohio, California, Georgia, Arkansas, Missouri, North Carolina, Virginia, Florida, Minnesota, Illinois, and Texas, just to name a few. We value the opportunity to expand our partnership with the State, and will commit dedicated resources and expertise to creating a successful operation for you. Consistency, dedication, and trust are what you can rely upon with GC Services.

We are proposing to perform these services from our Atlanta, Georgia office; an office exclusively dedicated to the management of Child Support Receivables. This office has tenured management that has combined child support collection/location management experience that surpasses 100 years. We have attached the resume of our proposed Project Manager, Mrs. Kandice Gates, for your review.

Key Personnel

Denny Wojcicki (Program Executive Senior Vice President) – Mr. Wojcicki has been involved in managing accounts receivable management and teleservices outsourcing projects for GC Services for over 25 years. He has experience in project management and systems installation and operations outsourcing for both private and public sector clients. Mr. Wojcicki has been the Program Executive responsible for the Michigan Department of Treasury collection program since inception in 1985, and has overall responsibility for the services that GC Services provides to the Treasury.

Scott Curtis (Operations Vice President) - Mr. Curtis has over 25 years experience in the credit and collections industry, where he has had responsibility for managing a collection division, performance analysis, strategic planning, project implementation, and capital projects. Mr. Curtis has operational responsibility for our Oklahoma National Service Center and our Michigan Accounts Receivable Collection System deployment in Lansing, Michigan. Mr. Curtis's key skills include business strategy and development of collection programs designed to maximize recoveries in all sectors.

Scott Cole (Marketing Senior Vice President) - Scott Cole has over 19 years experience in the credit and collections industry, (with a specific emphasis on the development of California Court Ordered Debt Collections for more than 16 years). He has had responsibility for managing the governmental marketing division, performance analysis, strategic planning, project implementation, and capital projects. Mr. Cole's key skills include business strategy and governmental industry analysis, development of collection programs designed to maximize recoveries in all governmental sectors including, but not limited to: court ordered debt, delinquent tax accounts, student loan delinquencies and child support arrearages.

Elaine Poole (Child Support Client Services Manager) - Ms. Poole has over 26 years experience in the credit and collections industry, (with a specific emphasis on relationship management of child support field offices for the past 10 years). Ms. Poole's current position entails the coordination of individual child support offices on a regular basis to make sure that there are no issues or questions.

She has extensive experience in child support, working with all counties in Ohio and the State of Arkansas, and possesses the necessary acumen in order to facilitate a smooth transition and project ramp. Ms. Poole's areas of specialty include strategic planning, project implementation, and molding the unique relationship between child support field offices and GC Services. She is a member of NCSEA (National Child Support Enforcement Association) and ERICSA (Eastern Regional Interstate Child Support Association) where she also serves as a Board member since 2002.

Kandice Gates (Project Manager) - Kandice Gates has over 13 years experience in the credit and collections industry. She is currently the Child Support Collections Project Manager in our Atlanta facility. She possesses the requisite knowledge and experience to develop a successful pilot program for Calhoun County. Key skills include recruiting, training, and maintaining Account representative/Unit Managers, client relations and the coordination and development of collection programs designed to maximize recoveries in all governmental sectors.

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The DHS project manager is:
Mark Jasonowicz
Deputy Director, Office of Child Support
235 S. Grand Avenue, Suite 1215
Lansing, MI 48933
(517) 335-3481
Jasonowiczm@michigan.gov

DHS Project Lead is:
Justine Peters
Communications Specialist, Office of Child Support
235 S. Grand Avenue, Suite 1215
Lansing, MI 48933
(517) 373-1167
PerterJ3@michigan.gov

1.203 OTHER ROLES AND RESPONSIBILITIES - Reserved

1.301 PROJECT PLAN MANAGEMENT

The vendor is responsible for development of the project plan. The project plan shall include at a minimum the tasks to be performed, the responsible party, timelines for completion, and any other items agreed to by the parties.

Bidder Response:

GC Services has read, understands and will work in concert with the State to develop a project plan. We have extensive experience developing successful project plans to meet all requirements. The following is an outline of the major process steps for implementing a project. These estimates are approximate, and are based on similar pilot programs. We will customize our project plan to meet all objectives of DHS and FOC. A final timeline will be developed as part of the Project Partnership Plan developed after contract award.

- Contract award/letter of intent - GC Services will work with DHS to negotiate contract and project terms that are mutually beneficial.

- Project Partnership Plan - Following the contract signing, GC Services will collaborate with DHS to finalize an implementation plan approved by the DHS. The plan will define program parameters, the roles and responsibilities of each party, milestones during implementation, timelines for tasks and subtasks, and preferred communication methods and schedules.

- GC Services will use a milestone-based approach for project implementation. This methodology allows us to be responsive to project needs and will ensure DHS certainty as to results.

- Technology - GC Services will begin work on all coordination of IT programming needed to begin testing files received by and being sent to DHS. We will begin to facilitate the necessary networks to access the DHS system. GC Services has the flexibility to meet most any client's requirements. Using established standards and methodologies; we will configure our systems as required. Our testing, certification and acceptance process will apply to all technology implementation.

- Begin Michigan and Calhoun County specific training - We will prepare the training lab with all necessary desktop applications, media equipment, and associated training materials. If required, our key personnel will attend DHS assigned training at a time and place designated by the DHS. On-going training will be conducted as needed by the trainer. All facilities and technology infrastructure necessary for a complete training environment will be in place before the first training class begins.

- Completion of IT testing, certification, and acceptance of systems - Testing, certification, and acceptance (TCA) of voice and data network infrastructure, connectivity, and applications will be conducted prior to project launch. GC Services will coordinate the completion of communications infrastructure with the TCA process.

- Account Management - An ongoing management team will take over management of the program once we begin taking live calls. The Center Project Manager and other key account managers assist during project implementation and will already be familiar with the DHS program. We will establish and document clear communication lines with the DHS to facilitate accurate transfer of daily information.

- Reinforcing Policies & Procedures - Structure and accountability are an essential part of any successful project. GC Services' operations and human resource managers will conduct training sessions and follow up with individual coaching as needed to make sure that policies and procedures of DHS and GC Services are clearly understood and practiced.

- Adaptability - From time to time, every project requires management to evaluate, measure, adjust and realign. GC Services will work with the DHS and FOC to smooth the way for effective and efficient implementation and ongoing management of this pilot program. Our management team will stay in close contact with DHS and are very responsive to changing project needs.

- Site Visit/Acceptance - GC Services will host a site visit for inspection and acceptance

GC Services' Implementation Approach for the Michigan DHS

Many of GC Services' programs involve a time-sensitive implementation. With this in mind, we will employ our Rapid Deployment Team (RDT) approach. The RDT is an interdisciplinary, matrixed organizational approach that brings together experienced managers, specialists, analysts, technicians, and other implementation professionals with one goal: To execute the implementation and transition plan on time, in budget, and as specified. GC Services is accustomed to very tight schedules and is extremely responsive to client needs. We are flexible when resolving problems when it does not compromise security or confidentiality. This structured project management methodology will be used for the proposed DHS implementation.

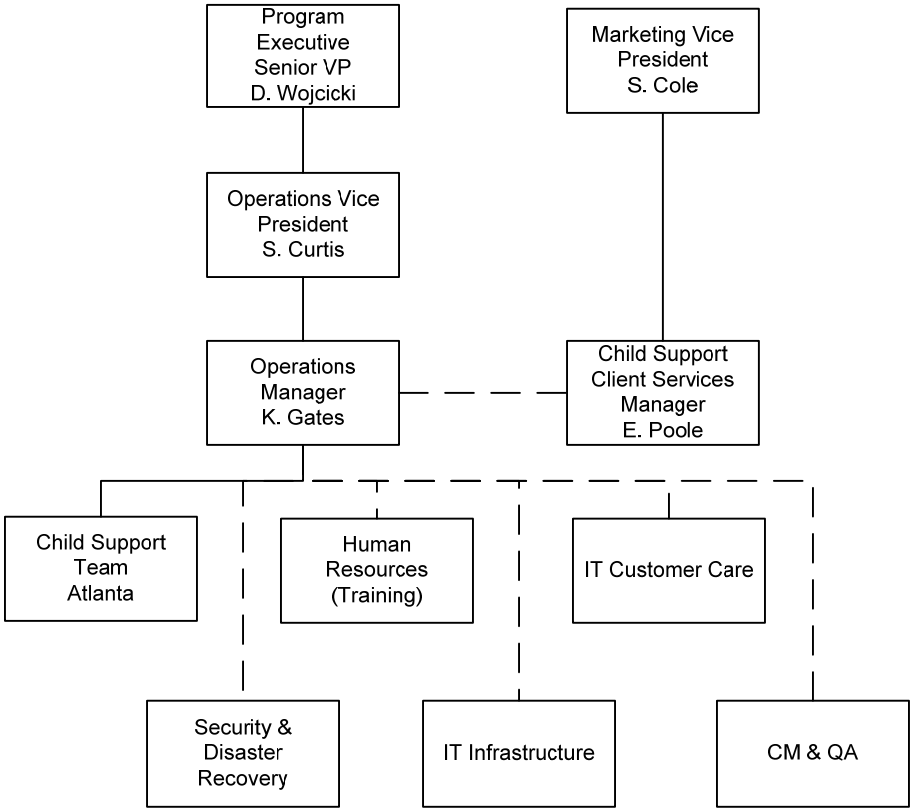
Rapid Deployment Team

A GC Services Rapid Deployment Team is a virtual organization, reconstituted each new project in order to meet the specific requirements of each client. Instead of utilizing a "VP/Director/Manager/Supervisor" hierarchy, it is a number of highly matrixed groups coordinated at the task level by team leaders and at the project level by a senior Operations representative. This works because the overall process is structured by our suite of methodologies and by a comprehensive implementation and transition plan.

Please note that particular individuals might have more than one role within this organization. The RDT includes both individuals who will remain on-site once routine operations begin as well as individuals who are experts in the implementation process and will eventually transition off the engagement.

The RDT is backed up by an information technology (IT) team headquartered at our centralized Houston, Texas HGO facility. This team consists of more than 240 staff members who are dedicated to the overall implementation and support of GC Services' activities. These personnel participate in each implementation as necessary.

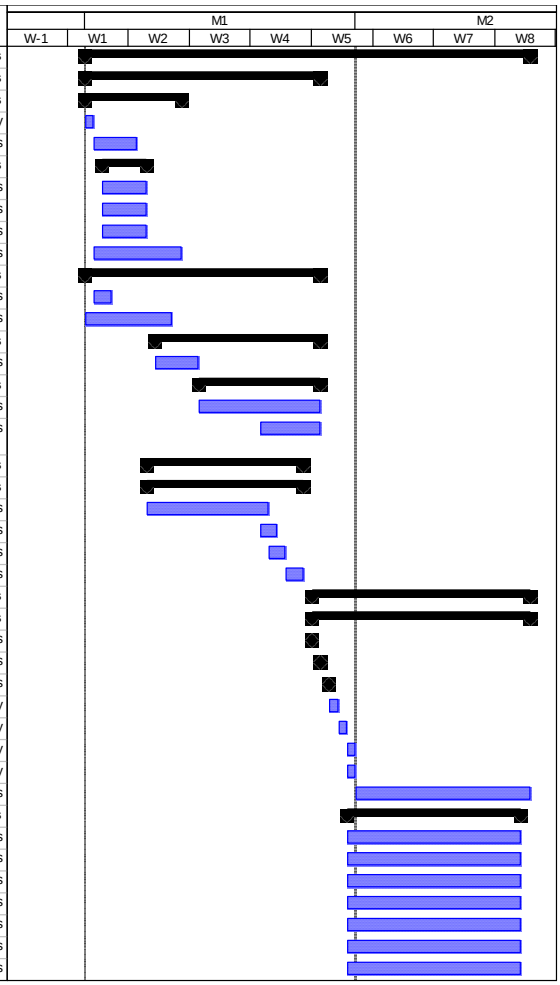
The following functional organization chart shows how the GC Services Rapid Deployment Team would be staffed for the child support debt collection implementation proposed for DHS.



Draft Implementation Schedule

The following draft implementation plan illustrates a typical GC Services startup, implementation, and shakedown process for a child support debt collection program. A final timeline will be developed with the DHS after project award as part of the Project Partnership Plan.

ID	Task Name	Duration
1	**DHS Child Support Debt Collection Startup, Implementation, and Shakedown**	**51 days**
2	**Implementation Activities**	**27 days**
3	**Program Kick-off**	**11 days**
4	Contract Award	1 day
5	Develop Project Partnership Plan	5 days
6	**Define Interface Requirements with DHS**	**5 days**
7	Account Placements	5 days
8	Payment Reporting	5 days
9	Account Demographics	5 days
10	Define DHS Program-Specific Operation Procedures	10 days
11	**Personnel Implementation**	**27 days**
12	Determine Projected Volumes and Staffing	2 days
13	Identify & Assign Collection Reps	10 days
14	**Training**	**19 days**
15	Develop Training Specific to DHS & Calhoun County	5 days
16	**Conduct Training Classes**	**14 days**
17	Train Assigned Staff in Procedures Specific to DHS & Calhoun County	14 days
18	Post-Implementation Training to Revise Procedures & Train with DHS & FOC (as needed)	7 days
19	**Technology Implementation**	**18 days**
20	**Configure STAR & Test Accounts**	**18 days**
21	Program & Configure STAR (Collection System)	14 days
22	Test Interfaces with DHS & FOC	2 days
23	Test Accounts Evaluated Against STAR information	2 days
24	Test Accounts Reviewed with Auto Letters	2 days
25	**Shakedown Activities**	**25 days**
26	**Accept first account referrals**	**25 days**
27	Collection Center Ready to Receive Accounts	0 days
28	Ready to send Initial Letters	0 days
29	Ready to Pass Referrals Through Skiptracing and Phone Match	0 days
30	Append new Addresses and Missing Phone Numbers	1 day
31	Load Accounts and Begin Dialing	1 day
32	Review Initial Results and Adjust if Needed	1 day
33	Meet with Frontline Collection Staff to Determine Issues	1 day
34	Mitigate Initial Issues through Specialized Training	20 days
35	**Operational Review**	**20 days**
36	Meet with DHS to Update Early Issues/Results	20 days
37	Seek Partnership in Issues Resolution	20 days
38	Begin Analyzing Data on 1st 30 Day's Referrals	20 days
39	Present Data and Recommendations Regarding Segmentation	20 days
40	Begin Specialization of Collection Files Using Segmentation Results	20 days
41	Review results of file Specialization and Segmentation	20 days
42	Set Expectations for Next two Quarters	20 days



1.302 REPORTS

The vendor shall meet with DHS project manager and staff as requested to provide an update on the status of the project and other issues that may arise in the course of implementing this project. Written reports shall be provided as agreed to by the vendor, DHS and FOC. However written reports must be provided as least quarterly.

Bidder Response:

GC Services will meet with the project manager and staff as requested and provide an update on the status of the project and other issues that may arise. Written reports will be provided as agreed, at a minimum quarterly. GC Services will work closely with the DHS to ensure the success of this implementation and success. GC has established a process of meeting monthly with Treasury management to review results for the prior month, discuss plans and issues, and ideas for improvement of the program. We have found these meetings to be beneficial to building a successful program and meeting the objectives of the State.

1.401 ISSUE MANAGEMENT

Anytime during the course of this pilot project the vendor identifies an issue that endangers the success of the project, or potential harm to the state, custodial parties, non-custodial parents, or FOC the vendor shall immediately contact the project manager for direction.

If contacted by the media the vendor, prior to responding, will forward such inquires to DHS and agree upon a response and who will respond.

Bidder Response:

GC Services will address issue management as described above. Anytime during the course of this pilot project the vendor identifies an issue that endangers the success of the project, or potential harm to the state, custodial parties, non-custodial parents, or FOC GC Services shall immediately contact the project manager for direction.

It is GC Services' policy that any requests from the media are forwarded to our public affairs executive in our Houston headquarters. In most instances comments are not made for privacy reasons. When a response may be appropriate, any release or discussion of client information or matters is reviewed and approved with the client prior to release. If contacted by the media, GC Services, prior to responding, will forward such inquires to DHS and agree upon a response and who will respond.

1.402 RISK MANAGEMENT

There is a risk that identified strategies may not produce additional revenues for the DHS. The DHS will only reimburse the contractor for its proportional share of additional revenues actually received for the period of time the pilot project is operated.

1. Disallowances

If all or any portion of a federal claim made pursuant to implementation of a strategy identified through this project is disallowed, then the department will require the contractor to reimburse the department for the amount of any payment it received from the department attributable to the disallowed claim amount.

2. Financial Penalty

If, in addition to a disallowance, the federal government imposes a financial penalty on the department as a consequence of implementation of a strategy identified through this project, then the department will require the contractor to reimburse DHS for 100% of the penalty amount**.**

Bidder Response:

GC Services understands that this is a pilot program and that identified strategies may not produce additional revenues for the DHS. GC Services will only be reimbursed for its proportional share of additional revenues actually received for the period of time the pilot project is operated. We also understand and will comply with the disallowances and financial penalties as described above.

1.403 CHANGE MANAGEMENT

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

Bidder Response:

GC Services understands the Change Management procedure as described above, and will comply.

1.501 CRITERIA

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

1. Timeliness of locate activities.
2. Number of new locates for Non Custodial Parent's
3. Dollars collected
4. New enforcement activities taken as a result of contractor supplied info.
5. Information obtained by contractor that could be used to close the case.

Bidder Response:

GC Services understands the criteria that will be used by the State to determine Acceptance of the Services provided under this SOW to be:

1. Timeliness of locate activities.
2. Number of new locates for Non Custodial Parent's
3. Dollars collected
4. New enforcement activities taken as a result of contractor supplied info.
5. Information obtained by contractor that could be used to close the case.

1.502 FINAL ACCEPTANCE

The DHS will determine acceptance to be final once the contractor has destroyed all child support hard to collect case information or returned such information to the OCS and further collection efforts are halted. The OCS has reviewed and accepted the final invoice, and the final payment to the contractor for its proportionate share of the enhanced revenue has been made. The DHS and the contractor shall sign a statement at the time of final acceptance, stating that both parties agree that the pilot project has been completed, and that final payment has been made.

Bidder Response:

GC Services understands the terms and conditions of Final Acceptance and will comply as required.

1.601 COMPENSATION AND PAYMENT

The state shall pay the contractor a percentage of the total additional revenues realized by the Department of Human Services as a result of the vendor's work. No other payment will be made for the performance of activities necessary for or incidental to the performance of work as set forth in this Statement of Work.

The contingency fee for this pilot project will be based on the collections resulting from location and employer information supplied by the vendor that are assigned to the State of Michigan as TANF reimbursement. A baseline will be established by identifying the average quarterly TANF reimbursement collections for the cases referred to the vendor for the last two years, less collections from financial institutions data match, tax offset and interstate.

The contingency fee rate will be a percentage of TANF reimbursement collected above the baseline (not including collections from financial institutions data match, tax offset and interstate.) The pilot project period will begin when all information has been supplied to the vendor by the DHS and work may begin by the vendor.

This contingency fee rate applies to TANF reimbursement collections during the pilot project period plus three months following the completion of the pilot project period. This additional three month period will be known as the "run out period".

At the conclusion of the first three months of the pilot period, DHS will produce the first quarterly collections report which will include TANF reimbursement collections for the cases referred to the vendor. The vendor will submit an invoice based on the quarterly collections report provided to them by DHS. The State will pay the invoice within forty five days of receipt of the invoice. Thereafter, DHS will produce a quarterly collections report and the vendor will produce an invoice based on that report for each subsequent three month period during the pilot project and the run out period. The State will pay each invoice within 45 days of receipt of the invoice.

Invoices must be forwarded to Mark Jasonowicz, Michigan Department of Human Services, Deputy Director, Office of Child Support, 235 S. Grand Avenue, Suite 1215, Lansing, Michigan 48933.

Public Act 533 of 2004 requires that payments under this contract be processed by electronic funds transfer (EFT). Contractor is required to register to receive payments by EFT at the Contract and Payment Express website (www.michigan.gov/cpexpress)

Bidder Response:

GC Services has read, understands and will comply with all terms of compensation and payment as described above. We propose a contingency rate for this pilot project of 15% of TANF reimbursement collections above the baseline computed as described above. We suggest that use of baseline data may not be an appropriate measurement of performance and compensation, as results are impacted by factors unrelated to performance, such as overall economic conditions and employment rates.

1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW

None.

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

June 17, 2008

CHANGE NOTICE NO. 8
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **GC Services Limited Partnership** **6330 Gulfton** **Houston, TX 77081**	TELEPHONE Dennis Wojcicki **(713) 777-4441** BUYER (517) 241-1916 **Jim Wilson**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Department. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2010**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Effective immediately, the DMB Buyer for this Contract is changed to Jim Wilson (517) 241-1916. All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per DMB/Purchasing Operations.

CURRENT AUTHORIZED SPEND LIMIT REMAINS: $265,512,571.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

August 31, 2007

CHANGE NOTICE NO. 7
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR	TELEPHONE Dennis Wojcicki **(713) 777-4441**
GC Services Limited Partnership **6330 Gulfton** **Houston, TX 77081**	BUYER (517) 335-0462 **Chris Michel**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Department. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2010**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Effective immediately, the contract is extended two (2) years to November 15, 2010.

This amendment also includes modified rebate terms, as follows:

<u>Effective October 1, 2007:</u>
In the event that commissionable collections exceed $100,000,000 in a fiscal year, GC Services will rebate $300,000 to the State. In the event that commissionable collections exceed $110,000,000 in a fiscal year, GC Services will rebate an additional $300,000. For every additional $10,000,000 in commissionable collections over $110,000,000, GC Services will rebate an additional $150,000 to the State.

<u>Effective on and after October 1, 2008:</u>
In the event that commissionable collections exceed $100,000,000 in a fiscal year, GC Services will rebate $400,000 to the State. In the event that commissionable collections exceed $110,000,000 in a fiscal year, GC Services will rebate an additional $400,000. For every additional $10,000,000 in commissionable collections over $110,000,000, GC Services will rebate an additional $300,000 to the State.

All other terms/conditions remain unchanged.

AUTHORITY/REASON:

Per agency's request (Bruce Hanses) on 12/22/06, and vendor's approval (Michael Jones) on 02/01/07.

INCREASE: $75,634,428.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: $265,512,571.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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 2, 2003

CHANGE NOTICE NO. 6
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR	TELEPHONE Dennis Wojcicki **(713) 777-4441**
GC Services Limited Partnership **6330 Gulfton** **Houston, TX 77081**	BUYER (517) 335-0462 **Chris Michel**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Dept. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2008**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Effective immediately, the attached modifications are hereby incorporated into this contract with no modifications in terms and conditions. This amendment includes a five-year EXTENSION with several additional initiatives being completed at no extra charge to the State. The approximate value of these additional services is: $1 million.

AUTHORITY/REASON:

Per vendor's request (Dennis Wojcicki) on 4/21/03, and agency's approval (Mike Reynolds) in an email dated 4/22/03.

INCREASE: $99,315,624.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: $189,878,143.00

Work Statement
MARCS Extension
12/16/02

Overview

The current contract, # 071B7000417, with GC Services Limited for the MARCS system and collections operations has an expiration of date of November 15, 2003. The MARCS contract was signed July 7, 1997. The initial development period was set for 7 months with 53 months of collections operations. Early in the development phase, all parties realized in functional design that the complexity required to implement a system with significant improvement would not be completed in the short aggressive period named in the contract. Therefore the development period was extended and implementation occurred June 15, 1999. The 53 month operational period runs from June 15, 1999 to November 15, 2003.

