

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

February 26, 2013

CHANGE NOTICE NO. 7
 to
CONTRACT NO. 071B7200347
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7	Jim Sodoro	jsodero@sts-mh.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(877) 926-4637	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	MDOS	Mike Butcher	(517) 636-6339	butcherm@michigan.gov
BUYER	DTMB	Reid Sisson	(517) 241-1638	sissonr@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Commercial Driver License (CDL) /Automated Testing Systems (ATS) - MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 14, 2007	October 1, 2010	2, 1 Yr. Options	April 1, 2013
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>	3 Months	June 30, 2013
VALUE/COST OF CHANGE NOTICE:		ESTIMATED REVISED AGGREGATE CONTRACT VALUE:		
\$75,992.28		\$4,397,470.48		

Effective immediately, this Contract is hereby EXTENDED three (3) months to July 1, 2013 and INCREASED by \$75,992.28. See attached quote from vendor. Please note the buyer has been changed to Reid Sisson.

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

Per agency and vendor agreement, DTMB Procurement approval, and the approval of the State Administrative Board dated February 5, 2013.

Solutions Thru Software Inc. USD

Box 789
 Medicine Hat T1A 7G7

QUOTE

Quote No.: 4
 Date: 12/11/2012
 Page: 1
 Ship Date:

Sold To:
 State of Michigan

Ship To:
 State of Michigan

Business No.:

Item No.	Quantity	Unit	Description	Tax	Unit Price	Amount
			Michigan Department of State CDL Kiosks - Software Maintenance & Hardware Maintenance Period Covered 4/30/2013 to 6/30/2013			
	80		Software Maintenance Control Stations (335.00/year = 27.92 x 3 months)		83.76	6,700.80
	284		Testing Stations (335.00/year = 27.92 x 3 months)		83.76	23,787.84
	80		Hardware Maintenance Control Stations (500.00/year = 41.67 x 3 months)		125.01	10,000.80
	284		Testing Stations (500.00/year = 41.67 x 3 months)		125.01	35,502.84
Shipped by					Total Amount	75,992.28
Comments						
Sold By:						

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

September 28