This work statement lays out the areas of the MARCS system and related operations that are required in order to extend the contract.

Objectives

An option to extend the MARCS contract is stated in Section I-A, paragraph 3 of the contract. This 5 year extension option in contract is being sought. In order, for a 5 year extension to provide a efficient operations and systems, a number of enhancements must be accomplished. These items are listed below.

Costs proposals are required with implementation plans and timelines for each area as stated below.

A). IT Infrastructure

Some of the components of the IT infrastructure are nearing the ending of there useful lives. These components includes but is limited to servers, predictive dialer, network switches, printers, maintenance and related software. Upgrading the IT infrastructure is key to achieving a solid and robust system to support the collection operation through the next five years. Upgrades must resolve outstanding MPR's related to the infrastructure. These MPR's are listed in Schedule 1. The details of the work to be performed by each MPR is attached to Schedule 1.

The specifications of any new equipment proposed for the infrastructure plus an implementation plan and timeline are required.

Collections is not anticipating any cost associated with these changes. Please confirm.

Vendor Response to this task:

Introduction

GC Services is pleased to provide our responses to the Work Statement for extension of the current MARCS contract. Treasury has selected several very important and challenging IT-related projects associated with this extension proposal. GC Services proposes to upgrade the current MARCS technology infrastructure that was implemented over five years ago. These technology upgrades would be provided at no cost to Treasury. GC Services estimates it's cost to be approximately $1,125,000 for these upgrades. In order to implement the other projects included in the Work Statement, GC Services proposes to augment the current IT staff with additional resources in order to meet the aggressive time lines we are proposing. Based on our understanding of the scope of work in each area, our proposal will allow us to complete these projects on a timely basis and still continue to work on existing priorities that have been established by the Change Control and Steering Committees. Current major projects include:

- Integration of MARCS with CRM

- Integration of Central Office documents with Imaging
- Legislation that revises Penalty Calculations
- Introduction of interfaces with FIA to incorporate Child Support debts in MARCS

Schedule E shows an overall schedule for the projects you have cited in the Work Statement. We realize that this schedule may be subject to change based on MARCS Steering Committee actions in reaction to new legislation or other more pressing projects. The responses below discuss these schedules in more detail.

The pricing information shown in the Cost Schedule Appendix includes two additional Business analysts and three additional Programmer Analysts during the period from February 1, 2003 through May 31, 2004 (16 months). These resources are necessary to meet the schedules that have been proposed in Schedule E, attached to this document. We have also discussed the schedules for each individual project in our responses to the questions posed by Treasury.

A) IT Infrasturcture

GC Services is prepared to provide the equipment shown in Schedule A (or a configuration that is more current based on vendor availability at the time of implementation) at no cost to the State of Michigan. This includes:

- HP 9000 E41 Database Server to replace the existing HP K460 database server.
- Xerox 4850 Color Highlight printer to replace the existing Xerox 4050 laser printer
- SER Call Processing System (CPS) to replace existing Dialer hardware and software
  See the following web site for more information on this new product:
  http://sersolutions.com/product_showcase/cps/index.asp#
- Replacement of the existing Development Server by the existing HP K460 Server.
- Network Switches to replace the existing network hubs
- Upgrade of the Crystal Reports software from Version 5.0 to Version 8.0
- Upgrade Asymetrix Toolbox software to bring MARCS training CBT current
- Upgrade the PowerBuilder Software to the most current version

These upgrades will resolve the MPR's shown in Schedule A1. We plan to combine the install of the new server with the upgrade of Crystal Info and do these as one project. The project timeline has been projected for a completion date of August 31, 2003, assuming a February 1, 2003 start date. Schedule A2 is a draft Statement of Work for this project.

Note that the purchase of the HP 9000 E41 is planned for February, 2003. The cost schedules attached include maintenance for the new server in FY 03. This cost will be in addition to the FY 03 maintenance cost for the HP K460 that is currently used in production. Once conversion to the new server is completed, the HP K460 will become the development server. We will be retiring many of the disk and CPU equipment on HP K460 to downsize it for an adequate development server and to minimize maintenance costs on that server.

Similarly, with the upgrade of Crystal Info software during FY 03, we will be incurring the revised maintenance cost for that software in that year. The cost schedules reflect this change in maintenance costs.

Once the new server is in production, we will convert the existing HP K460 to become our development server. We will be scaling down that unit to a reasonable size to reduce the maintenance costs. This will provide a much stronger development platform. We would plan to complete this project by October, 2003.

The new dialer is planned to be implemented and in production by June 30, 2003 – again, assuming a February 1 start date.

Lastly, the upgrade of PowerBuilder is scheduled to begin in September of 2003 and will be completed by January, 2004. We will confirm our direction on this project in early September with the Steering Committee.

There has been discussion of potential need to review and enhance the existing Disaster Recovery plans for MARCS – particularly those parts of the plan that deal with length of business interruption due to disaster and plans to handle any business interruption. Per our discussions, we would plan to work with the State to enhance the Service Level Agreement to deal with these issues pending prioritization of this work by the MARCS Steering Committee.

B). Bankruptcy system (Sub system to MARCS)

The current bankruptcy system is near the end of its useful life. In order to assure that timely filing of bankruptcy claims, a major overhaul or replacement of this system is necessary. This "system" was developed on Foxpro software in approximately 1993. In addition to replacement of the basic software that the bankruptcy functions operate in, bankruptcy enhancements are required to be included in the upgrade. All the requirements of this system have been documented in MPR 918 with the exception of two requirements. :

1). The functionality of an electronic interface of the claims to the Attorney General's office and bankruptcy courts is needed.

2). The ability to view the claim's financial detail and the payments that apply to the claim balance.

MPR 918 is attached as a separate Schedule B. This MPR contains a statement that additional hardware and software was needed. Please clarify the equipment, equipment specifications,and an affirmation on whether this equipment is still needed if the Infastructure is modification occur. The replacement software must resolve outstanding MPR's related to bankruptcy. Collections is receptive to the use of an alternate method of architecture. These MPR's are listed in Schedule 1. The details of the work to be performed by each MPR is attached to Schedule 1.

The specifications of any new equipment proposed for the infrastructure plus an implementation plan , timeline, and cost proposal are required.

Vendor Response to this task:

B) Bankruptcy System

Schedule B1 contains the Statement of Work that defines required functionality for the web-based Bankruptcy system. Schedule B2 is a list of the MPR's that will be resolved by this project. Schedule B3 are estimates for development of Bankruptcy as a web-based system.

GC Services will assume the cost of the additional equipment and development software necessary to implement the new web-based Bankruptcy System. We have considered use of the following for this development effort:

- Dell PowerEdge 2550 as the Web Server
- WebSphere Studio Application Developer Integration for Windows V4.1 1 User U.S. English (Digital Delivery)
- WebSphere Enterprise Edition 4.1 AIX Program Pack 1 Processor NLV

We would like to clarify two sections of the Statement of Work in Schedule B1:

1) Paragraph 3.A.1 relates to electronic interface with Federal bankruptcy courts to obtain new bankruptcy information. As a clarification, this project will include a full review of this functionality and will determine the feasibility and estimates to proceed. We assume that proceeding on this part of the project would not involve any additional staffing requirements but that work on this would not start until after the new Bankruptcy system has been implemented.
2) Paragraph 3.B.1 relates to the handling of collectible debts in MARCS when there are other debts in bankruptcy. We believe that functionality to support collection of the additional non-bankruptcy debts can be completed as part of this project.

Additionally, we will ensure that the functionality delivered with the new Bankruptcy System includes the ability to view "Claim Balances." This would include display of the initial claim amount plus display of financial transactions that have been posted to MARCS that apply to debts that are in bankruptcy status.

Finally, we reviewed MPR 833, dealing with IA Coupon letters for spouses and secondarily liable parties. We feel that completion of this MPR would require additional effort to address other issues related to seconarily liable parties and we do not recommend that this MPR be included in the Bankruptcy project.

MPR # 855 pertains to implementation and use of an IVR at MARCS. This MPR would not be included in the Bankruptcy project.

Incorporating the above clarifications extends the Bankruptcy project from the nine months quoted in Schedule B1 to ten months. We have shown the ten-month project in Schedule E.

The staffing for this project as well as all other projects cited in this document is covered in the staffing proposal detailed in the Cost Schedule Appendix. Based on the current Statement of Work and assuming the additional resources are available to complete the work, we are projecting a start date of April 1, 2003 and a completion date of January 15, 2004 for this project.

C). System functionality

1). Liens

Current lien processing capabilities are running well. However the ability to extend liens is required to fully use this statutory tool. The initial contract did cover this process and the implementation of design functionality was achieved. This designed functionality does not fully handle the lien extension issues. Further modifications are required to allow systemic extensions liens and filings. These MPR's are listed in Schedule 1. The details of the work to be performed by each MPR is attached to Schedule 1.

The required functionality is based on a one step action to extend a lien. This action would be a simple request (click on a button) in legal actions. Upon receiving this request, a account history would be created. The request would enter the approval process. Once approved, the actual lien document would be prepared for all liens eligible for extension, and update made to all legal action fields, note and details to be part of legal actions that an extension has been filed, and ability to record the liber and page when returned by the county. For counties participating in the on-line lien filing program, this extended lien must be able to submit as part of this process.

Vendor Response to this task:

1) Liens

We believe we have a thorough understanding of the necessary Lien Reissue functionality and will plan to proceed with that project. Schedule C contains the Draft Statement of Work for the Lien Reissue project. All MPR's associated with this project are noted in that document. Based on existing project schedules and our discussions regarding the overall priorities of the projects cited in this proposal, we are projecting a start date of July 1, 2003 and completion date of February 15, 2004 for this project.

Per discussion, in addition to the two key MPR's addressed by this project (1055 and 1056), we believe the following MPR's will also be resolved by this project:

- MPR 624 – Correct recipient on display of legal actions where MARCS issues a lien
- MPR 795 – Analysis of LienSED dates for reissuing liens
- MPR 933 – Correct update of County Code on initiate of liens or reinstatements

2). Images

MARCS systems implemented a process which resulted in images being attached to the collection histories of accounts. This functionality was developed in line with the vision that desired future is that the entire collection history is in electronic form, which is used by all Collections staff. Current infrastructure of the Field environment may effect the operational efficiency of their use of MARCS imaging functionality Please provide a plan including a timeline on steps necessary to accomplish this vision.

Vendor Response to this task:

2) Images

We have completed a draft Functional Specification that covers the use of MARCS in the Field Offices – attached as Schedule D1. Based on Treasury review of priorities and the limited use of MARCS in Field Offices at the moment, it was felt that this project must be completed prior to implementing the use of Imaging for those offices. We are projecting a start date of February 1, 2003 for that project and a completion date of June 30, 2003. The timeline includes completion of this project and implementation of the full use of imaging capabilities by the Field Offices. We agree that the infrastructure currently in place in the Field Offices may impair effective use of MARCS and imaging and we encourage the Department to address those issues prior to full implementation of this project.

We have also completed a draft Statement of Work for implementing use of imaging in the Field Offices – see Schedule D2. We have also shown a separate timeline for this project in Schedule E. This project can start on May 1, 2003 and be completed by August 31, 2003.

3). Faxes & E-mails

The intent of Collections is to continue the transition of the Collections account activities from STAR to MARCS. Ultimately it is envisioned that collection history of an account will be totally separated from the financial detail in Accounts Receivable. In addition, the desired future is that the entire collection history is in electronic form, which is used by all Collections staff. The current operation has achieved and incorporated images into the account history. It is highly desired that the faxes and e-mails be part of that history. Please provide a plan including a timeline on steps necessary to accomplish this vision.

Vendor Response to this task:

3) Faxes and Emails

Faxes that are received by GC Services are already included in the account histories on MARCS and all faxes received by GC Services are available as images via MARCS. GC Services purchased third party software and hardware to accomplish this and integrated these components with MARCS.

We envision a project that will allow Treasury to take advantage of this existing capability. The simplest approach to this would be to allow Treasury faxes that are related to collection accounts to be received in the GC Services office. Separate fax phone lines can be setup so that faxes that are directed to Treasury Collection areas can be easily and systematically separated from faxes received by GC Services. This would allow GC Services to leverage the investment we have already made in the third party software and additional hardware that has been installed to handle faxes directed to GC Services. If Treasury would prefer to receive the faxes on their own telephone lines, they would first need to purchase the requisite third party software licenses and hardware necessary to accomplish this objective.

Assuming that we direct Treasury faxes to new phone lines located at GC Services, we feel that this project could be started as early as February 1, 2003 and completed as early as May 31, 2003.

We have done some investigation into how to incorporate emails in the MARCS account histories. Our investigation assumes that existing GroupWise email software would be used to display the emails. We believe we can develop functionality that would integrate MARCS with GroupWise in a way that would allow emails links to be stored and MARCS account history entries. The user would be able to select the appropriate account history entry and display the associated email via GroupWise. Several details and technical alternatives need to be evaluated for this project but we believe the project could start as early as February 1, 2003 and be completed by June 15, 2003.

C). Purging of Account Data

There is no change in the philosophical position that the MARCS contain all data with being purged. All issues with this approach are to be stated at this time.

Vendor Response to this task:

C) Purging of Account Data

GC Services has sized the replacement database server to allow Treasury to retain all MARCS data for the full term of the extension. The replacement server will allow growth in the number of accounts and debts without any change in current contract provisions cited in III-B pg III-4 which states "…*The new MARCS System must have the ease of adaptability (scalability) to process additional tax and State agency debt types in the future. Such a growth rate may near 10 percent per year and the MARCS system must be sufficiently scalable to accommodate the future needs."*

The replacement hardware and software will also allow us to continue our current approach to online and background processing with no systemic changes. We do feel, however, that to preserve this approach, we need to undertake a project that would separate "static" data that has accumulated in the MARCS files from "Active" data. "Static" data would include Account Histories, Financial Transactions and Correspondence histories. Once this information is stored in MARCS, the information in those records does

not change. We propose that the Static data be stored in a separate database repository. This separate repository would be fully integrated with MARCS and users would have access to all the information as they do now. The advantage in this approach is that it allows us to perform necessary database backups and restores in a way that does not jeopardize online availability or batch window processing.

We have included a project that would fully evaluate this approach and determine how to implement it. We would expect to start this project by April 1, 2004 and complete it by May 31, 2004.

D). Operational- Language Modification

The vision for secondary collection agency that was included in the contract has not come to fruition. Nor does it appear to be a viable option in the next five years. Therefore is it necessary to extend the periods specified in Section III-C, paragraph 1. This section specifies a debt collection initiatives for a period 18 months for individual, discontinued business tax and State Agency accounts. It is required that this period be extended to 36 months. The section also specifies that the debt collection initiative for active business tax accounts be retained for a collection period of 12 months. It is required that this period be extended to 28 months. Any unresolved accounts at the end of the period of 36 months and 28 months may be redistributed for collection activity outside of the MARCS collection operation.

This modification will be to referenced in several sections of the existing contract. It is intend that all references to the above periods be included in this modification.

This modification does not change or alter Collections right to reassign, at any time, any account for efficient and timely collection of an outstanding debt.

Vendor Response to this task:

Operational-Language Modification

GC Services agrees to this modification. In doing so, however, we recommend a project that would enhance the existing Account Resolution reporting process to include the additional months that GC Services will be collecting on these accounts. We believe this project can be started as early as July 1, 2003 and completed by August 31, 2003.

E). Bankruptcy Unit– Physical Location & Related Expenses

Recent relocation of Collection staff from the same physical location as occupied by the MARCS operation to a different location has occurred. This movement resulted in a Collection unit relocation with this physical location. The domino effect has continued to the Bankruptcy unit and other MARCS staff.

The bankruptcy unit was located within Suite spaced leased by the State. It is moving to Suite space has been vacated by Collections. This move will leave a suite split between the State and GC Services. The State is interested in simplifying our leases. The bankruptcy unit costs are not part of the commission method of payment. Any change that is needed to simplify leases and reimbursement of bankruptcy expenses is required to be made at this time. Please submit a proposal on bankruptcy unit space.

This work statement represents the sum of the changes being made to the contract at that time of extension. A response to this work statement is needed by December 19, 2002.

Vendor Response to this task:

F. Bankruptcy Unit-Physical Location & Related Expenses

GC Services proposes to lease space for the Bankruptcy Unit. We plan to lease 1,428 square feet of office space adjacent to the current MARCS location. It is our understanding that Treasury will continue to provide the furniture and equipment for use by the Bankruptcy Unit. The additional cost for the office space, janitorial service and utilities is $2,500 per month. We assume that the Bankruptcy unit will occupy this space on February 1, 2003, and billing to Treasury would begin as of that date.

Note: The vendor proposal must include a proposal to complete all work currently required in contract # 071B7000417, in addition to the requirements listed above.

Vendor Response to this task:

GC Services has provided updated cost schedules for providing all other work currently required under contract 071B7000417, in addition to all of the requirements listed above. These costs would go into effect as of November 16, 2003.

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Bankruptcy Entry and Tracking System

1. Introduction

This study identifies and documents alternatives to replace the current Foxpro based bankruptcy system. This review was deemed desirable for the following reasons:

- The bankruptcy system in use today was developed around 1993 under dBase and was subsequently migrated to Foxpro version 2.6. This version of FoxPro is no longer supported.
- There are a significant number of enhancements that the users would like to have in the system.
- There are many opportunities to leverage data and functionality that already exists in MARCS to improve the effectiveness and productivity of bankruptcy personnel.
- AMS has developed bankruptcy functionality for other governmental clients and we wanted to review the potential for using those systems as a basis for a new Bankruptcy System in Michigan.

This document also describes the high level functional requirements of a new bankruptcy system. The document is not intended to be a formal functional design but a requirements document describing the functional requirements and the technical options available to the State and GC to implement those requirements. The document is broken into several sections.

- Fundamental business requirements needed by the bankruptcy users
- Discussion of several technical approaches which could be used
- Proposed timeline and staffing model based on the functional requirements
- Addendum A documents a proposed database design to support the defined business requirements
- Addendum B displays a conceptual model of the windows and window navigation, which could be implemented*)*

Requirements were gathered from multiple sources to produce this document. We relied extensively on the documented functionality within the current Foxpro Bankruptcy System. The team also reviewed the outstanding MPR's linked to bankruptcy to identify outstanding issues. Face to face meetings were held with the users to identify any systemic improvements which could be implemented to improve the efficiency and effectiveness of the bankruptcy staff.

2. Major findings

Local interpretation of federal requirements for bankruptcy can differ from state to state. Also, the existing Foxpro application in Michigan is more advanced in terms of levels of automation than the other sites that were considered. In the other locations, much of the functionality is located outside of the application and data is transferred in and out but is not updated. Due to these limitations, AMS concluded that we could not simply "lift code" from existing CACSG implementations.

We were able to leverage a number of concepts and ideas from existing CACSG implementations. These include the following:

- The basic idea for the debt manipulation tab folder was leveraged from the Minnesota Department of Revenue implementation;
- The foundation for marking the debts secured, unsecured, and administrative status was reused from the California Franchise Tax Board;
- The attorney, trustee, and court catalog was first implemented at ISAC;
- The concept of an exception list, not associated with a case was implemented at ISAC;
- The security and correspondence components can be reused from the existing MARCS implementation.

These ideas and concepts are proven solutions which will reduce the project's risk and timeline. The design team attempted to identify an approach to implement the bankruptcy functionality, which would minimize as much as possible the impact to existing data structures and the MARCS application. At the same time, we were able to identify other features currently within MARCS that could be shared with the bankruptcy application, which will further reduce the risk and the development effort. This would include the correspondence module and the history modules from the online portion and state assignment and work lists from the background.

The development of technology strategies for a new Bankruptcy application considered the following factors:

- The costs and risks,
- The time required to complete,
- The compatibility with existing applications and development tools, and
- The ability to leverage existing knowledge and experience.

Two general development strategies became evident, a client-server application using the same tools as MARCS or a web-enabled application. Several technology options were examined under the web-enabled scenario. Many of the web-enabled options were quickly discarded. All of the options are discussed in section four of this report. The two most viable options are summarized below.

- A client-server application using existing or upgraded Powerbuilder software.
  The client server application represents the lowest development cost, lowest risk, and fastest development option. This approach would allow us to leverage existing MARCS functionality such as Account History, State Assignment processes, Correspondence Generation and Penalty/Interest calculations and would eliminate data redundancies between the two systems. We already have the Powerbuilder skills available to support and maintain the system.
- A web enabled application using native web-enabled languages and other tools
  There are tools and languages that can be used to develop Bankruptcy as a web-based application. This option would take longer to complete, would have an increased risk level and the development costs would exceed those of the client server application. The extent of increased cost, risk and duration have not been quantified. It would also require significant training for existing personnel. The use of existing MARCS functionality and the potential for eliminating data redundancy would depend on the tools and languages selected. The reason for considering this option is the positioning it would provide for the future migration from client-server to web-enabled capabilities for the entire MARCS system.

The client-server solution is the best tactical option based on immediate costs and benefits. The web-enabled solution is a more strategic option when considered as part of a larger migration strategy for all of MARCS. Web based development is the industry trend and the thin client nature of such applications greatly simplifies ongoing maintenance and support. Thin client applications will also reduce the cost of desktop hardware. Constructing bankruptcy in web-enabled environment positions us to migrate all of MARCS to this technology at some future date. We would have developed the expertise in web-based development and we would have portions of MARCS already converted. Either option will create an application that will provide the efficiencies and productivity gains that we desire.

Due to the limited number of hours that have been spent on this review, the client-server development path is the only option where we have estimated project timelines and staffing requirements. The initial timeline and staffing model suggests that the detailed design will require two months to complete and the development effort will span a period of six months. An additional 4 months of QA testing will be required to insure that the system meets functional requirements. We expect that activities can be overlapped to reduce the overall project time to about 9 months. These estimates are based on using existing staff to the extent possible and supplement with external resources where necessary. The use of existing resources is essential to providing ongoing support after implementation and the use of external resources is necessary to insure that the best available expertise is applied to the project.

3. Bankruptcy Functional Requirements

In the sections that follow, we have described the requirements for each identified function and provided a description of the system requirements for that function. The foundation requirements section outlines the requirements needed to be included in the bankruptcy system. The requirements are broken down by process for each of the processes that were identified:

- Capture and manage the initial bankruptcy information;
- Match bankruptcies to existing MARCS debtors or to new debtors;
- Identify, select and prepare the debts to be included on a claim;
- Prepare and generate the claim;
- Maintain the bankruptcy, including the generation of the amended claim;
- Process payments received from the courts.
- Dismiss or discharge the claim;
- Handle system support, audit, and administrative requirements; and
- Archive claims as well as reprint claims.

The basic assumptions for the bankruptcy process are:

- Existing MARCS mechanisms used to maintain correspondence (DocTMU) would also be used to maintain and update the bankruptcy correspondence.
- One of the key identifiers for a bankruptcy case is the SSN or FIEN. The automatic bankruptcy match process can not occur if the debtor does not have an SSN or FIEN.
- A bankruptcy case be associated with one and only one debtor but multiple bankruptcy cases can be associated to a single debtor. ***If a bankruptcy case is associated with multiple debtors the users will have to enter a bankruptcy case for each debtor.***

- If the bankruptcy case spans multiple debtors separate bankruptcy case must be entered for each debtor.
- In the case of jointly administered bankruptcies, a mechanism must exist to link such bankruptcy cases together

3.A.1 Business Process – Capture and manage the initial bankruptcy information

The first step in the bankruptcy life cycle is the capture and management of the initial bankruptcy notification. The state is notified that a debtor has filed bankruptcy. The user enters the basic bankruptcy information. The information that is entered includes the court handling the bankruptcy, the trustee and attorney information, the bar date, chapter number, bankruptcy case number, and the debtor's bankruptcy address. In the case of large counties, such as Wayne and Oakland Counties, we will explore the potential for receiving this information in electronic form and returning data tothese counties electronically.
At this time the user also initiates requests to the taxing divisions for the taxing division to identify any additional periods for which the debtor can be assessed. This process can be automated through the state assignment process where new bankruptcies are routed to a work list for the preparation of these notices. The process can be automated further through the use of the existing MARCS correspondence module where the notifications are sent electronically to the taxing divisions as email attachments. The requests are monitored for the timeliness of response. The tax division notifies the bankruptcy unit that the debtor either has no additional liable periods or the division creates new assessments for the debtor for which they are liable. The requests are monitored and if the tax division does not respond within a reasonable timeframe the bankruptcy unit follows up on the request.

3.A.2 Requirements –

The following requirements are needed to support the business process:

- The general bankruptcy information needs to be captured: This information includes: Case Number, Chapter Number, Date of Petition, and Bar Date.
- The court handling the bankruptcy and the court's address needs to be captured.
- The trustee handling the bankruptcy and the trustee's address needs to be captured.
- The attorney handling the bankruptcy and the attorney's address needs to be captured.
- Capture and maintain the division(s) to whom an assessment investigation request has been made.
- Initiate an assessment request to the division(s). The request can either be in a hardcopy format generated through reporting or electronic. The assumption is all electronic requests will be handled through the MARCS correspondence module as email attachments.
- The Bankruptcy system must be able to receive information on file from the division and record the fact the division has responded. The assumption is all electronic responses will be in the same format.
- The user should be able to manually update the division response date.
- Assessments from the divisions will be received through STAR or will be manually entered for divisions that do not use STAR.

3.B.1 Business Process – Match Bankruptcy

After the user has entered the initial bankruptcy information a determination needs to be made to see if the debtor on the recently entered bankruptcy case is currently associated to a case in MARCS. If the debtor is present in MARCS the new bankruptcy case information needs to be associated to the existing debtor. If the debtor is not currently in MARCS the bankruptcy system will capture and maintain the bankruptcy case and compare the new inbound debtors to MARCS to the unmatched bankruptcy cases. If a match is found between the unmatched bankruptcy cases and new debtors the bankruptcy case is associated to the debtor. Once the bankruptcy case is associated with the debtor, other MARCS processes such as reporting and state assignment can leverage the associated bankruptcy information. State assignment will be a separate version with its own decision rules for moving cases around within bankruptcy.

Functionality changes to MARCS should provide the ability to pursue collectable debts while the MARCS account is in a bankruptcy status. This involves chapter 11 bankruptcies that have a plan confirmation date, and new debts become due after that date. This would potentially be accomplished by utilizing MARCS Secondary States; however, considerations would need to be given to current system restrictions for accounts in a bankruptcy status (letter generation, creation of IA's, legal actions, etc).

3.B.2 Requirements –

The following requirements are needed to support the business process:

- After the user has entered the initial bankruptcy information the bankruptcy system will attempt to match debtor on the bankruptcy case to the debtors, both primaries and secondaries, housed in MARCS. The match will be performed against the debtor file using SSN or FIEN as the criteria to drive the match. If a match is found the bankruptcy case and the debtor are linked at that point in time. If no match is found the bankruptcy debtor information is stored in an interim area.As MARCS receives new case and new debtor transactions, the new debtors are compared against the bankruptcy cases stored in the interim area. If a match is found the bankruptcy case is immediately associated to the inbound borrower using SSN or FEIN as the criteria to drive the search.
- A user with the capability of supervisor can manually force an association between a debtor and a bankruptcy case or break the association between a debtor and a bankruptcy case. There must always be a debtor – either one that is connected to MARCS or one that has been specifically created for Bankruptcy. If we break the link between the debtor and the Bankruptcy case, we should allow the user to delete the debtor record if it is a specific Bankruptcy debtor and there are no other cases associated with the debtor.

    - Once the association is established the bankruptcy will no longer be matched against incoming debtors.
    - The system must also provide the capability to delete bankruptcy cases.

3.C.1 Business Process – Exception Monitoring

Bankruptcy monitors various items and statuses on bankruptcy cases on an ongoing basis. Most of the monitoring can be accomplished through the work list functionality but certain high-risk areas are better monitored through the use of an exception list. The users need the ability to view a list of bankruptcy cases where certain time limits are about to expire. In the current environment two reports are being generated which are used to monitor when a bankruptcy case is nearing the end of it's bar date and when a reply has not been received from one of the taxing divisions. The bar dates could be monitored through the use of a work list but due to the critical nature of the bar date in relation to the bankruptcy filing an exception list provides a more accurate means of monitoring the case. Monitoring the requests to the taxing divisions could not be accomplished effectively utilizing a work list because in many cases only the bankruptcy case exists with no association to a debtor in MARCS. As a result no case structure exists from which to build a work list.

3.C.2 Requirements –

The following requirements are needed to support the business process:

- The ability to display a list of bankruptcy cases where the bar date is within a parameter number of days.
- The ability to display a list of bankruptcy cases where a request has been made to a taxing division and a response has not been received with a parameter number of day.
- The ability to access the bankruptcy cases through the list presented to the user in both the bar date and taxing division expiration instances.

3.D.1 Business Process – Prepare and Generate Claim

During the claim preparation process the information used in the generation of the bankruptcy claim is prepared and validated. The claim is generated and sent to either the AG's office or the designated bankruptcy court. The main focus of the bankruptcy claim preparation is the validation and manipulation of the debts to be included on the claim.

3.D.2 Requirements –

The following requirements are needed to support the business process:

- The system must be able to access the MARCS tables to identify applicable debts associated with the debtor's SSN and pull those debts for modification.
- In the instances where SSN is unknown, certain SAC debts for example, the system must allow the user to enter a MARCS case number and pull the debts associated with that MARCS case number.
- The bankruptcy system must allow the recalculation of penalty and interest to a date in the past.
- The bankruptcy system must allow for the splitting of debts into types of claims based on whether the debt occurred prior to, during or after the bankruptcy filing and whether the debt is secured by legal actions. This involves the ability to track the pre and post

petition date information separately so appropriate adjustments can be made to the financial data.

- The bankruptcy system must allow the user to manually manipulate the financial attributes of the debts once the debts have been pulled and penalty and interest has been recalculated.
- The bankruptcy system must allow the user to add debts, not present in MARCS, for use in the claim documents.
- The bankruptcy system must allow the user to mark the debts as secured, unsecured, and administrative for use in the claim documents. Additionally, the system must allow for the processing of receiverships, circuit court, section 1305, probate and probate secured claims.
- The bankruptcy system must capture and store the modified debts separately and independently from CO_DEBT structure where all the debt information from STAR is maintained.
- The bankruptcy system must generate a hardcopy claim work sheet at the request of the user for use in the QA process. This will satisfy the requirement for a work sheet that can be circulated for reviews and approval.
- The bankruptcy system must allow for the users to adjust the financial information on the debts as needed if discrepancies are found during the QA process.
- The bankruptcy system must generate a bankruptcy claim at the request of the user. The bankruptcy claims bound for the AG office will be electronically generated and hardcopies will be generated for the claims bound for the courts. We will also investigate the potential for submitting and receiving information electronically for Wayne and Oakland counties.
- The bankruptcy system must allow claim generation to multiple liable parties (as separate claims) and by selected debt.
- The bankruptcy system must allow for archiving and retrieval of claims for reprinting and review. This will be accomplished through the Correspondence module. Correspondence will also be used to satisfy requirements such as digital signature.

3.E.1 Business Process – Claim Maintenance

As additional debts are introduced to the case in MARCS those debts may or may not need to be included on the bankruptcy claim currently outstanding at the AG's office or bankruptcy court. When additional debts need to be added to an existing bankruptcy case an amended claim needs to be filed. The user needs to be able to perform the same types of actions for the new debts as were performed on the original debts during the initial bankruptcy claim filing.

3.E.2 Requirements –

The following requirements are needed to support the business process:

- The system must be able to access the MARCS tables to identify debts, not already included on the bankruptcy claim, associated with the debtor's SSN and pull those debts for modification.

- In the instances where SSN is unknown, certain SAC debts for example, the system must allow the user to enter a MARCS case number and pull the debts associated with that MARCS case number, not already included on the bankruptcy claim. (Note – We need to review why the Account Number Change capabilities in MARCS cannot be used to satisfy this requirement.)
- The bankruptcy system must allow the recalculation of penalty and interest to a date in the past on the new debts.
- The bankruptcy system must allow for the splitting of debts into types of claims based on whether or notthe debt occurred prior to, during or after the bankruptcy filing and whether or not the debt is secured by legal actions. This involves the ability to track the pre and post petition date information separately so appropriate adjustments can be made to the financial data.
- The bankruptcy system must allow the user to manually manipulate the financial attributes of the new debts once the debts have been pulled and penalty and interest has been recalculated.
- The bankruptcy system must allow the user to add debts, not present in MARCS, for use in the claim documents.
- The bankruptcy system must allow the user to mark the new debts as secured, unsecured, and administrative for use in the claim documents. . Additionally, the system must allow for the processing of receiverships, circuit court, section 1305, probate and probate secured claims.
- The bankruptcy system must capture and store the modified debts separately and independently from CO_DEBT where all the debt information from STAR is stored. The debt attributes will be frozen once the claim is generated.
- The bankruptcy system must generate a hardcopy amended claim work sheet at the request of the user for use in the QA process.
- The bankruptcy system must allow for the users to adjust the financial information on the debts as needed if discrepancies are found during the QA process.
- The bankruptcy system must generate an amended bankruptcy claim at the request of the user. The bankruptcy claims bound for the AG office will be electronically generated and hardcopies will be generated for the claims bound for the courts. . We will also investigate the potential for submitting and receiving information electronically for Wayne and Oakland counties.
- The bankruptcy system must allow claim generation to multiple liable parties (as separate claims) and by selected debt.
- The bankruptcy system must allow for archiving and retrieval of claims for reprinting and review. This will be accomplished through the Correspondence module. Correspondence will also be used to satisfy requirements such as digital signature.

3.F.1 Business Process – Discharge and Dismissal

The majority of the work performed by the user when a bankruptcy case is closed either through dismissal or discharge is performed on STAR. The main focus is either insuring the debt(s) is closed on STAR if the obligation has been met or if there is still a remaining balance on the debt

insuring all the payments have been correctly applied. The user records the closure type and date and the case is either moved to an inactive area or back into the active collection area.

3.F.2 Requirements –

The following requirements are needed to support the business process:

- The ability to capture the bankruptcy closing date and closing type.

3.G.1 Business Process – Administrative Functions

As with almost any system there are parameters that drive specific functions of the system. The system administrator needs the ability to update and maintain the parameters and supporting tables, which assist in driving system processes. The bankruptcy system needs to allow the system administrator to access and update the parameters. The system administrator will also have the ability to capture and update the court, attorney, and trustee demographic information in a centralized catalog.

3.G.2 Requirements –

The following requirements are needed to support the business process:

- The ability to capture and maintain court demographic information.
- The ability to capture and maintain attorney demographic information.
- The ability to capture and maintain trustee demographic information.
- The ability to capture and maintain up to six parameters used in the bankruptcy processing. Examples include the number of days after a request has been made to the requesting division that bankruptcy case will be displayed on the exception list and the number of days before the bankruptcy bar date that case will be displayed on the exception list.

3.H.1 Business Process – Payment Processing

Payments for bankruptcies are received from the courts and must be applied to each bankruptcy case. This process will be automated for payments that are made through STAR. The payment will be passed to MARCS and from there to the bankruptcy system. Facility must exist to manually reallocate payments and also to handle the manual inpt of payments that do not go through STAR.

3.H.2 Requirements

The following requirements are needed to support the business process:

- The ability to automatically receive payments from STAR. STAR payment allocations must be tracked within the Bankruptcy system and the provision must exist for the manual application of payments received from sources other than STAR.
- The ability to manually distribute payments across multiple cases.
- The ability to manually enter payments.

3.I.1 Other Considerations

- Although not defined at this time, we would anticipate about 6 new Crystal reports would be required as part of the new application.
- Imaging within MARCS would be expanded and modified to include Bankruptcy. This would be controlled at the case level.

4. Bankruptcy Technology Options

Several approaches were considered for the development of a new Bankruptcy application. A client server application using a supported version of Powerbuilder was the "traditional" approach, using the tools that are consistent with MARCS. Several variants of other technologies were considered as well. Each of these development options is described below.

4.1 Powerbuilder client server.

The online portion of MARCS is written in Powerbuilder. The Bankruptcy application can use many MARCS routines and there may be other bankruptcy routines from other AMS installations that could also be inserted directly into this new application. Powerbuilder version 5 is used for MARCS. Version 8 is the most recent version available. The vendor no longer supports version 5. A major reason for a new Bankruptcy application was the potential failure of the unsupported FoxPro application. If we develop the Bankruptcy application under version 5 we are creating the same risk. If we use version 8 as our development tool there are potential compatibility issues between MARCS and Bankruptcy with all shared modules. We would have to maintain separate libraries for common modules and enhancements would have to be done and tested against both versions. We already have the procedures in place to control module version numbers and we do not see this as a major impediment to the ongoing support effort.

4.2 Web Enabled Application.

Powerbuilder is used in a client-server environment, where the application operates both on the user's PC and on the server. The application is sensitive to the technical operating environment within the PC and every change to the application must be installed on each user's PC. The client-server model is being overtaken by web enabled applications. If this trend continues, it may become a requirement to replace all of MARCS with such a web-based application.

A web-enabled application involves the introduction of a new technology to the MARCS system and the support team. Users access such applications through a browser, such as Internet Explorer. The programs are stored and executed on the server and this is referred to as a "thin-client". Since the software resides totally on the server, there is no need to distribute upgrades to users and no concerns about the local PC configuration. Any user can access the application if they have a compatible browser. This greatly simplifies the ongoing support requirements and substantially reduces operating costs. Several variants were identified to accomplish a web-enabled system.

4.2.1 Powerbuilder.

Powerbuilder version 6 and higher claims to have a web-enabled capability. Discussions with other AMS developers who have examined this option as well as a review of articles published by groups such as Gartner all seem to advise against such an endeavor. The resulting application does not have the look and feel of a true web-enabled application and there are concerns about performance.

4.2.2 Visual Foxpro.

The latest version of Visual Foxpro also claims to have web-enabled capability. We have similar reservations regarding this product as we do with web-enabled Powerbuilder. In addition, it is a completely different programming language than the old Foxpro that would require significant staff training and it would require us to retain additional expertise in what is a niche product. Furthermore, the database is proprietary which is a step backwards from the open architecture concepts that web-enabled development represents.

4.2.3 Java or MS Development tools.

The use of a product such as Java would introduce a new technology into the MARCS support group and with the learning curve involved, it would require considerably longer developing and implementing a new Bankruptcy system. The time requirements would become prohibitive if it were necessary to rewrite all of the existing MARCS functions into Java. Some inquiries have been made about the potential to utilize existing Powerbuilder modules for functions like history and correspondence through the use of an intermediate server. This would bring the development effort back to a more favorable time frame, but we are not certain about the technical feasibility or the resulting performance levels. If it proved to be feasible, the Powerbuilder modules could be later rewritten into Java to provide a true thin client application. This would position the state for a later migration of all of MARCS where a considerable portion of the work has already been done.

5. Recommendations

As a development strategy, we want to proceed in a manner that enables us to take maximum advantage of the investment that has already been made within MARCS and to evolve MARCS into the new technologies that are overtaking client server. We believe that this can be accomplished by developing the bankruptcy application using a supported version of Powerbuilder. We can accomplish the leveraging of MARCS modules by upgrading those modules from Powerbuilder version 5 to version 8.

Over time, the Powerbuilder bankruptcy application can be re-written into a completely web enabled technology as a first step towards web-enabling all of MARCS. At that time, the technical support team will be conversant with the technology and significant portions of the MARCS application will already exist within the web enabled Bankruptcy system.

6. Next Steps

There are a number of questions to be addressed and issues that must be resolved before the project can be initiated. These issues are documented in the points below:

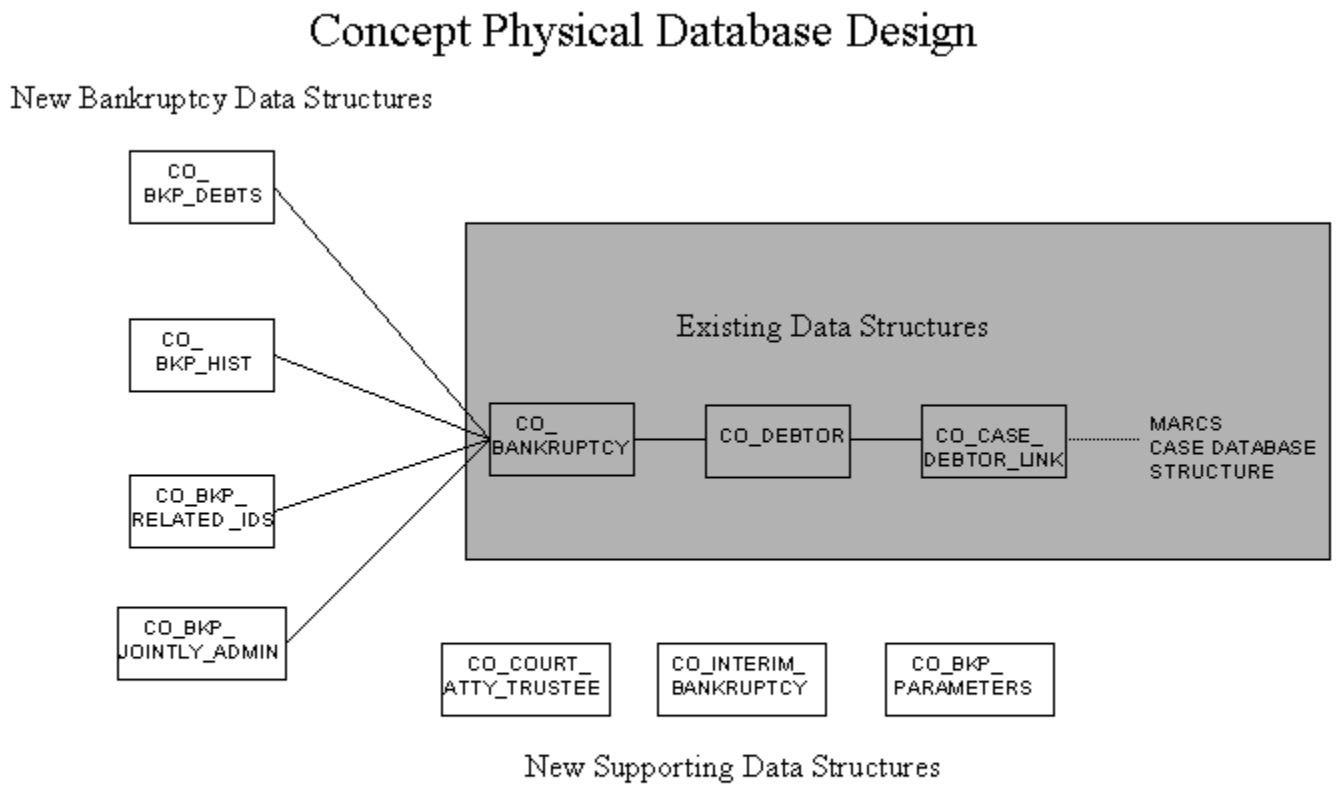
- A web-enabled technology will result in a movement of the processing location from the workstation to the server. There will be impacts on processor workload that need to be quantified.

- There are multiple web based development tools available in the marketplace. Java and Microsoft are the key players at this time and we will need to assess the capabilities of all such products before making a final decision.
- Powerbuilder version 8 can be used to develop web-enabled modules. We have no experience in using Powerbuilder modules in a web-enabled application. AMS would need to do some analysis and testing to confirm that we can accomplish what we want by using this product and that the resulting modules run efficiently.
- A web-enabled application will have an impact on network traffic that needs to be analyzed and quantified.
- All of the above issues, as well as the costs associated with the actual development need to be quantified. At the same time, we need to perform an economic evaluation that will establish the potential savings associated with this project

7. Timeline and Staffing Model.

Task Description	Internal Resource Hours Business Analyst	External Resource Hours Business Analyst	Internal Resource Hours Programmer	External Resource Hours Programmer	Management review time	User Review Time
Detailed Functional design	160	40	40		20	20
Detailed Technical design	40	40	160	80	20	20
Code and Unit Test			480	480	40	
Develop Conversion plan	20	20	20		10	10
Conversion Technical design	20	20	40		10	
Conversion Code & Unit test			80			
Develop QA Test Plan	80	20			10	
QA System Test	160	40	80	80	40	40
User Training	40				10	40
Conversion	10	10	40		10	
Documentation	40	10	40	20	10	10
Stress test	10		20	20		
Total Hours	600	200	1000	680	180	140

Addendum A – Proposed Database Design



New Table Definitions

CO_BKP_DEBTS

The entries in the bankruptcy debts table will originate from the CO_DEBT table in MARCS. As the debts are modified in preparation to be included on the bankruptcy claim the attributes of the debt(s) are captured and stored on the table. Once the debts are pulled from CO_DEBT the attributes stored on this table are independent of the debt(s) on the CO_DEBT table and reflect the attributes of the debts as the debt was printed onto the bankruptcy claim. The table is not updated as financial updates occur within STAR.

CO_BKP_HIST

The bankruptcy history table houses the major actions, which have occurred on the bankruptcy case. The table will capture when the bankruptcy case was matched to a debtor, when the bankruptcy claim was generated, when amended claims where generated, and when the case was dismissed or discharged.

CO_BKP_RELATED_IDS

The related id table holds the case numbers of related MARCS cases which where used to pull debts to generated the bankruptcy claim.

CO_BKP_JOINTLY_ADMIN

The jointly administered table houses the ids of bankruptcies and debtors, which are being handled in conjunction with the bankruptcy case. The table is used to display the associated id to the users and for placement on the claim.

CO_COURT_ATTY_TRUSTEE

The court, attorney, and trustee catalog houses the demographic information associated with the courts, attorneys, and trustees. The table is similar in form and function to the existing employer catalog in MARCS.

CO_INTERIM_BANKRUPTCY

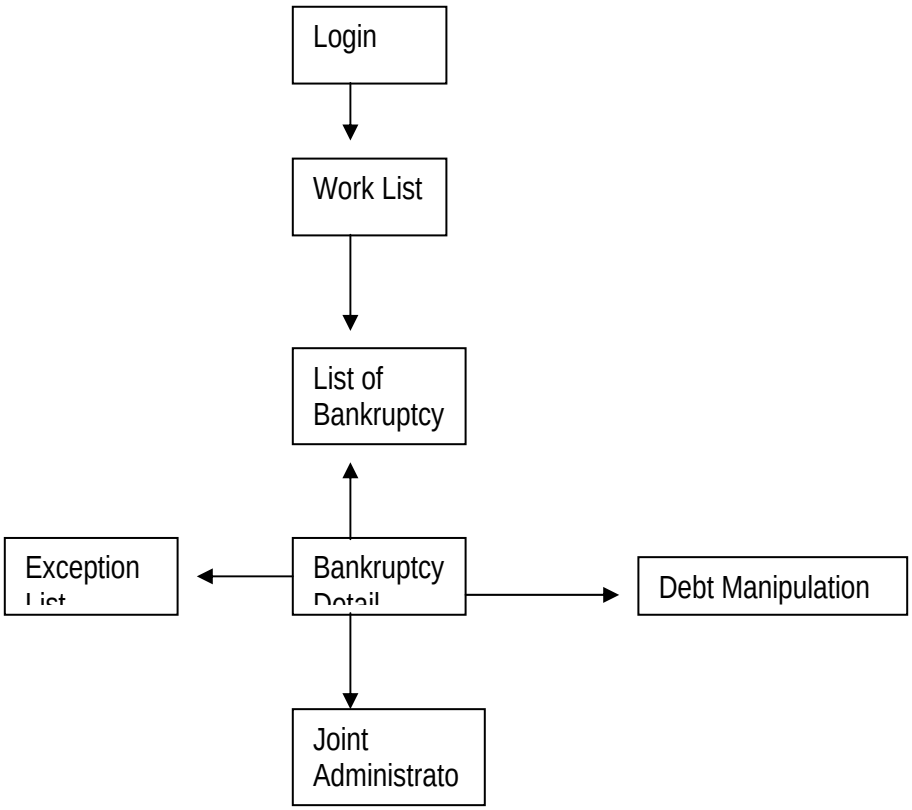
The interim bankruptcy table houses the bankruptcy cases that are currently unmatched to a MARCS debtor. The table will have an entry for every debtor listed on bankruptcy filing. As debtors enter MARCS the information on the table is matched against the incoming debtors. If a match occurs the entry in the table is deleted and the information moved to the CO_BANKRUPTCY table.

CO_BKP_PARAMETERS

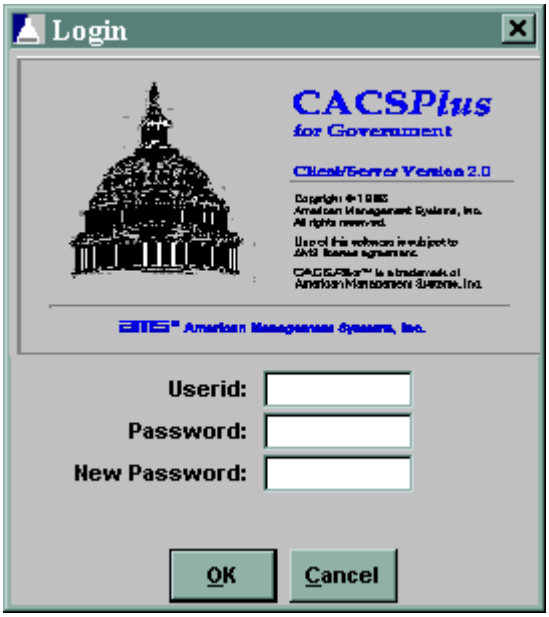
The bankruptcy parameter table stores the basic parameters used to drive the system. Examples include the number of days a request has been at a taxing division before the bankruptcy case appears on the exception list.

Addendum B - Draft Screen Layouts

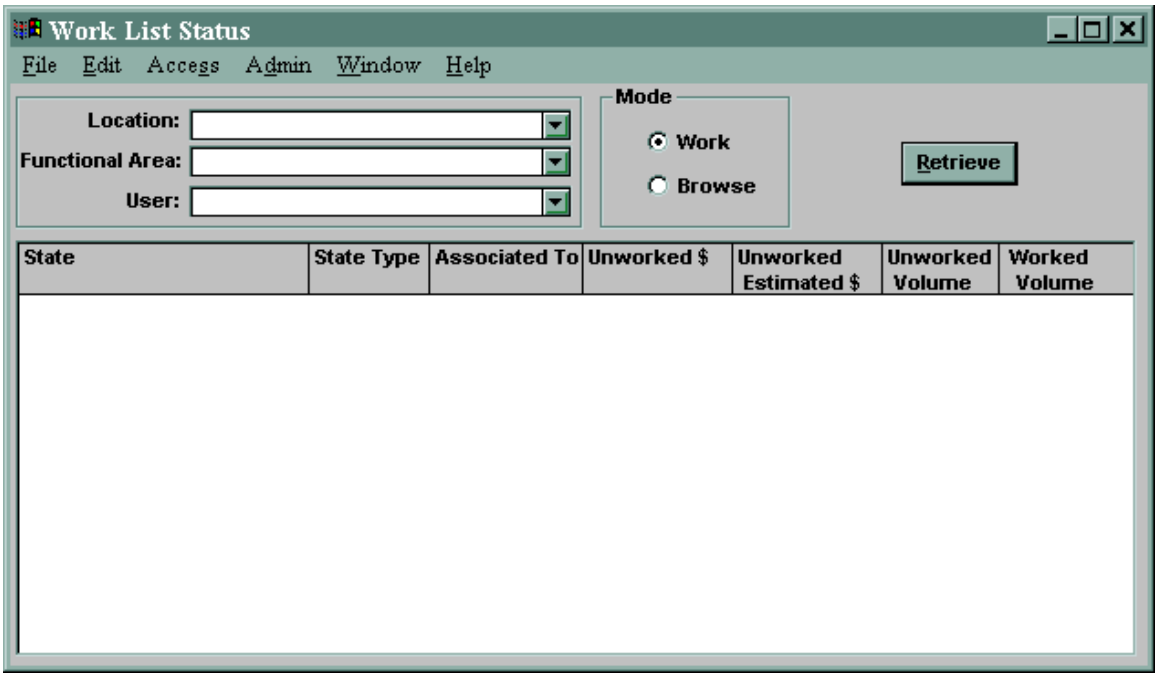
Windows Overview


Login
Work List
List of Bankruptcy
Exception
Bankruptcy
Debt Manipulation
Joint Administrato

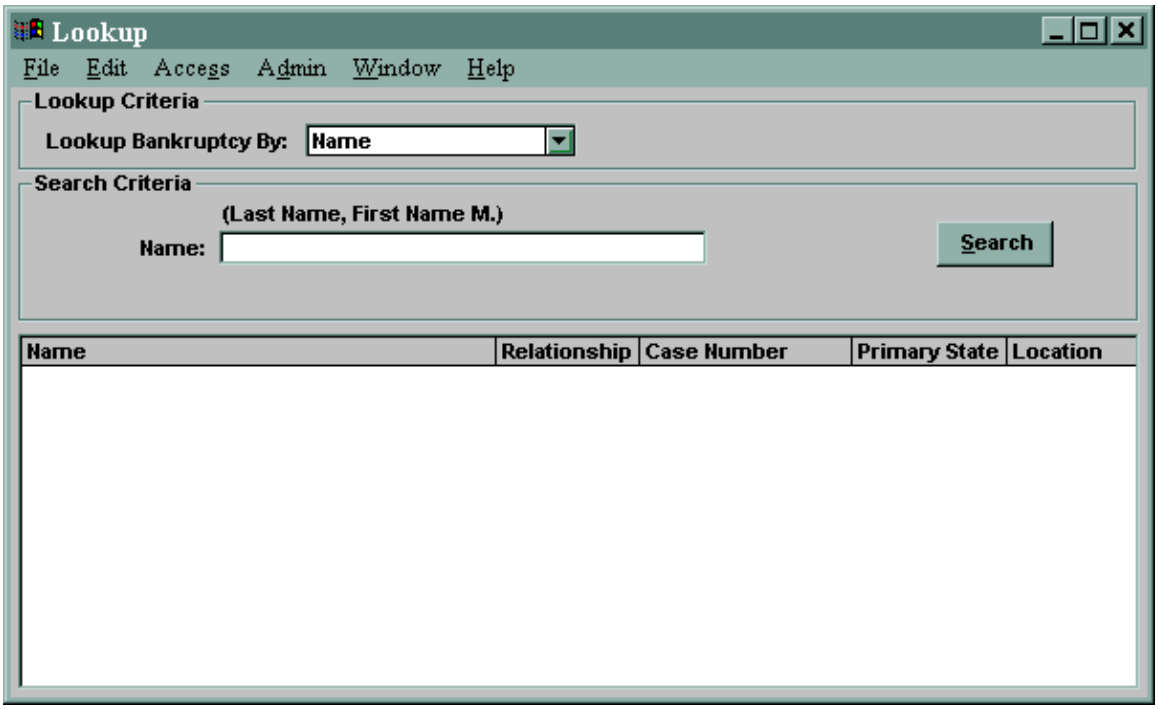
Login in


Login
CACSPlus
for Government
Client/Server Version 2.0
Userid:
Password:
New Password:
OK
Cancel

WORK LIST

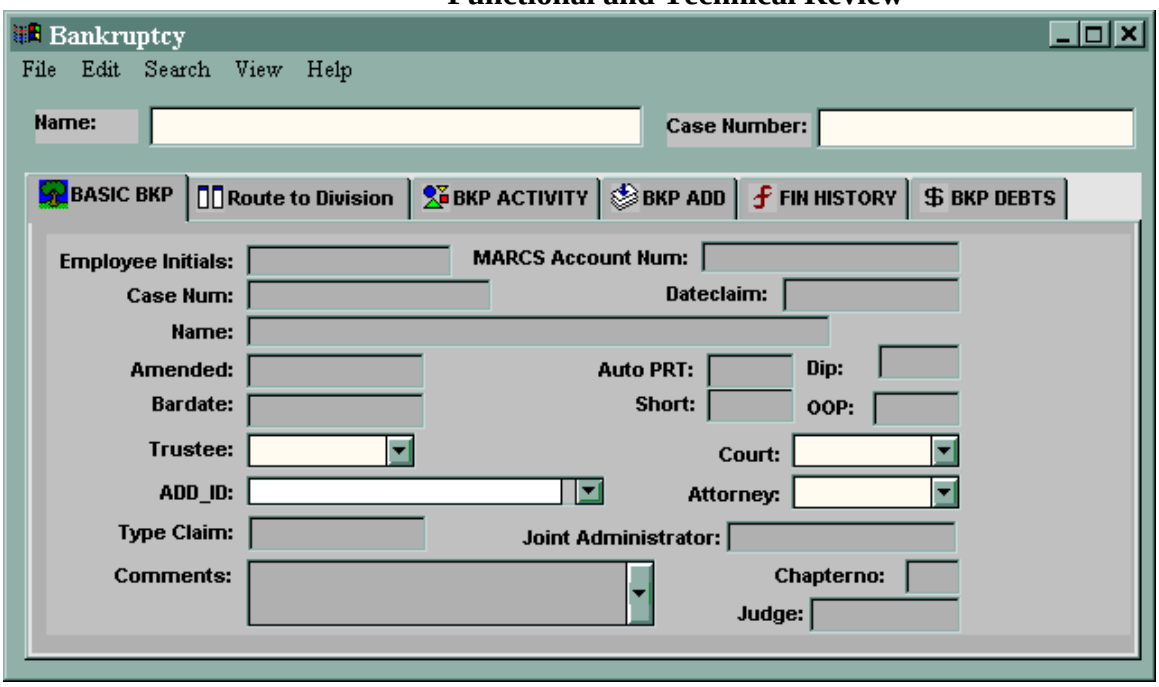


LIST OF BANKRUPTCY

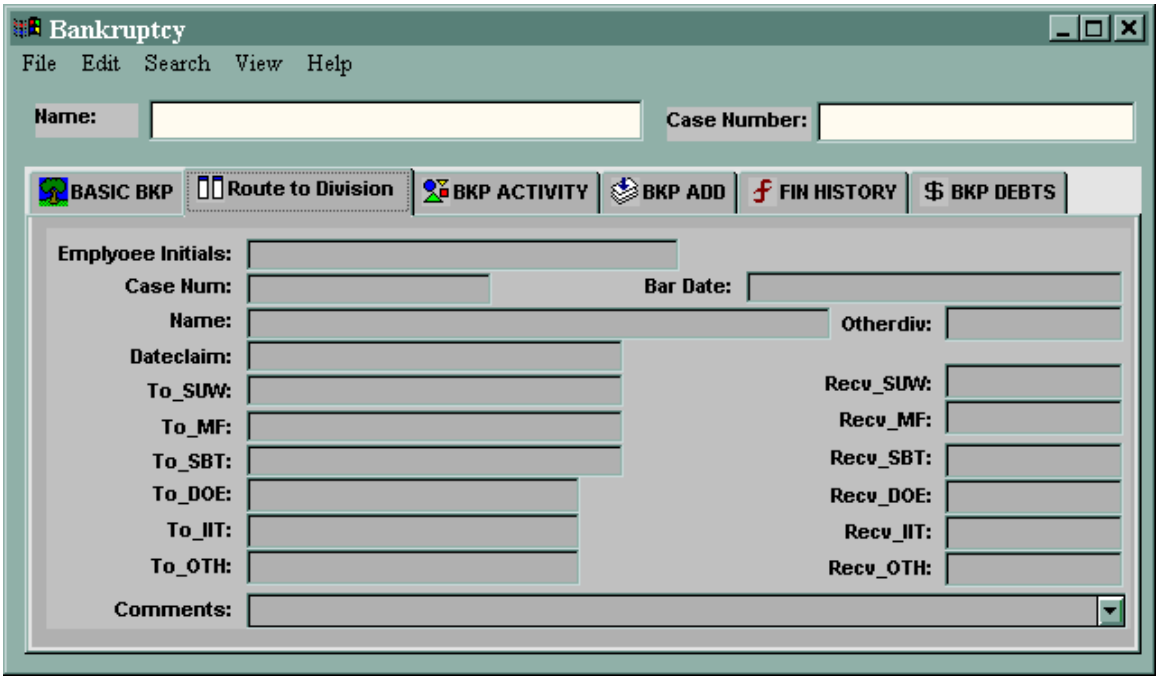


The Lookup Bankruptcy By dropdown will include Name, SSN, Assessment Number and BKP CASE number. According to different criteria selected by users, the field of Search Criteria will display different styles.

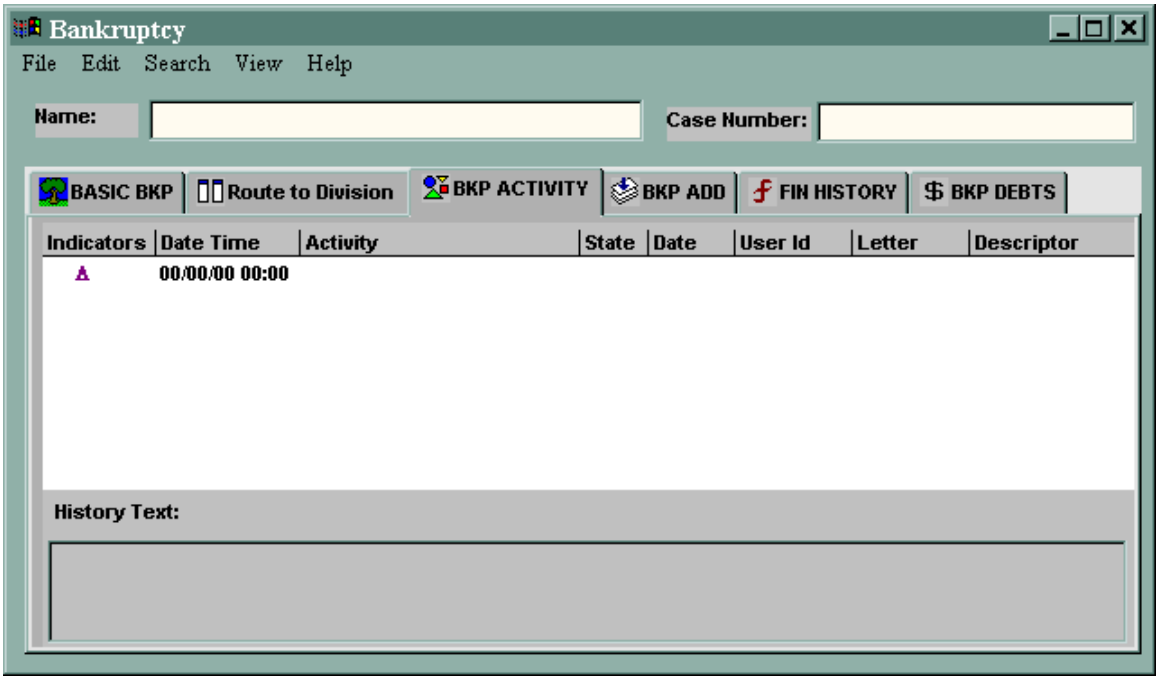
BANKRUPTCY DETAIL



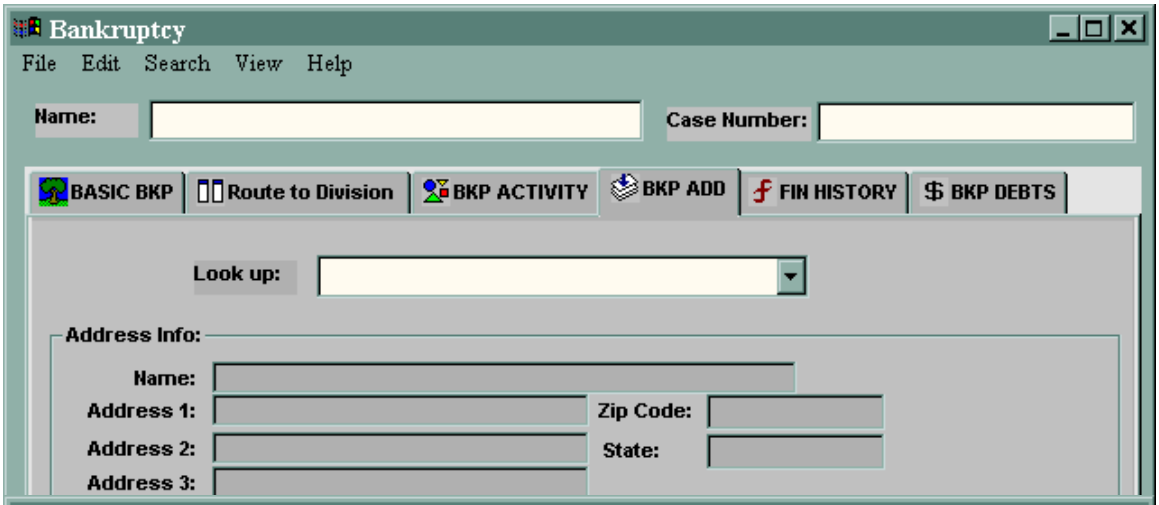
Main Bankruptcy window with BASIC BKP tab.

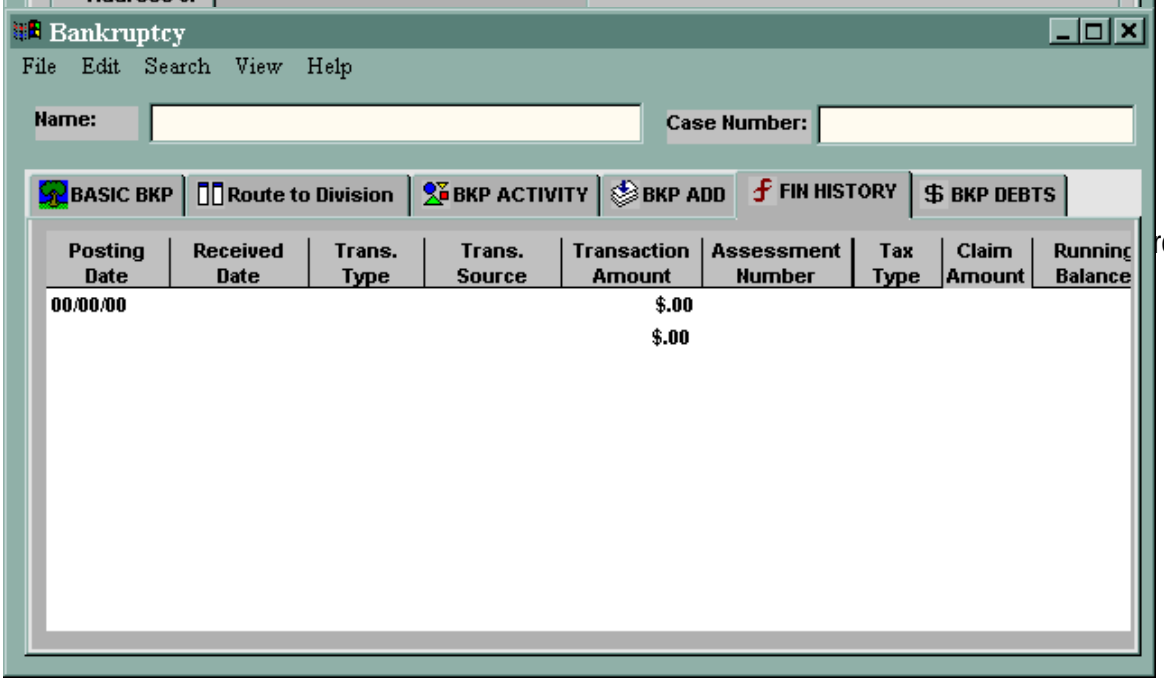


Main Bankruptcy window with Route to Division tab.



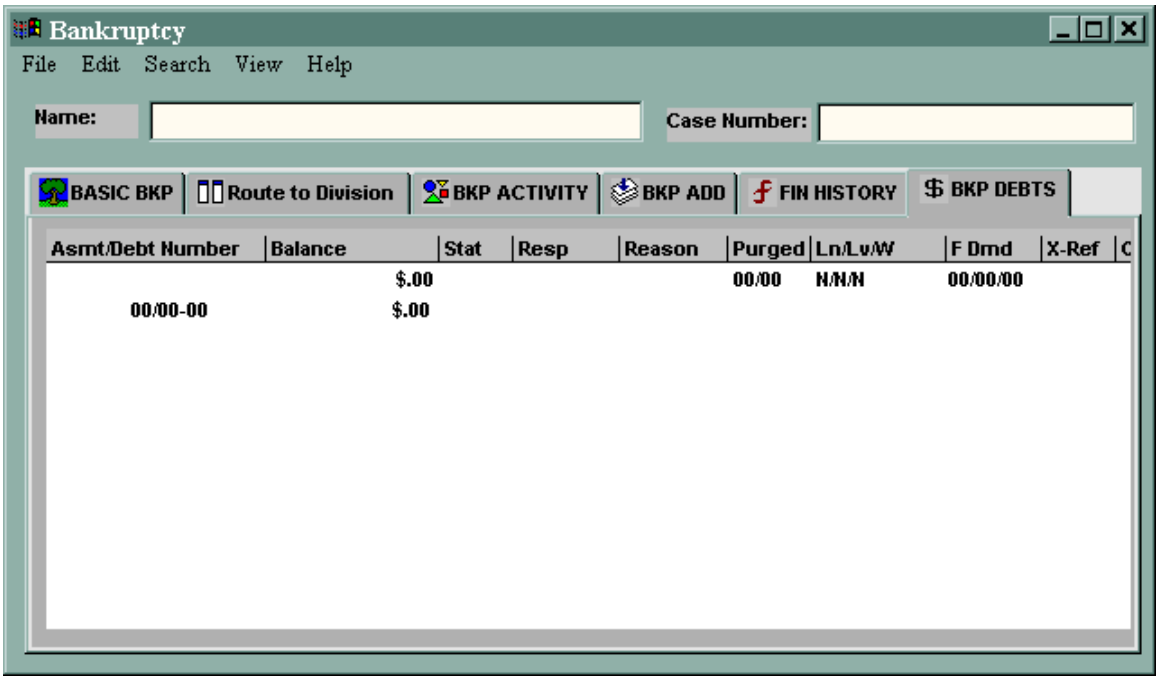
Main Bankruptcy window with BKP ACTIVITY tab.





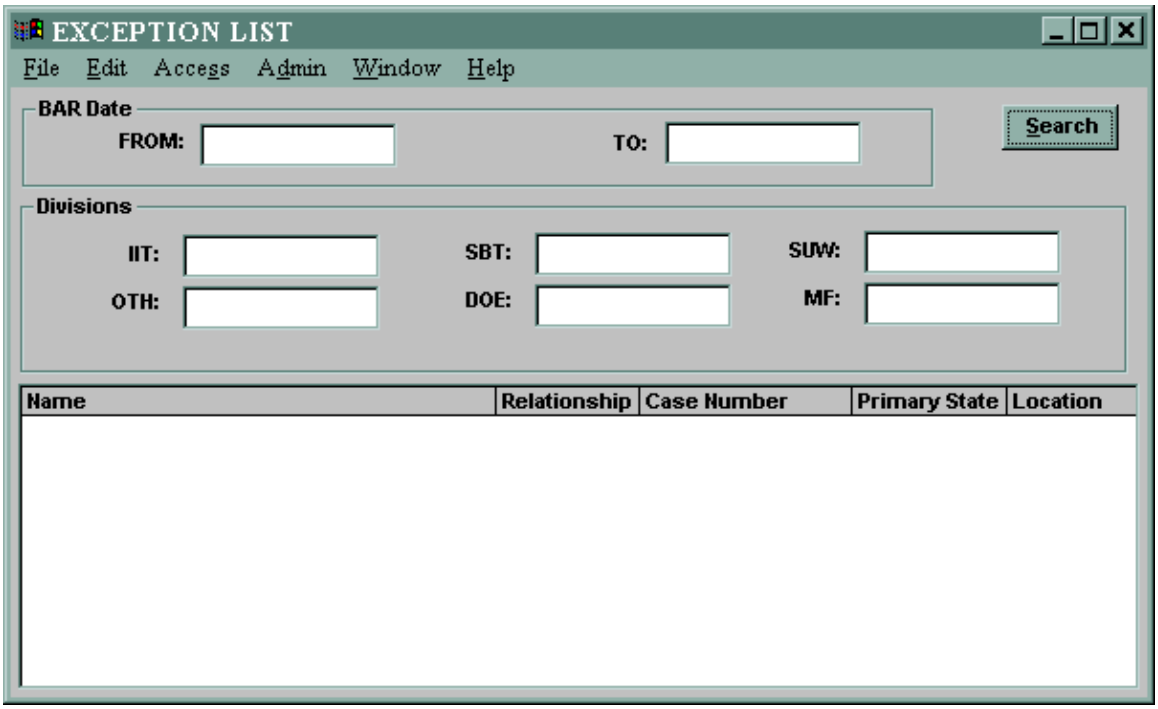
ress information

Main Bankruptcy window with window FIN HISTORY tab

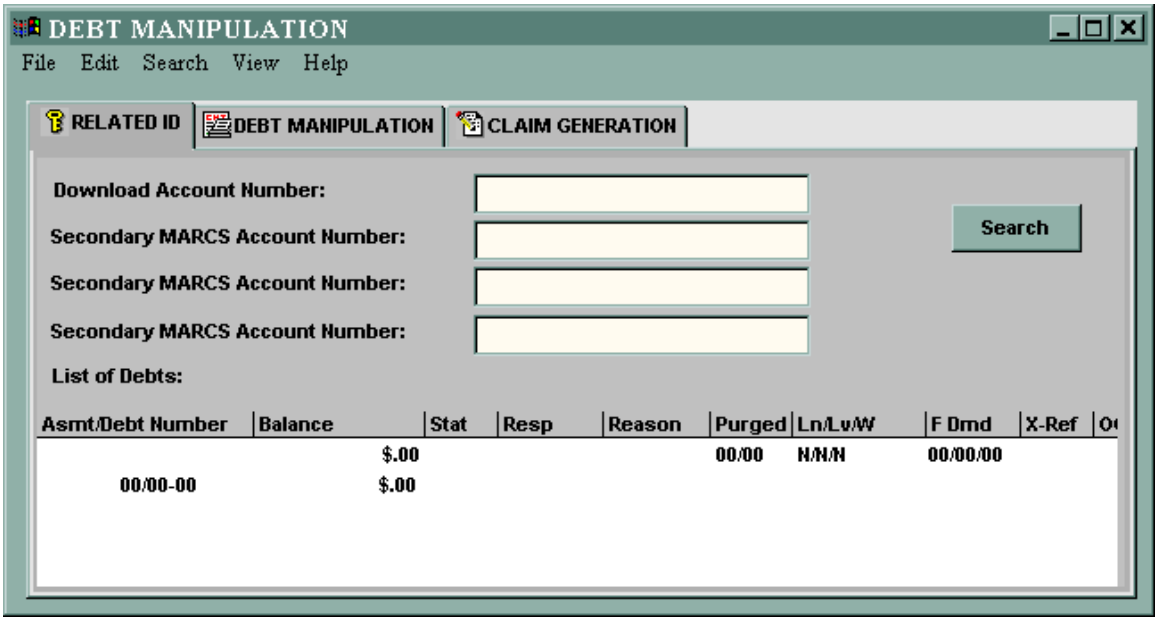


Main Bankruptcy window with BKP DEBTS tab.

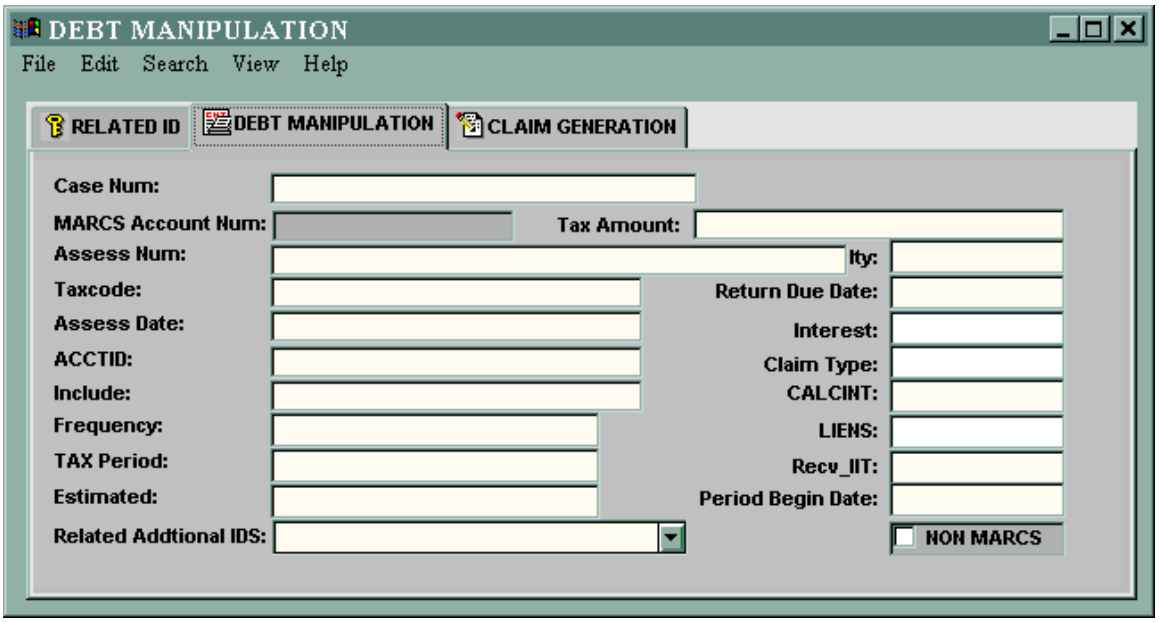
EXCEPTION LIST



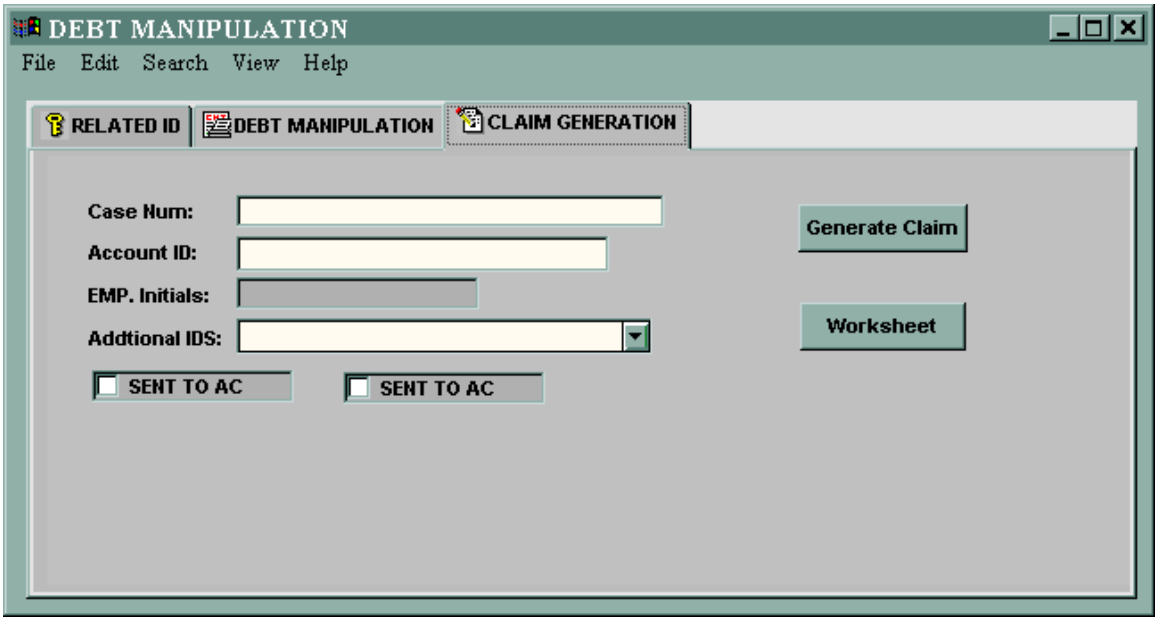
DEBT MANIPULATION



DEBT MANIPULATION window with RELATED ID tag.

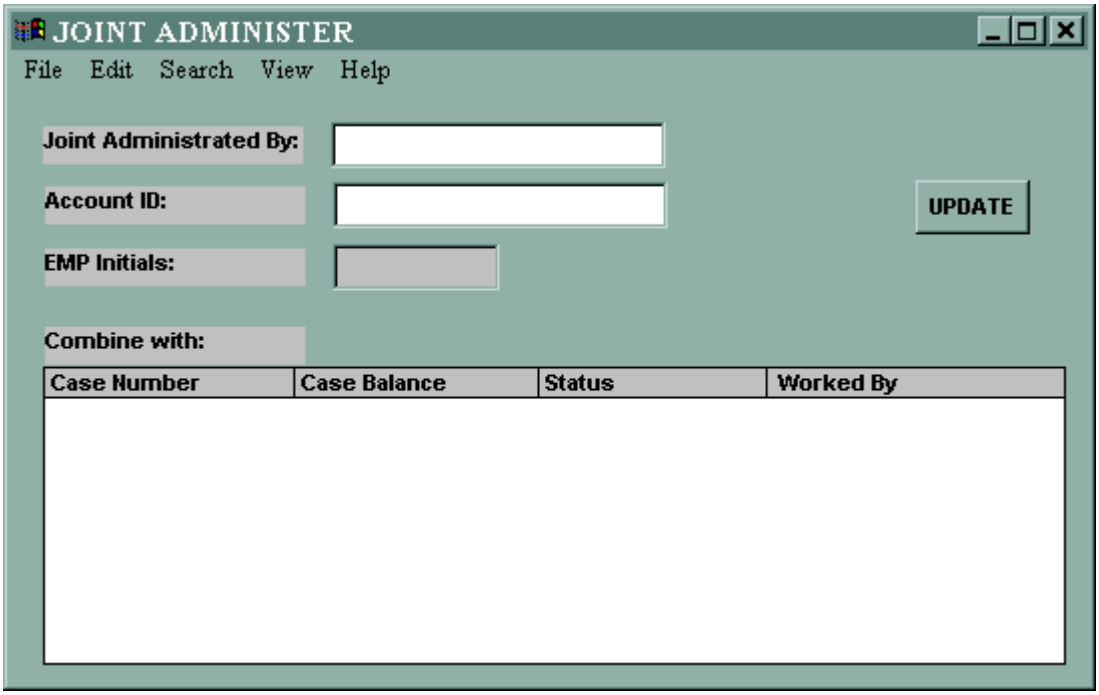


DEBT MANIPULATION window with DEBT MANUFACTION tag.
Click item from List of Debts in RELATED ID tag will display this tag.



DEBT MANIPULATION window with CLAIM GENERATION tag.

JOINT ADAMINISTRATOR


JOINT ADMINISTER
File
Edit
Search
View
Help
Joint Administrated By:
Account ID:
UPDATE
EMP Initials:
Combine with:
Case Number
Case Balance
Status
Worked By

MPRs Relating to Bankruptcy Issues - Septembe

Last updated December 10, 2002

	MPR #	
1	280	BankPost background job displays error message.
2	378	Bky Interface, asmt info not included in TC file
3	394	Need Bankruptcy Crystal reports; and available on the MARCS Crystal Reports server
4	500	Bankruptcy segments lost during merges
5	559	Bankruptcy system - calculate interest into the millions instead of only the hundred thous
6	652	Bankruptcy: Change 'tax code' to 'debt code' on claim forms.
7	852	Digitized signatures for Bankruptcy forms
8	859	Calculate penalty on Bankruptcy Chapter 13 claims (large project)
9	918	Display confirmation date on main case window. Bankruptcy issue.
10	929	Provide Bankruptcy information for Audit Department.
11	930	Need to create an input field on Bankruptcy in order to create report.
12	994	Investigate upgrade to Visual FoxPro 7.0 for Bankruptcy system.
13	1011	Electronic filing of claims to the AG; linking the primary account from Marcs to the secon FoxPro.
14	1062	Remove Bankruptcy 'We Have' flag when bankruptcy is discharged.
15	1193	Verify name field source before updating name.

MPR # **1055/1056**

Description: **Lien Reissue Process**

Introduction

As part of the MARCS contract extension, GC Services has committed to complete a project that will allow Treasury personnel to automatically reissue liens via the MARCS software. This Statement of Work discusses the high-level requirements for this process.

Approach

1) Lien Expiration Dates

MARCS currently carries a Lien Expiration Date for each Lien legal action. Based on review of Treasury policy and legislation, it is our understanding that each debt could potentially have it's own Lien Expiration Date. For the Lien Reissue project to be successful, MARCS and STAR must be changed to accommodate Lien Expiration Dates at the debt (or, on STAR, at the assessment) level. This will require definition and implementation of revised interfaces between STAR and MARCS to populate this field correctly. There will also be a conversion required where STAR generates the debt level Lien Expiration Date and provides MARCS with appropriate updates to the MARCS records.

2) Lien Reissue

MARCS software will be changed to identify accounts where there are open legal actions and where one or more debts on the open legal actions are within 6 months of the debt-level Lien Expiration Date. Our understanding is that there will be additional criteria used to select accounts where a reissue may occur. The additional selection criteria has not been thoroughly defined but will result in de-selection of liens where account balances or other account status information would make the reissue of the lien unnecessary or not cost effective

The selected accounts will be routed to either a Primary or Secondary Function/State for processing. A Worklist will be built for the selected accounts. Treasury personnel will be able to access the selected accounts where a lien should be reissued via the MARCS worklist process. The user will access the appropriate Legal Action based on prompts provided by MARCS. The user will have the option of requesting reissue of the lien from a MARCS window – probably the Legal Action Window itself. When the user requests reissue of the lien, MARCS will:

- Generate necessary interface transactions to STAR for the reissue process to take place. The reissue will only affect those debts where the Lien Expiration Date is within 6 months of the current date. The interfaces need to insure that this takes place appropriately.
- Upon receipt of approval from STAR for the reissue, MARCS will generate the appropriate document for lien reissue, generate the electronic records for E-Lien counties, update MARCS history, update the Lien Fees tables and, of course, update the Lien Expiration Dates on the affected debts.

There are several open functional questions regarding this process.

1) Users may need to be able to select the debts to reissue – meaning they may want to exclude certain debts from the reissue even though those debts would normally qualify for reissue.
2) There may be several liens involved on one account and the processing for multiple liens needs to be defined. Users may want to reissue only one lien and not reissue the others.
3) We need to discuss design alternatives for handling recording information that will come back from the counties and the structure of the legal action records that result from this process. Ideally, the reissue of a lien would result in a legal action record that could be appended to the original legal action so that users could review the history of legal actions for a county without having to look at individual legal actions.

Our estimates for the project contemplate defining answers to these and several other questions that will come up.

Deliverables

Deliverables will include:

- Approved Statement of Work
- Functional Specifications
- Technical Specifications
- Code/Unit Testing
- Quality Assurance Test Plan
- Quality Assurance Testing
- Implementation Plan
- Implementation (Including Conversion)

GC Services
MPR 872
Functional Specifications

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1.0 Introduction

1.1 Statement of Purpose

The intent of this MPR is to enhance MARCS for better use in the Field offices. Currently, the Field offices use MARCS in a very limited capacity – the majority of their work is done on STAR. Changes to MARCS will include utilization of the Responsible User, addition of new Field work queues, and the integration of Field correspondence into MARCS.

Related MPR's that will be worked as part of this project:

MPR 1005 – Allow Responsible User assignment through batch interface from STAR.

MPR 1124 – Responsible User field entry causes work list problems.

1.2 Processing Data Flow Diagram

N/A

1.3 Processing Narrative

N/A

1.4 Assumptions

As documented in the original estimates provided for this MPR:

- The slow response time in MARCS, currently experienced by Field offices, will be addressed by the State Help Desk.
- The potential exists for this MPR to have shared components with MPR 961.
- We will not address tracking Field Visit statistics at this time (in a similar manner to the current tracking of phone statistics).
- We will not address the auto-assignment of accounts to the field with this MPR.
- Field personnel will be available to assist in the design and testing of this MPR.
- The Field Imaging project (MPR 1106) will be handled separately from this MPR.
- One field office will be used as a pilot to ensure that all processes in MARCS are functioning properly.
- Treasury personnel will handle all training needs for Field office personnel.
- Treasury personnel will handle all System Administrator responsibilities for this project (the GC System Administrator will consult and advise as necessary).

2.0 Online Processing

2.1 Section Overview

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In order to provide better use of MARCS by Field personnel, several changes will be made to current online processing. For each Field office, a new Function Area and new Function States within that Area will be created. These new Function States will be defined in this document; however, the actual creation of these States will be done via SAPN's.

The Responsible User functionality will be modified to fit the needs of Field personnel. This will include next casing restrictions, security for modifying this field, and the capture of history lines when this field is added, changed, or deleted. There will also be background processing to build work lists and interface this field with STAR.

Field personnel have identified 47 pieces of correspondence that they use currently. A comparison will be done with these documents against current MARCS correspondence to determine if MARCS already has similar documents loaded as templates. Then, any of the 47 pieces of correspondence that Field personnel decide do not already exist in MARCS, will be loaded as templates in MARCS.

2.2 Online Process Data Flow Diagram

N/A

2.3 Online Processing Narrative

N/A

2.4 Online Window Definitions

2.4.01 New Function Area

A new Function Area ('SH') will be created for the Sterling Heights Field office, and new Function States will be created (and defined in section 2.4.02) within this new Function Area. This new Function Area, and the related Function States, will serve as a pilot for the remaining Field offices. Each Field office will have their own Function Area and related Function States within that Function Area which will follow the same structure as SH and its related Function States.

SH Function Area rules will be created to ensure that only those accounts with an Account Level Responsibility Code of 7201 or 7202 can reside in that Function Area.

2.4.02 New Function States

There will be 9 new Function States created in the SH Function Area. The actual creation of these States will be done with a SAPN; however, they will be defined in this section. As accounts flow through these Function States, they will maintain their Responsible User (unless manually changed or deleted). The SAPN# assigned to make the Function Area and Function State changes is xxxx.

SH01 – This will serve as the initial Function State for all new accounts routed from SF01 (where STAR had not already assigned a Responsible User). These will be accounts with

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either 7201 or 7202 Responsibility Code. It will be a Work State where users will next case and assign a Responsible User to the account. They will then route the account to SH02.

SH02 – This will serve as the main work queue for all Field personnel in the Sterling Heights office. Users will next case accounts assigned with their user ID as the Responsible User. They will only have access to their own accounts. A rule will be created for this State so that if an account does not have a Responsible User assigned, it will route back to SH01. Accounts will also be routed directly to this State if they are new accounts routed from SF01 and STAR had already assigned a Responsible User.

Users will leave accounts in this Function State and set follow-up dates as they perform general account maintenance. However, if they set up an installment agreement or request legal action, the account will be routed to other SH Function States.

SH03 – This will serve as an installment agreement monitoring State. The MARCS system will monitor approved installment agreements for compliance. Accounts will be automatically routed into this Function State as the installment agreements are approved and approval letters/coupons are generated (from SH09). Users will not need to next case in this Function State. If the scheduled payments continue to be received, there is no additional action necessary. If a scheduled payment is missed, the MARCS system will route the account to SH04 for manual review.

SH04 – This will serve as a work queue for accounts where installment payments were missed. The accounts will retain their Responsible User, and a determination will need to be made whether or not those users need to next case their own accounts.

The other option would be to allow any Sterling Heights personnel to next case these accounts and take appropriate action. In this scenario, the accounts could be routed back to SH02 if the Responsible User specifically needs to follow-up.

SH05 – This will serve as a supervisor review work queue for accounts needing review for installment agreement or legal action approval. Users will need a security level or 40 (supervisor) or above to work in this Function State. Accounts in this Function State will retain their Responsible User; however, the work list will not be built based on Responsible User. Accounts can either be manually routed into this Function State as users make IA/legal action requests, or automatically routed from SH08 after final demand letters have been generated.

If supervisors deny the IA/legal action, they will manually route the account back to SH02 for Responsible User follow-up. If supervisors approve the IA/legal action, they will leave the account in this Function State. When STAR either approves or denies the request, the account will be systematically routed (SH03 for IA approvals, SH07 for legal action approvals and denials).

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SH06 – This will serve as a supervisor work queue for accounts needing their review or follow-up (i.e., problem type accounts). Users will need a security level of 40 (supervisor) or above to work in this Function State. Accounts will be manually routed into this Function State, and as the supervisor completes their review/follow-up, the accounts will be manually routed back out.

SH07 – This will serve as a work queue for legal action monitoring. As STAR approves or denies legal action requests, the accounts will be automatically routed to this Function State. The accounts will retain their Responsible User, and a determination will need to be made whether or not those users need to next case their own accounts.

The other option would be to allow any Sterling Heights personnel to next case these accounts and monitor the status of the legal action. In this scenario, the accounts could be routed back to SH02 if the Responsible User specifically needs to follow-up.

SH08 – This will serve as an auto-correspondence Function State for sending Final Demand letters. Accounts will automatically route into this Function State when a levy is requested and it has been greater than 120 days since the last Final Demand letter was sent on the account. Once the account is routed into this Function State, the Final Demand letter will be system generated and the account will be automatically routed into SH05 for supervisor review of the levy request.

SH09 – This will serve as an auto-correspondence Function State for sending IA approval letters and coupons. Account will automatically route into this Function State when STAR approves an installment agreement. Once the account is routed into this Function State, the IA approval letter/coupons will be system generated and the account will be automatically routed to SH03 for IA monitoring.

2.4.03 Change Responsible User Window

This window is accessed either by selecting the Actions menu dropdown, Case Control, and Change Responsible User, or by selecting the Change Responsible User icon (see section 2.4.05 for security). Currently this window is used to add a Responsible User (when none exists), or to change an existing Responsible User. Users cannot currently delete a Responsible User from this window (or from any online window).

The name of the window (as well as the icon/menu drop down) will be changed to 'Maintain Responsible User'. The Change Responsible User window will be modified to give users the ability to delete the Responsible User. To accomplish this, changes will be made to the Control Tab of this window. These changes to the Control tab will also affect all other action windows that utilize a Control tab with the Responsible User dropdown as an option (see section 11.1 for list of these windows).

The Control tab will be modified to include a new field "Maintain Responsible User" with three radio buttons: Add, Change, and Delete. When the Control tab is accessed for this or any action window, the Responsible User dropdown will be grayed out. It will only be made available after one of the new Add or Change radio buttons has been selected. It will continue to remain grayed out if the new Delete radio button is selected.

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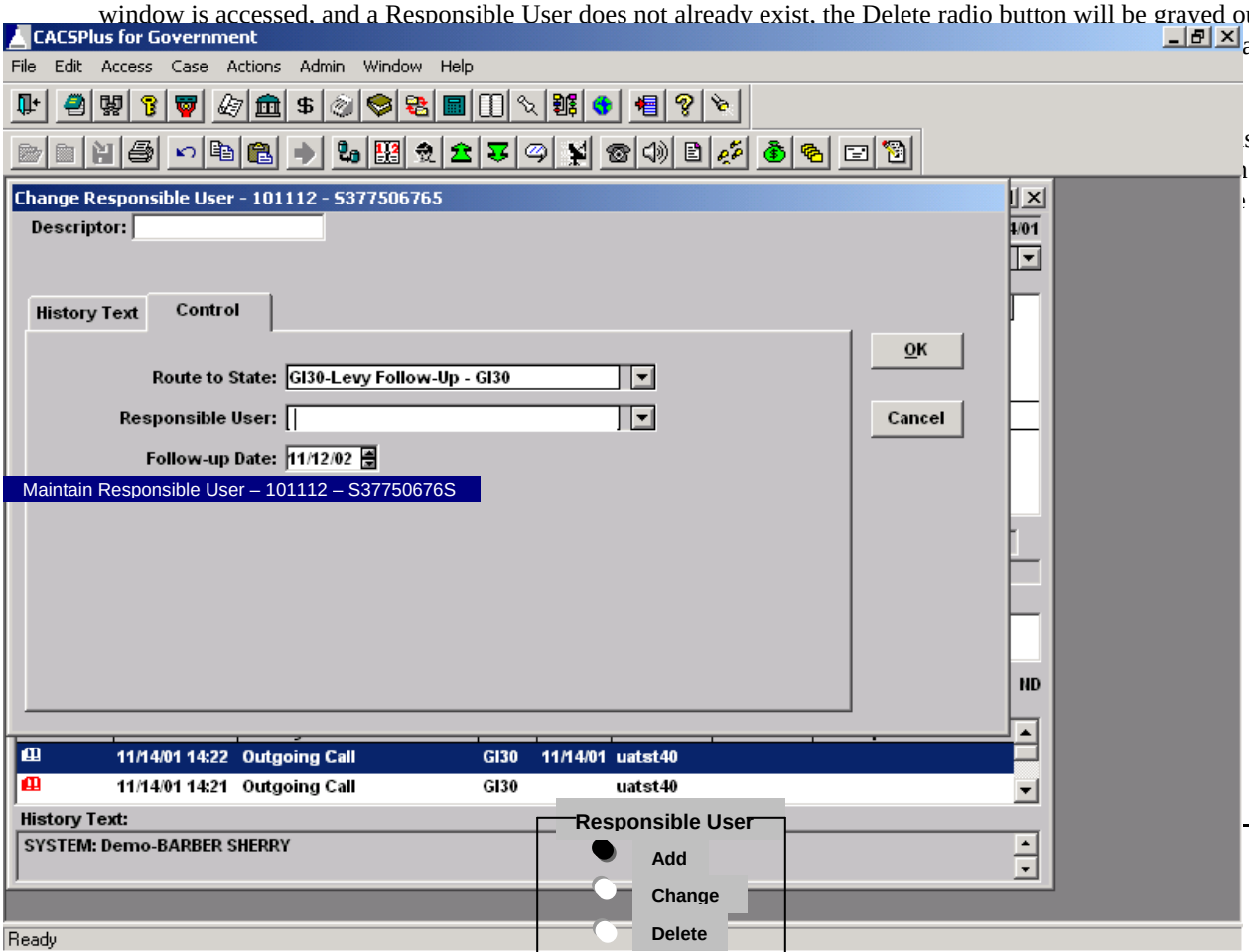
'Add' Radio Button – This button will be used if there is no current Responsible User. When the Control tab for any action window is accessed, and a Responsible User already exists, the Add radio button will be grayed out. If no Responsible User exists, the Add radio button will be available for selection. Once the Add radio button is selected, the Responsible User dropdown will be available for users to select an entry.

If the Add radio button is selected and users click the OK button on the action window, but they fail to select a Responsible User from the dropdown, an error message will display indicating a Responsible User must be selected. Once users have selected the Add radio button, a Responsible User, and clicked the OK button, a CCH line will display and an S-Record will be created to STAR. The CCH line will show the new Responsible User. If this action was taken on a window other than the Maintain Responsible User window, multiple CCH lines will display (one for the action window and one for the adding of the Responsible User).

'Change' Radio Button – This button will be used to change an existing Responsible User to a different Responsible User. When the Control tab of any action window is accessed, and a Responsible User does not already exist, the Change radio button will be grayed out. If a Responsible User exists, the Change radio button will be available for selection. Once the Change radio button is selected, the Responsible User dropdown will be available for users to select an entry.

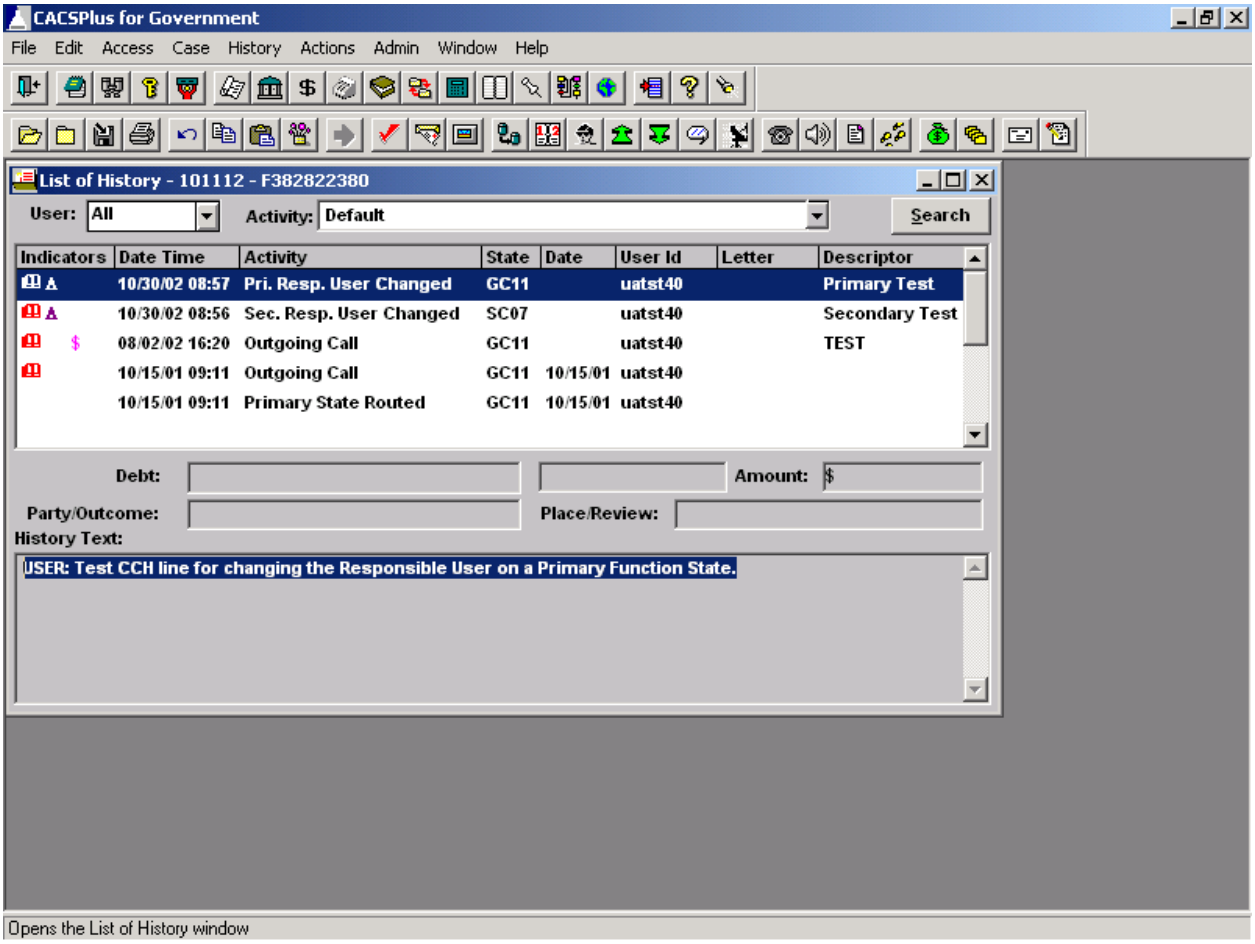
If the Change radio button is selected and users click the OK button on the action window, but they fail to change the Responsible User from the dropdown, an error message will display indicating a new Responsible User must be selected. Once users have selected the Change radio button, a new Responsible User, and clicked the OK button, a CCH line will display and an S-Record will be created to STAR. The CCH line will show the old and new Responsible Users. If this action was taken on a window other than the Maintain Responsible User window, multiple CCH lines will display (one for the action window and one for the changing of the Responsible User).

'Delete' Radio Button – This button will be used to delete an existing Responsible User. When the Control tab of any action window is accessed, and a Responsible User does not already exist, the Delete radio button will be grayed out. If a



2.4.04 List of History Window

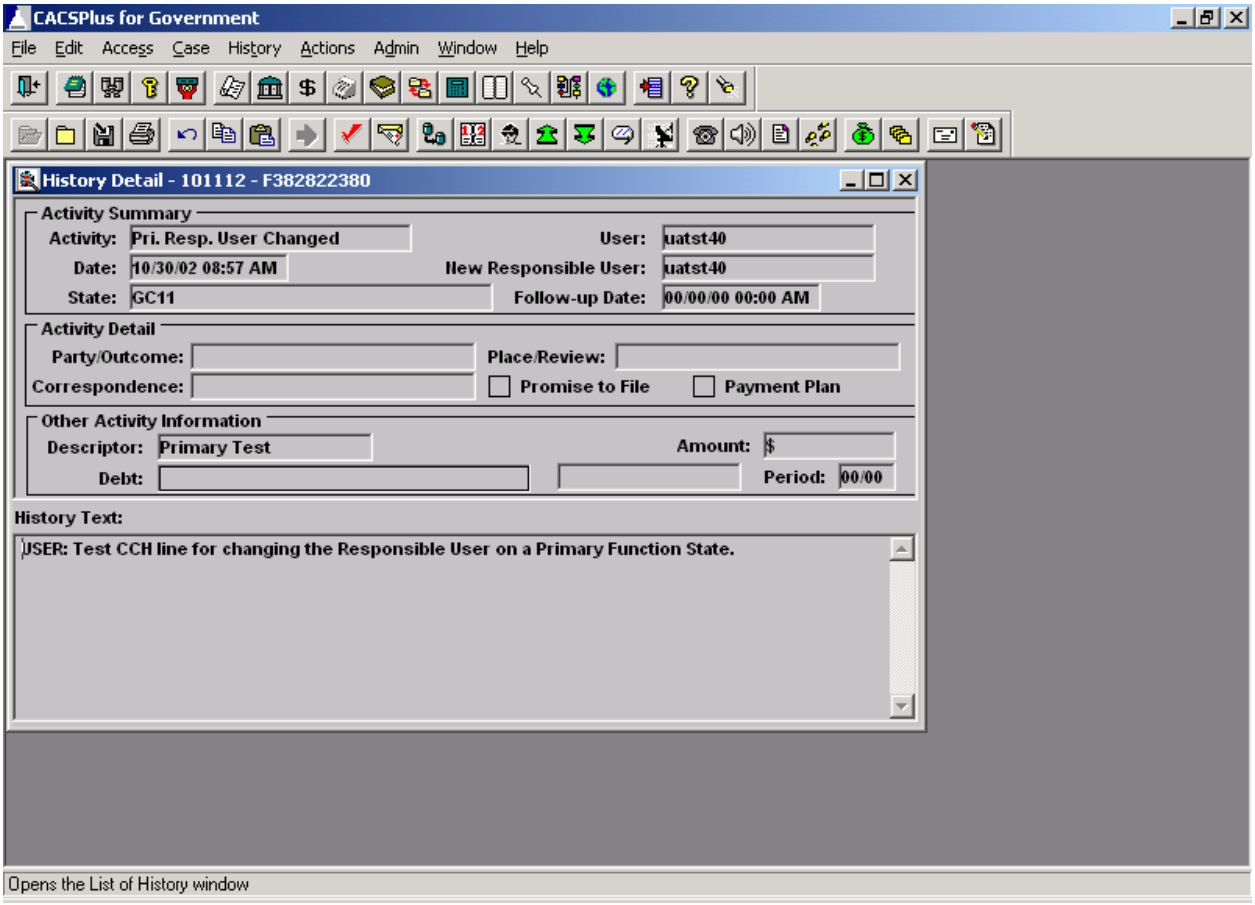
This is the window that displays history lines (CCH lines) for actions that have happened on the account. There are current CCH lines for adding or changing a Responsible User (see example below)



- Pri. Resp. User Changed (this CCH line is used when the account is next cased in its Primary Function State, or when the account is accessed directly with account look-up, and the user adds/changes the Responsible User). In this situation, the Responsible User will be associated to all Primary Function States the account is routed to within the same Function Area. If the account is routed out of that Function Area, the Responsible User will be removed.
- Sec. Resp. User Changed (this CCH line is used only when the account is next cased in its Secondary Function State, and the user adds/changes the Responsible User). In this situation, the Responsible User is associated only with that specific Secondary State.

In both of these CCH lines, the Descriptor displays on the CCH line. Also, when the CCH line is highlighted, the free-form text will display at the bottom of the window. Double

clicking on the CCH line will provide additional detail, which includes the new Responsible User selected (see example below).



The List of History window has a dropdown Activity filter which users can select and determine which CCH lines to display. A new entry will be added to this dropdown for Field Visit CCH lines. The entry will be "Field", and if users select this option, only Field Visit CCH lines will display.

New CCH lines will be defined for Adding/Changing/Deleting Responsible Users. Discussions need to take place with users on functionality of Primary/Secondary Responsible Users. Also, if any other entries are needed in the Field filter.

Recommendation would be to use the same functionality for add/change/delete Responsible Users for Secondary Function States as has been defined for Primary States; however, add/change/delete would not generate an S-Record to STAR. The Responsible User for Secondary Function States would simply be used for determining worklist access.

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2.4.05 Security for Add/Change/Delete Responsible User

A new check box "Maintain Responsible User" will be added to the user security profile. If this check box is selected, users will be allowed to add/change/delete Responsible Users. If this check box is not selected, the Maintain Responsible User radio buttons will be grayed out on the Control tab of any action windows where this option is available.

Note: a user must have the Responsible User check box selected in their security profile in order to appear as an available option in the Responsible User dropdown on this window.

2.4.06 Work List Status Window

This window currently displays information related to the status of work lists (see example below). These are accounts in a specific Function State that have scheduled follow-up date of the current date or earlier. Accounts that have a future follow-up date will not be included in this information.

As noted in the highlighted row of the example, a separate row is created when a user has accounts assigned to them (via Responsible User assignment) in a work list. Users currently will see a row for each Function State work list that they have been granted access (also, that work list must contain accounts. If there are no accounts, the work list will not display). For purposes of this document, these will be referred to as the "pool accounts". These work lists have been built without the Responsible User being taken into consideration, and any user with access to these Function States can access and work the accounts. They will also see a separate row for each Function State work list that they have had accounts assigned. They will not see rows in which another user has had accounts assigned.

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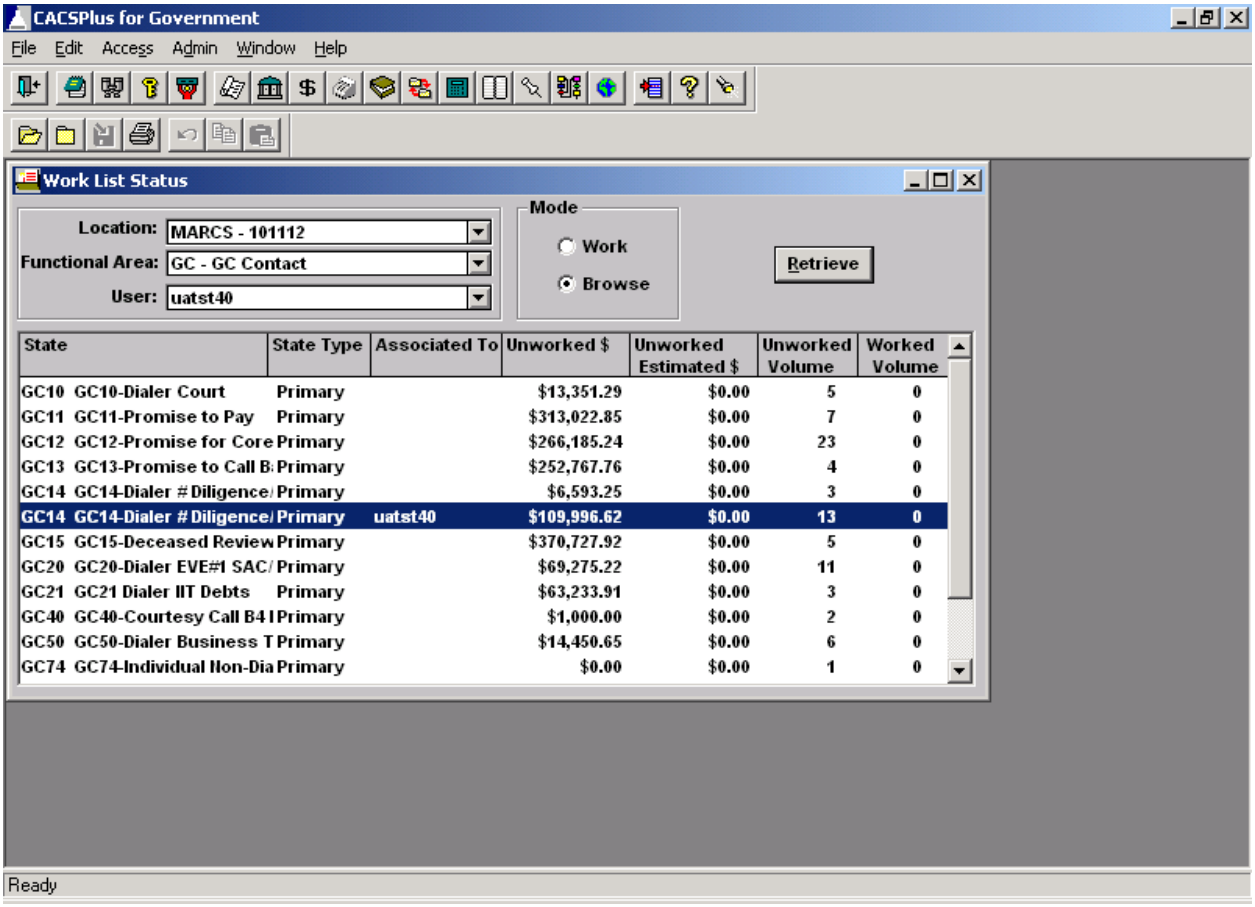

State	State Type	Associated To	Unworked $	Unworked Estimated $	Unworked Volume	Worked Volume
GC10 GC10-Dialer Court	Primary		$13,351.29	$0.00	5	0
GC11 GC11-Promise to Pay	Primary		$313,022.85	$0.00	7	0
GC12 GC12-Promise for Core	Primary		$266,185.24	$0.00	23	0
GC13 GC13-Promise to Call B	Primary		$252,767.76	$0.00	4	0
GC14 GC14-Dialer # Diligence	Primary		$6,593.25	$0.00	3	0
GC14 GC14-Dialer # Diligence	Primary	uatst40	$109,996.62	$0.00	13	0
GC15 GC15-Deceased Review	Primary		$370,727.92	$0.00	5	0
GC20 GC20-Dialer EVE#1 SAC	Primary		$69,275.22	$0.00	11	0
GC21 GC21 Dialer IIT Debts	Primary		$63,233.91	$0.00	3	0
GC40 GC40-Courtesy Call B4 I	Primary		$1,000.00	$0.00	2	0
GC50 GC50-Dialer Business T	Primary		$14,450.65	$0.00	6	0
GC74 GC74-Individual Non-Dia	Primary		$0.00	$0.00	1	0

Users access a work list by selecting the Work button (most users do not have the security level to select the Browse button) and either double clicking on a row from this window, or highlighting a row and selecting the Enter button on their keyboard. When a user accesses a work list in this fashion, the following will happen:

- If they select the row for the pool accounts, they will be presented with all accounts where no Responsible User has been assigned.

Or if that Function State has accounts with Responsible Users assigned, but the work list was built without utilizing Responsible User, they would be presented with all the accounts.

Once all of the pool accounts have been worked, they will not be presented with any other accounts (even if they have accounts assigned specifically to them in that Function State).

- If they select the row for their own assigned accounts, they will be presented with only those accounts in that Function State that have been assigned specifically to them (via Responsible User).

Once all of their assigned accounts have been worked, they will not be presented with any other accounts (even if there are pool accounts in that work list that have not yet been worked).

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Currently, if a supervisor accesses this window, they cannot see the display of Function States where work lists have been built for specified users. This will be modified in the following fashion.

When a supervisor (security level 40 or above) accesses this window, they will see separate rows for each Function State containing pool accounts, and for each Function State containing assigned accounts for themselves or their employees. This will be accomplished by using the Supervisor field on the user security profile. They will be able to see the assigned work lists for any user whose Supervisor field is populated with their supervisor name and ID.

For example, supervisor John Doe has two employees (Jane and Joe). Jane and Joe both have John Doe listed as their supervisor in their security profile. When John Doe accesses the Work List Status window, he will see:

- A row for each pool work list that he has access to.
- A row for each work list that has accounts assigned to himself.
- A row for each work list that has accounts assigned to Jane.
- A row for each work list that has accounts assigned to Joe.

He would not see rows for work list having accounts assigned to anyone else.

This functionality will also cascade down for supervisors with multiple levels of employees.

2.4.07 Work List Browse Window

If users select the Browse button on the Work List Status window, and then either double click on a row or highlight a row and select enter from their keyboard, the Work List Browse window will open (see example below).

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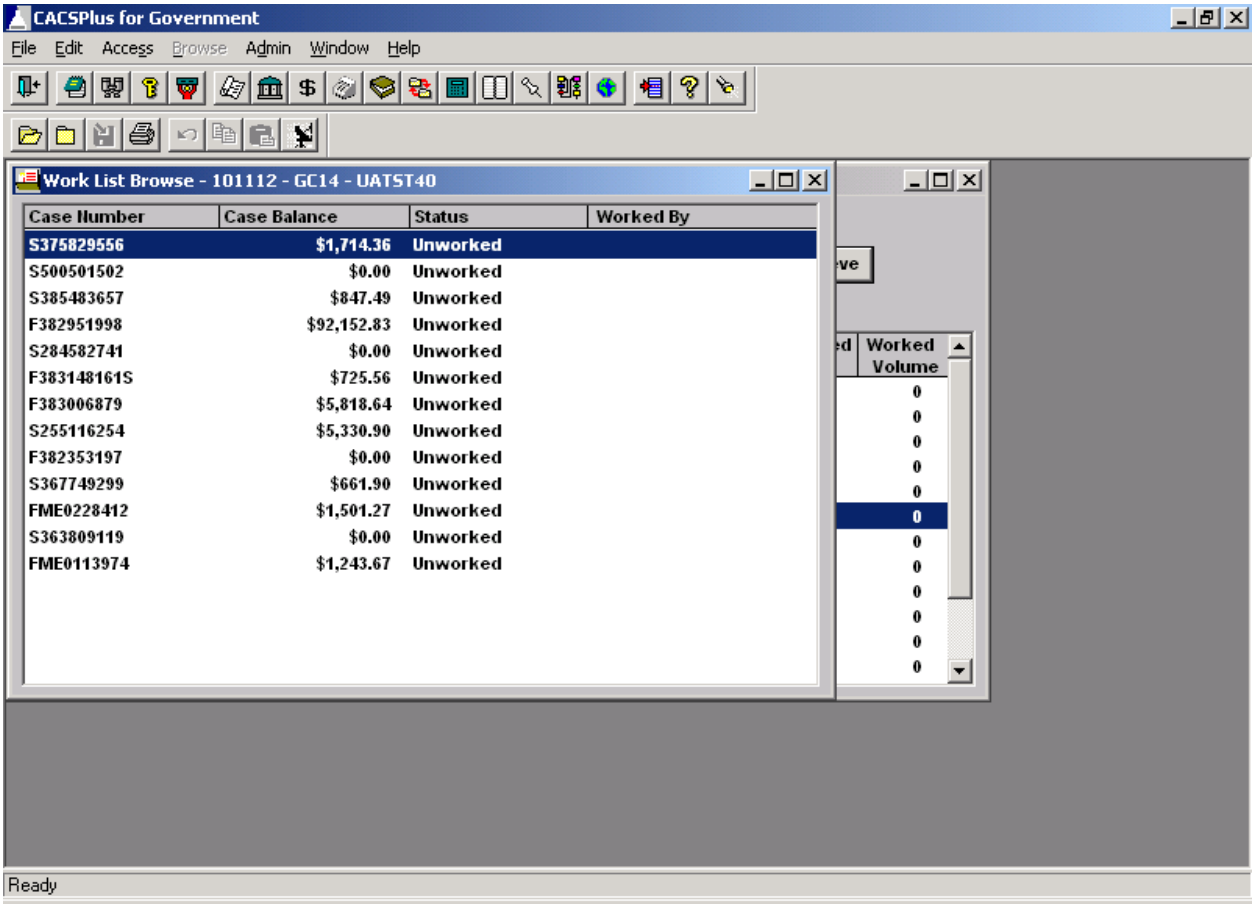

Access to this window is restricted by a check box on the user security profile (Browse Work List). Only users with this check box selected will have access to this window (typically this includes only supervisors). This window will use the same criteria defined in section 2.4.06 for accessing work lists: if the user selects the row for pool accounts, this window will open and display only those pool accounts. If the user selects the row for specifically assigned accounts, this window will open and display only those assigned accounts. As a note to the users, the title bar of this window displays the Function State selected, as well as the Responsible User (if that row was selected).

2.4.08 Route to Different Function Area

If the users route the Primary Function State of an account to a new Function Area, the Responsible User (for the Primary Function State) will be deleted from the account (automatically by the system). At the point users make this selection, a pop-up message will display informing the users that because the account is being routed to a new Function Area, the Responsible User will be deleted. Clicking OK on this message will continue with the processing. In addition to the CCH line being created for the action window the user is

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on, a CCH line will be created for the Responsible User being deleted. An S-Record will also be created for STAR. Clicking Cancel on this message will return the user to the action window they are on.

2.4.09 Correspondence

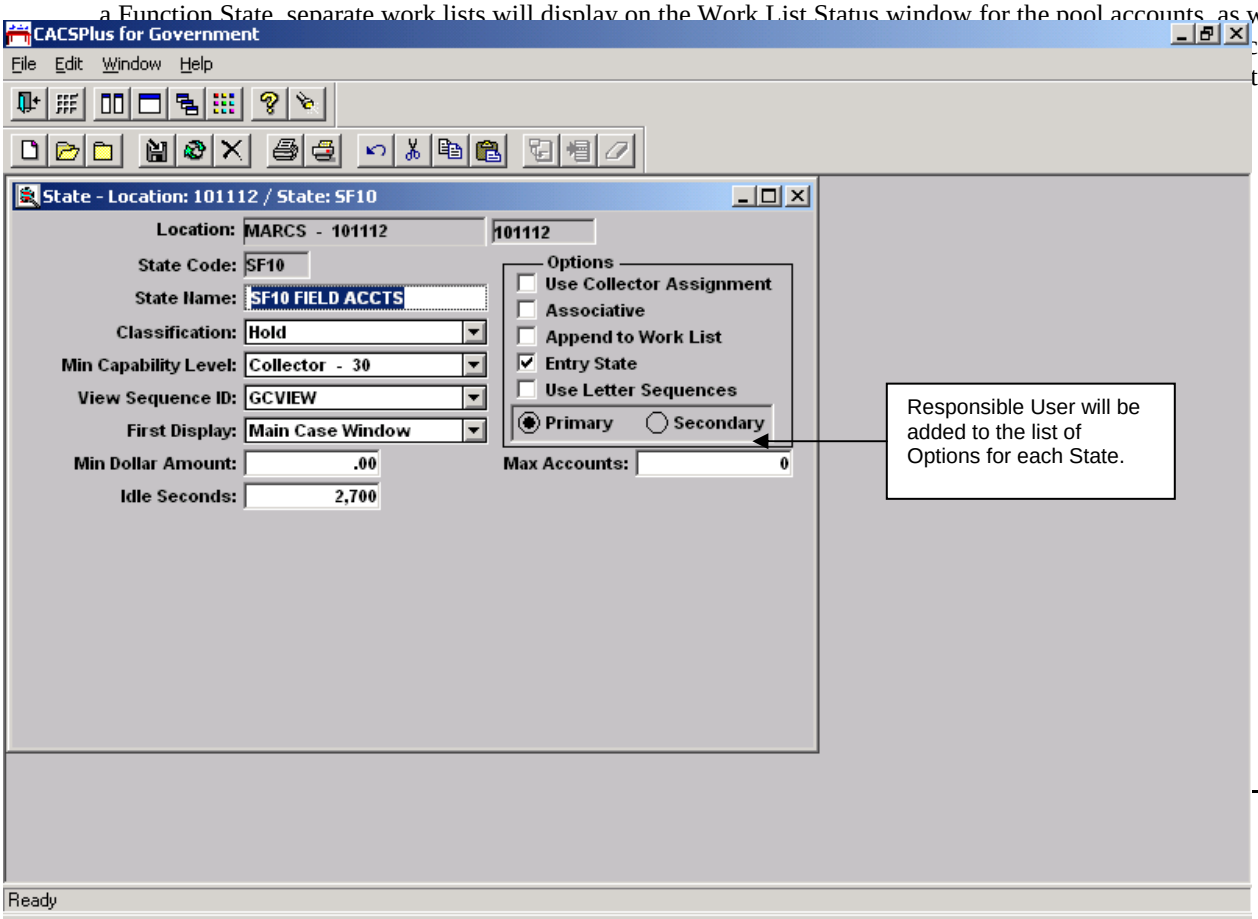
Correspondence that is generated through MARCS will create a CCH line. Users have the ability to highlight that CCH line and select Correspondence View from the History menu dropdown. This feature allows the user to view the exact correspondence that had been previously generated to a Debtor. Correspondence is sent using the Initiate Correspondence window in MARCS.

Field personnel have identified 47 pieces of correspondence that they use currently. A comparison will be done with these documents against current MARCS correspondence to determine if MARCS already has similar documents loaded as templates. Then, any of the 47 pieces of correspondence that Field personnel decide do not already exist in MARCS, will be loaded as templates in MARCS. This will be handled with a SAPN, and the SAPN # is xxxx.

Discussion for user group. Loading these templates in MARCS will mean that users CANNOT modify the text prior to sending to a Debtor. Also need to discuss how to include data elements (address/phone#, etc) for different field offices.

2.4.10 Accessing Work Lists

A new option "Responsible User" will be added to the State master window in TMU. This new option will indicate if the Responsible User should be utilized for work list access to a particular Function State. If this option is selected for a Function State, separate work lists will display on the Work List Status window for the pool accounts, as well as



Responsible User will be added to the list of Options for each State.

2.4.11 Responsible User Account Inventory Window

A new window, "Responsible User Account Inventory", will be created to satisfy the requirements of user inventory (see sample window below). This window will be used to display information for all accounts assigned to a particular Responsible User. There will be no security restrictions to access the window. However, users will only be able to obtain information for themselves, or one of their employees (same cascade functionality as defined in the Work List Status window).

This window will have a dropdown for Responsible User. This dropdown will only display those entries the user has security clearance to view. If the user is not a Responsible User themselves, nor do they have any employees who are Responsible Users, this dropdown will be empty. There will also be a Retrieve button and a Sort button. Once the user has selected a Responsible User from the dropdown and clicked Retrieve, the following information will display for all accounts assigned to that Responsible User:

- Function State
- Account Name
- Account Number
- Follow-up Date
- Number of Assessments (need criteria from users)
- Amount Due (need criteria from users)

The Responsible User Account Inventory window can be closed by selecting the 'X' in the upper right hand corner of the window, or selecting Close from the File menu option.

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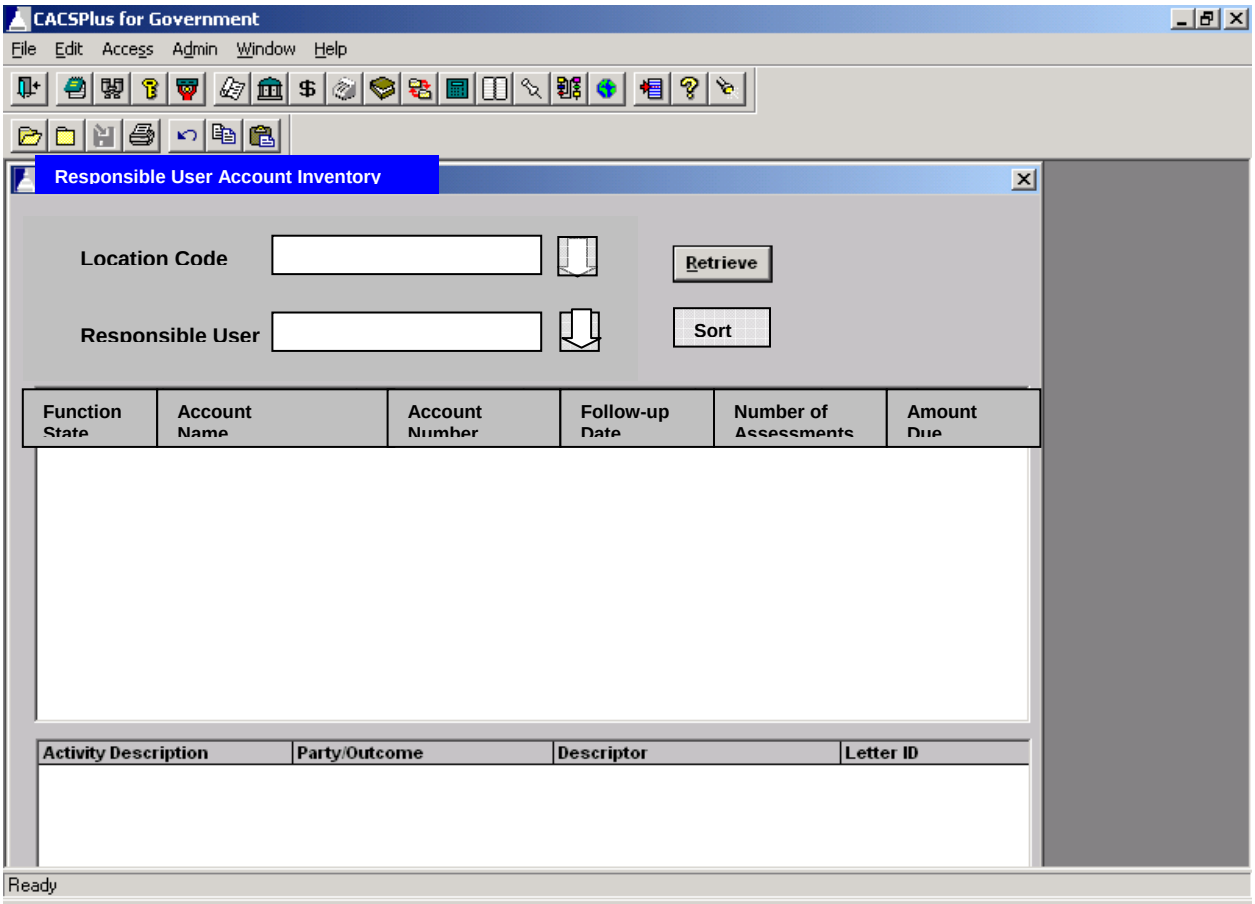
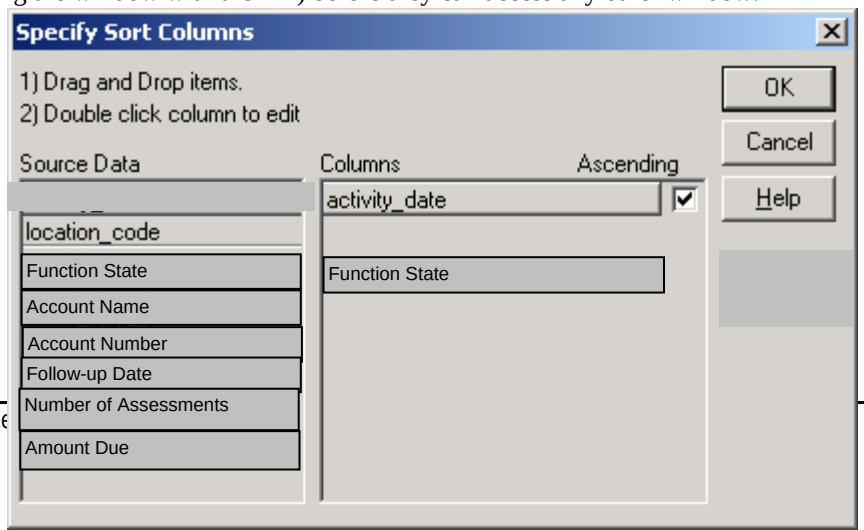


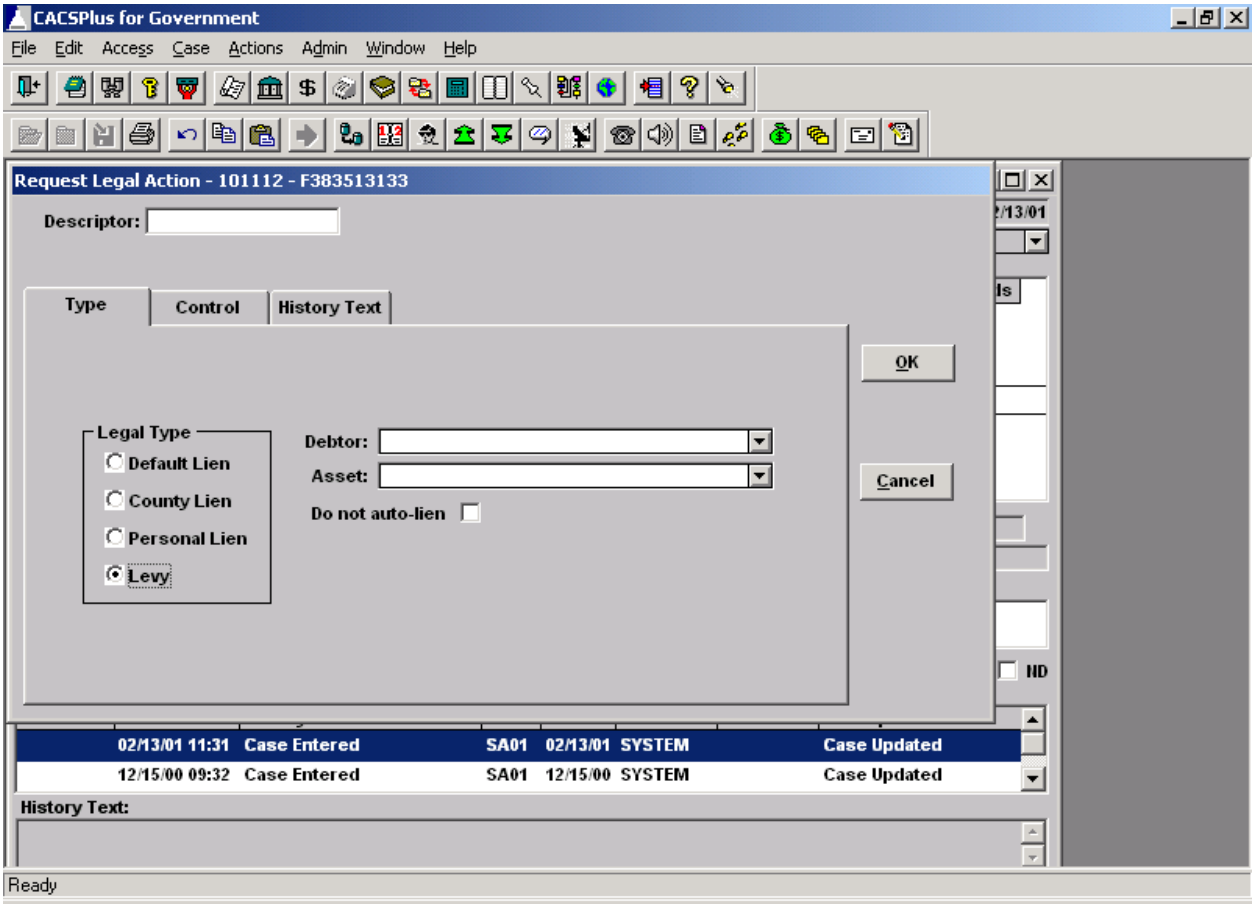
Once this information displays, users will have the ability to sort the data. Clicking on the Sort button will display a pop-up sort window to select the sorting criteria (see sample window below). From this window, users can select the field(s) to sort by, as well as ascending or descending. This pop-up window will have OK and Cancel buttons. Clicking Cancel will close the pop-up window without making any changes. Clicking OK will close the pop-up window and sort the data in the format selected.

This pop-up window will be a 'response window', and users must make a selection (OK, Cancel, or closing the window with the 'X') before they can access any other window.



2.4.12 Request Legal Action Window

Below is a sample of the Request Legal Action window. From this window, users can request a levy or a lien (Discussion is needed with users whether or not this window will need to be modified. How do users handle warrants? Do they need the online ability in MARCS to generate a warrant? If so, is the Request Legal Action window the appropriate place to put this option?)



2.5 Online Processing Test Conditions

A formal test plan will be created. Note: the Business Analyst will load the new correspondence templates in a QA environment to be included with online testing. However, any new State Assignment rules will remain solely in the Admin environment for System Administrator testing.

3.0 Daily Processing

3.1 Section Overview

Modifications will be made to send and receive Responsible User information with STAR. MARCS will create CCH lines when receiving Responsible User notifications from STAR.

3.2 Daily Processing Data Flow Diagram

N/A

3.3 Daily Processing Narrative

N/A

3.4 Notification To and From STAR

A notification will be sent to STAR any time a Responsible User is added, changed, or deleted in MARCS (either through online or background). This notification will be done with a new S-Record (still need to define name of new S-Record – possibly S9). This will be a 'one-way' notification, in that STAR will not send an approval response back to MARCS. The Responsible User will be sent with the MARCS User Id (i.e., M12345 or S12345), and STAR will be modified to accept the format of this Responsible User.

STAR will also add a new Z-Record to provide a 'one-way' notification to MARCS any time a Responsible User is added, changed, or deleted in STAR. The Responsible User will be sent with the MARCS User Id format. Note to users: the Responsible User field in STAR is called 'Assigned To'.

Per discussions with MARCS and STAR technical personnel, the Responsible User field in the interface between MARCS and STAR will contain 7 characters to account for potential increase in the length of the MARCS and/or STAR User Id's in the future.

When MARCS receives Responsible User notification from STAR, it will update the WORKLIST_USER_ID field on the CO_CASE_STATE_POOL table. This will allow MARCS to build the worklists based on the correct Responsible User. MARCS will also create a Responsible User add, change, or delete CCH line.

STAR currently sends Responsible User information to MARCS on Z201 and Z202 transactions. However, since STAR will be creating a new Z-Record for the sole purpose of sending Responsible User notification, MARCS will no longer process the Responsible User information provided on the Z201 and Z202 transactions.

3.5 State Assignment

State Assignment processing will be modified to delete the Responsible User if the Primary Function State is changed to a new Function Area. This would also need to trigger the notification to STAR for deleting the Responsible User and create the CCH line for deleting Responsible Users.

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3.6 Daily Processing Test Conditions

A formal test plan will be created.

4.0 Weekly Processing

4.1 Section Overview

N/A

4.2 Weekly Processing Data Flow Diagram

N/A

4.3 Weekly Processing Narrative

N/A

4.4 Weekly Processing Test Conditions

N/A

5.0 Monthly Processing

5.1 Section Overview

N/A

5.2 Monthly Processing Data Flow Diagram

N/A

5.3 Monthly Processing Narrative

N/A

5.4 Monthly Processing Test Conditions

N/A

6.0 On-Request Processing

6.1 Section Overview

N/A

6.2 On-Request Processing Data Flow Diagram

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N/A

6.3 On-Request Processing Narrative

N/A

6.4 On-Request Processing Test Conditions

N/A

7.0 Conversion Specifications

7.1 Section Overview

A conversion will be done with MARCS and STAR to bring them in synch with Responsible User information. A one-time conversion process will send all Responsible Users from STAR to MARCS, and all Responsible Users from MARCS to STAR (reconciliation?).

Currently, MARCS received Responsible User information from STAR on Z201 and Z202 transactions. However, MARCS only captures the Responsible User information from the Z202, and populates the RESOPNSIBLE_USER field on the CO_CASE_EXTRACT table. MARCS does not use this RESPONSIBLE_USER field on the CO_CASE_EXTRACT table (MARCS uses the CO_CASE_STATE_POOL table for Responsible User processing, which will begin to be populated with the new Responsible User Z-Record from STAR). Additional discussion is necessary to determine if a PROD Mod or some type of conversion is needed to remove the Responsible User ID's that have already been placed in the CO_CASE_EXTRACT table.

7.2 Conversion Data Flow Diagram

N/A

7.3 Conversion Processing Narrative

N/A

7.4 Conversion Processing Test Conditions

A formal test plan will be created.

8.0 Management Reporting

8.1 Section Overview

As of the time of writing this draft, no reports have been identified as being needed for this project.

8.2 Report Processing Data Flow Diagram

N/A

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8.3 Report Processing Narrative

N/A

8.4 Report Processing Test Conditions

A formal test plan will be created.

8.5 Report Definitions

N/A

9.0 Implementation

9.1 Documentation

N/A

9.2 Training Considerations

Treasury personnel will handle the training of Field personnel.

9.3 Help Desk Considerations

N/A

9.4 Equipment Considerations

Treasury personnel will need to ensure the proper graphics are loaded to the local printers to allow local print capabilities.

9.5 Staffing Considerations

N/A

10.0 Appendices

10.1 New or Revised Data Items

N/A

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10.2 New Tables, Files and Records

STAR technical personnel have not yet reviewed this section. STAR will also be providing a record id and layout for the new Responsible User Z-Record.

10.2.1 New S-Record (need name of record id determined)

Record Format

```
05      S? RECORD DATA
        07      S?-ACCT-ID
        07      09      S?-BUS-SOC                      PIC X(01)
                09      S?-ACCT-NO              PIC X(09)
                09      S?-SAC-TAX                      PIC X(01)
        07      S?-TRAN-TYPE (need to define value)     PIC X(03)
        07      S?-RECORD-ID ('S?')             PIC X(04)
        07      S?-RECORD-SEQ-NO                PIC 9(07)
        07      S?-DATE-STAMP                           PIC 9(08)
        07      S?-TIME-STAMP                           PIC 9(08)
07      S?-ACTION-CODE ('A', 'C', or 'D')       PIC X(01)
        07      S?-OLD-RESP-USER                PIC X(07)
        07      S?-NEW-RESP-USER                PIC X(07)

                .
```

10.2.2 New Z-Record (need name and layout determined)

10.3 Purging Requirements

N/A

10.4 Backup/Recovery Requirements

N/A

10.5 Archive Requirements

N/A

10.6 Glossary of Terms

N/A

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11.0 Exhibits

11.1 Action Windows with Responsible User on Control Tab

Below is a list of all action windows in MARCS where the Responsible User is available on the Control tab.

- Route to State
- Change Follow –up Date
- Change Responsible user
- Add Secondary State
- Change Secondary State (which is not implemented yet, MPR1108)
- Enter History Text
- Skip Trace History Text
- Collector Review
- Route for Review
- Review Miscellaneous
- Change Case Status
- Outgoing Call
- Incoming Call
- Letter Received
- Field Visit
- Office Visit
- Non-CACS + letter
- Payment Received
- Return Received
- Information Received
- Initiate Correspondence
- Initiate Legal Action
- Request Legal Action
- Installment Agreement
- Dispute Amount
- Change Assessment Status
- Request Case Split
- Merge/Change Case
- Transfer to AG/Field
- Payment Plan

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PROPOSAL COST SHEET 1

SUMMARY COST PROPOSAL

DESCRIPTION OF GOODS & SERVICES	SUBS IF ANY	One time Acquisition Costs	FY 03 Costs	FY 04 Costs	FY 05 Costs	FY 06 Costs	FY Cos
Cost Sheet 2: PRIMARY COLLECTION AGENCY SERVICES[1]			$0	$11,892,201	$13,591,087	$13,591,087	$13,59
Cost Sheet 3: THIRD PARTY SOFTWARE AND LICENSE EXPENSE RELATED TO MARCS APPLICATIONS	AMS		$10,825	$192,825	$216,900	$216,900	$21
Cost sheet 4: CUSTOMIZED PACKAGE COLLECTION SOFTWARE							
Cost Sheet 5: ACQUISITION AND OPERATIONAL COSTS RELATED TO OPTIONAL PRIMARY MARCS SERVER SITE							
Cost Sheet 6: PRIMARY COLLECTION SITE MARCS SOFTWARE AND TECHNOLOGY MAINTENANCE[2]	AMS		$1,007,840	$5,846,963	$5,491,157	$5,491,157	$5,49
TOTAL COSTS		$0	$1,018,665	$17,931,989	$19,299,144	$19,299,144	$19,29

GC Services
Vendor Company Name

Authorized Representative

1 Collections have been estimated at $98,000,000 per year

2 Beginning with FY2005 and each fiscal year thereafter, the personnel rates for the preceding year may be increased by a pe
metro consumer price index (CPI) for the preceding year, up to a cumulative maximum increase of 7.5% over the remaining te

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EMPLOYEE CLASSIFICATION	FY 03 Hourly Rate	Overhead Persentage	FY 04 Hourly Rate	FY 05 Hourly Rate	FY 06 Hourly Rate	FY 07 H
Project Director	$268	[redacted]	$281	295	310	
Project Supervisor	$306	[redacted]	$321	337	354	
Corporate QA	$306	[redacted]	$321	337	354	
Business Function Analysts	$166	[redacted]	$174	183	192	
Systems Analysts	$191	[redacted]	$201	211	221	
Training Personnal	$160	[redacted]	$168	176	185	
Telecommunications	$191	[redacted]	$201	211	221	
Software Program Analysts	$147	[redacted]	$154	162	170	
Other:		[redacted]				
Senior Programmer/Analyst	$141	[redacted]	$148	155	163	
Programmer/Analyst	$121	[redacted]	$127	133	140	
Bankruptcy Clerks	$24.33	67.41%	25.55	$26.82	$28.17	
Account Representatives	$23.82	67.59%	25.01	$26.26	$27.57	
Supervisors	$37.51	64.51%	39.39	$41.35	$43.42	
Clerical	$22.97	67.91%	24.12	$25.32	$26.59	

(Use Additional Sheets if Necessary)

GC Services
Vendor Company Name

Authorized Representative

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PRIMARY COLLECTION SITE MARCS SOFTWARE & TECHNOLOGY MAINTENANCE

Job Description	Number of Staff	FY03 Costs	FY04 Costs	FY05 Costs	FY06 Costs	FY07 Costs	FY08 Costs
SOFTWARE OPERATION/ MAINTENANCE							
Program Manager(s)							
MIS Director	1		$406,560	$464,640	$464,640	$464,640	$464,640
Client/Server Manager	1		$252,000	$288,000	$288,000	$288,000	$288,000
Systems Planning Manager	1		$252,000	$288,000	$288,000	$288,000	$288,000
User Support Manager	1		$252,000	$288,000	$288,000	$288,000	$288,000
Ongoing QA			$0	$0	$0	$0	$0
Subtotal	4	$0	$1,162,560	$1,328,640	$1,328,640	$1,328,640	$1,328,640
Program Analysts							
Business Analyst	2		$329,280	$376,320	$376,320	$376,320	$376,320
Technical Specialist	1		$203,280	$232,320	$232,320	$232,320	$232,320
Programmer/Analyst	4		$604,800	$691,200	$691,200	$691,200	$691,200
Subtotal	7	$0	$1,137,360	$1,299,840	$1,299,840	$1,299,840	$1,299,840
Enhanced Call Mgmt_Software Maintenance							
UNIX Operations	2	$0	$252,000	$288,000	$288,000	$288,000	$288,000

Job Description	Number of Staff	FY 03 Costs	FY04 Costs	FY05 Costs	FY06 Costs	FY07 Costs	FY08 Costs

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Operations Support							
Help Desk (Application/Technical)	3		$493,920	$564,480	$564,480	$564,480	$564,480
Systems Administrator	1		$164,640	$188,160	$188,160	$188,160	$188,160
Decision Support Analyst	0		$0	$0	$0	$0	$0
Strata Analyst	1		$164,640	$188,160	$188,160	$188,160	$188,160
Computer Operations	3		$201,600	$230,400	$230,400	$230,400	$230,400
Admin/Data Control	2		$134,400	$153,600	$153,600	$153,600	$153,600
Subtotal	10	$0	$1,159,200	$1,324,800	$1,324,800	$1,324,800	$1,324,800
Additional Personnel for Specified Projects							
Business Analyst	2	$424,960	$445,440				
Programmer/Analyst	3	$564,480	$591,360				
Subtotal		$989,440	$1,036,800	$0	$0	$0	$0
Hardware - LAN Management							
LAN Administration	4		$504,000	$576,000	$576,000	$576,000	$576,000

Job Description	Number of Staff	FY 03 Costs	FY04 Costs	FY05 Costs	FY06 Costs	FY07 Costs	FY08 Costs
Maintenance Agreements(2) (Specify) [4]							
Development Environment			$8,287	$9,471	$9,471	$9,471	$9,471
Print and Report Servers			$153	$175	$175	$175	$175
Network (routers, concentrators)			$7,299	$8,341	$8,341	$8,341	$8,341
Subtotal		$0	$15,739	$17,987	$17,987	$17,987	$17,987
Other Data Processing Equipment							

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Production Server (HP9000-E41)		$18,400	$27,600	$27,600	$27,600	$27,600	$27,600
Development Environment (K460)		$0	$15,600	$15,600	$15,600	$15,600	$15,600
DISCOUNT			($208,390)	($238,160)	($238,160)	($238,160)	($238,160)
Operating Costs (Rent, Phones, Supplies, Bankruptcy Space etc.)			$744,494	$850,850	$850,850	$850,850	$850,850
TOTAL	27	$1,007,840	$5,846,963	$5,491,157	$5,491,157	$5,491,157	$5,491,157

GC Services

Authorized Representative

[4] Maintenance Agreement for Call Management/Predictive Dialer System is anticipated to be between $20-$30,000 per year. GC Note: See attached spreadsheet for hardware/software details. Costs for workstations and local printers are included in co rate.

[5] Assumes report print function at MARCS.

[6] All operating costs related to Primary Collection Site are to be included in percentage of collection fee: not cost plus.

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Schedule A – IT Infrasturcture

Includes:
Schedule A1 – HP 9000 – E41 Equipment Configuration
Schedule A2 – Implementation Statement of Work

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Schedule A1 – HP 9000 – E41 Equipment Configuration

Proprietary information of GC Services. Not to be reproduced without express written consent.

Schedule B2 – IT Infrastructure Implementation – Statement of Work

Proprietary information of GC Services. Not to be reproduced without express written consent.

Schedule B – Bankruptcy System

Includes:
Schedule B1 – MPR 918 Bankruptcy System Evaluation (July 8, 2002)
Schedule B2 – MPR's included in new Bankruptcy System
Schedule B3 – Estimates for Redevelopment (9/13/2002)

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Schedule B1 – MPR 918 – Bankruptcy System Evaluation

Proprietary information of GC Services. Not to be reproduced without express written consent.

Schedule B2 – MPR's included in new Bankruptcy System

Proprietary information of GC Services. Not to be reproduced without express written consent.

Schedule B3 – Estimates for Redevelopment of Bankruptcy System

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Schedule D – Lien Reissue – Statement of Work

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Schedule D – Field Office Imaging

Includes:
Schedule D1 – MPR 872 – Field Office Use of MARCS – Draft Functional Specification
Schedule D2 – MPR 1106 – Field Office Imaging – Statement of Work

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Schedule D1 – MPR 872 – Field Office Use of MARCS – Draft Functional Specification

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Schedule D2 – MPR 1106 – Field Office Imaging – Statement of Work

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Schedule E – Overall Project Timeline

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Cost Schedule Appendix

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Item	*P/N*		*Description*
			HP 9000 Standard Rack
1	A4902A		HP9000 Std Rack System E41
2	A5213AZ		Rear Door for Std. Rack System E41
3	A5137AZ		Modular Power Dist. Unit for std racks
4	J1479B		120 Lb. Ballast Kit
5	J1530AZ		Factory Integration Rack Kit for rp7410
6	J1530AZ	A5N	250V/16Amp 2.5M PDU jumper cord C19/C20
7	A5499AZ		30 Amp Power Distribution Relay Unit
8	A5499AZ	001	No. American Power cord (connector type)
9	A5137AZ	AW4	200 - 240 volts North America
			HP Server RP7410
1	A6752A		HP server rp7410 Solution
2	A6444A		750MHz PA8700 CPU, 2 pack
3	A6444A	0D1	Factory integrated
4	A6094A		Cell Board, Processor and Memory
5	A6094A	0D1	Factory integrated
6	A6793A		Core I/O for HP server rp7410
7	A6793A	0D1	Factory integrated
8	A6097A		2GB High Density SyncDRAM Memory Mod
9	A6097A	0D1	Factory integrated
10	A6723A		LP 18GB HotPlug Ultra2 SCSI disk drive

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11	A6723A	0D1	Factory integrated
12	A6180A		DVD drive for HP server
13	A6180A	0D1	Factory integrated
14	A6828A		PCI Ultra160 SCSI Adapter
15	A6828A	0D1	Factory integrated
16	A5838A		PCI 2 Port 100Base-T 2 Port Ultra2 SCSI
17	A5838A	0D1	Factory integrated
18	C1099A		Terminal console for HP3000/9000 systems
19	C1099A	ABA	U.S. - English localization
20	C2364A		SCSI Terminator LVD/SE HDTS68 Multimd
21	A6490AZ		HP Disk System 2300 Factory Rack
22	A6491A		Redundant Controller for HP DS2300
23	A6491A	0D1	Factory integrated
24	A6539A		Add on 73GB 10K RPM Ultra 3 SCSI Drive
25	A6539A	0D1	Factory integrated
26	C2373A		SCSI Cable 2m VHDTS68 M/M Multimd
27	C2373A	0D1	Factory integrated
28	C2362B		SCSI Cable 2.5m VHDTS68/HDTS68 M/M Multi
29	C2362B	0D1	Factory integrated
30	A3196A		5 meter AC power cord
31	H4405Y	0BC	Manuals on CD-ROM

HP/UX Licensing and Other Software

1	B9088AC		HP-UX OE LTU 1 CPU with system
2	B3920EA		HP-UX OE Media for Servers
3	B3920EA	UM9	HP-UX version 11i
4	B3920EA	0D1	Factory integrated
5	B3920EA	ABA	U.S. - English localization
6	B2433EB		HP Micro Focus Object COBOL LTU Devel

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7	B2433EB	AVN	Release Notes
8	B2433EB	0D1	Factory integrated
9	B2491BA		MirrorDisk/UX License for Servers
10	B2491BA	2AH	Single processor license
11	B2491BA	0D1	Factory integrated
12	B3701AA		HP OV GlancePlus Pak HP9000 Server,Media
13	B3701AA	UM9	HP-UX version 11i
14	B3701AA	0D1	Factory integrated
15	B3901BA		HP C/ANSI C Developer Bundle Server LTU
16	B3901BA	2AH	Single processor license
17	B3901BA	0D1	Factory integrated
18	B3929CA		OnLineJFS 3.3 License for HP 9000 Svrs
19	B3929CA	2AH	Single processor license
20	B3929CA	0D1	Factory integrated
21	B6132AA		HP OV GlancePlus Pak Tier Two, LTU
			HP SureStore Tape Array 5300
1	C7508AZ		HP Tape Array 5300 (factory-racked)
2	C7498A		HP DAT 24m Array Module
3	C7498A	0D1	Factory integrated
4	B6953AA		OV Data Protector one Drive UNIX etc LTU
5	B6951AA		OV Data Protector Cell Manager HP-UX LTU
			Support Contract
1	B6951AA	3Y6	Three Years of System Support Option
2	B6953AA	3Y6	Three Years of System Support Option
3	B6132AA	3Y6	SW Tel;HW Wty 24x7; Sys Supp - 3 Yr.
4	H4405Y		24x7 System Support, Phone/Updates, 3yr
5	H4405Y	449	Support - HP Surestore Tape Array

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6	H4405Y	455	Support - HP SureStr DLT1, DAT40/24 Drvs
7	H4405Y	636	Support - Terminals (new generation)
8	H4405Y	6A2	Support - Server SW Applications
9	H4405Y	6BB	Support - rp7410/rp8400 CPUs, 2 pack
10	H4405Y	6BH	Support - rp7410 Server
11	H4405Y	6G0	Support - Server SW Applications
12	H4405Y	6G9	Support - B3929/B9116/B9117/B9118 PPL
13	H4405Y	6H2	Support - Server SW Applications
14	H4405Y	6M1	Support - Internet OE per processor
15	H4405Y	8AY	Support - HP SureStore DS2300
16	H4405Y	AAF	CD-ROM (disk only)

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communication of this information in whole or part outside the client's organization is per

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MPR # **1199**

Description: **Install New MARCS Database Server**

Introduction

As part of the MARCS contract extension, GC Services has committed to purchase and install new database server equipment to replace the existing HP K460 database server. This project will include use of the most current HP Unix Operating System and the most current Sybase database software. Additionally, this project will include upgrading to the most current release of Crystal Info software for reporting. This project is setup to cover the work required to implement the new server equipment and upgraded software.

Approach

This project includes the following steps:

- Physical space planning – we will need to plan the install of the hardware so that the existing HP K460 and the new database server are both installed in the computer room and running concurrently for several months. Once the new server is implemented for production, the existing server can be retired and the new server will be moved to a permanent location in the computer room.
- Purchase and install the new server equipment and necessary software – This will cover the server and network components that need to be installed to support the new database server. We will also purchase the upgraded Crystal Info software so that MARCS reports can be upgraded.
- Install necessary software – This project will include upgrades to the HP Unix Operating System and the Sybase Database software so that we will be running on the most current releases of these products. We will be installing this software and beginning configuration of the Sybase database. This step will also include installation of the necessary MARCS PowerBuilder and COBOL source and object codes so that conversion work to utilize the new operating system and database software can begin. This step will also include setup of the production and testing environments needed to support the MARCS operations. Additionally, this step will include installation of the upgraded Crystal Info software.
- Compile and Unit Test MARCS components – The online and background MARCS components will be compiled and unit tested to insure that functionality in MARCS is compatible with the new operating system, upgraded Sybase software and the new hardware. A complete project test plan will be developed for this effort. This needs to include interfaces from MARCS to external systems such as AutoPay, Bankruptcy, Experian and DART. This step will also include re-generation of all Crystal Info reports using the upgraded software.
- QA Testing of MARCS components – Once Unit Testing is completed, the MARCS components will be turned over to the Functional Team for Quality Assurance testing. A complete regression test plan of all online MARCS functions will be developed and executed. We will also be performing stress testing of the online and some background processes such as Daily STAR interfaces and monthly P&I and reporting processes. This will also include running all background processes and reports and will include the interfaces to external systems as described above. We will also use parallel testing to verify results of all background and report processes.
- Implementation Plan and Implementation – A complete implementation plan will be developed and a trial run of the plan will be performed. We will need to retrofit any changes that have been made to MARCS components during the testing phase of the new equipment and perform regression

testing of those changes to insure that MARCS processing will not be interrupted. We will also need to plan a conversion/download of the MARCS databases from the old server to the new server. Additionally, a user acceptance test will be planned as part of implementation.

It is anticipated that the new server installation will resolve or minimize the need for several other MPR's. These include:

501 – Split Database – The new server will minimize the need for this work. We will re-evaluate this project early in 2004.
1142 – P&I Changes – We recently completed some re-programming of this monthly process in order to make the process fit our available batch window. We had envisioned that additional changes would be needed in order to provide Treasury with flexibility to run the P&I process on any weekday instead of being limited to a Friday night run. We believe the new server will eliminate the need for further work on this process.
1143 – Multi-Thread the background process – We believe the new server will make this unnecessary.
1144 – Automated Recovery of lost online transactions – This project will be deferred until some time in 2004. We still view this as a valuable project but we want to review the capabilities of the upgraded Sybase software to see if that will assist in this effort.
1145 – State Assignment timing improvements – We believe the new server will make this project unnecessary.
1125 – Deadlocks – We will review this during the upgrade of the new server. We believe there are some minimal changes that we can make to Sybase and MARCS parameters that will eliminate the need for this project.
1084 – Unix/Sybase Upgrade – This project will not be necessary due to the new server which will already include upgraded versions of this software.
868 – Revise MARCS Background Scripts – We believe the new server will make this project unnecessary.

Deliverables

Deliverables will include:

- Approved Statement of Work
- Physical Installation Plan
- Unit Test Plan
- Code/Unit Testing
- Quality Assurance Test Plan
- Quality Assurance Testing
- Implementation Plan
- Implementation

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

April 23, 2002

CHANGE NOTICE NO. 5
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR	TELEPHONE Dennis Wojcicki **(713) 777-4441**
GC Services Limited Partnership **6330 Gulfton** **Houston, TX 77081**	
	BUYER (517) 335-0462 **Chris Michel**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Dept. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **November 15, 2003**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Effective immediately this contract is hereby EXTENDED to 11/15/03, with an INCREASE of $26,464.225.00 in dollar value and the addition of commodity code: 946-33.
Also please note CS138 number change to: 192S0002070.

AUTHORITY/REASON:

Per agency request from Tom Falik dated 3/15/02.

INCREASE: $26,464,225.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: $90,562,519.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

December 7, 2001

CHANGE NOTICE NO. 4
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **GC Services Limited Partnership** **6330 Gulfton** **Houston, TX 77081**	TELEPHONE Dennis Wojcicki **(713) 777-4441** BUYER (517) 335-0462 **Chris Michel**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Dept. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **June 21, 2003**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

NATURE OF CHANGE (S):

Please note that buyer has changed to Chris Michel.

AUTHORITY/REASON:

Per DMB/OOP

TOTAL ESTIMATED CONTRACT VALUE REMAINS: $64,098,294.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET **October 13, 2000**
OFFICE OF PURCHASING
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE #3
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR	TELEPHONE Dennis Wojcicki **(713) 777-4441**
GC Services Limited Partnership **6330 Gulfton** **Houston, TX 77081**	BUYER (517) 373-2049 **Lisa Arnott**
Contract Administrator: Michael Reynolds **Michigan Accounts Receivable Collection System (MARCS) - Dept. of Treasury**	
CONTRACT PERIOD From: **July 1, 1997**	To: **June 21, 2003**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

CHANGE(S): This Contract is hereby amended to incorporate the following Change Order Authorizations (COA):

COA	Description	Cost
COA-008	A change in printers. A Xerox NPS/4050 was installed to achieve the contract functionality for centralized printing.	No change
COA-009	A change in hardware which meets or exceeds the functional Performance standards.	No change
COA-010	Staffing levels adjusted. This change will decrease the LAN support staff for one employee and increase the Development staff by one employee.	$49,600.00

All Change Order Authorizations are attached for details.

AUTHORITY/REASON: Changes mutually agreed to.

INCREASE: $49,600.00

REVISED CONTRACT ESTIMATED VALUE: $64,098,294.00

Form No. DMB 234A (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Failure to deliver in accordance with Contract terms and conditions and this notice,may be considered in default of Contract.

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

June 28, 1999

CHANGE NOTICE #2
TO
CONTRACT NO. 071B7000417
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR **GC Services Limited Partnership** **6330 Gulfton** **Houston, TX 77081**	TELEPHONE Dennis Wojcicki **(713) 777-4441** BUYER (517) 373-2049 **Lisa Arnott**
NIGP #918-29 Contract Administrator: Michael Reynolds	CS 138# 271S8000117
Michigan Accounts Receivable Collection System (MARCS) - Dept. of Treasury	
CONTRACT PERIOD From: **July 1, 1997**	To: **June 21, 2003**
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
MINIMUM DELIVERY REQUIREMENTS **As Required**	

CHANGE(S): **Contract change notice to accept the following Change Order Authorizations (COA):**

COA	Description	Cost
COA-006	Modifications to CACSg to handle security restrictions and provide consulting and development services.	$ 7,188.00
COA-007	Software changes to be used to complete the technical environments of MARCS. Changing from WITNESS Software to Remotely Possible software.	(20,610.00) $(13,422.00)

All COAs are attached for details.

AUTHORITY/REASON: Changes mutually agreed to.

DECREASE: $13,422.00

REVISED CONTRACT ESTIMATED VALUE: $64,048,694.00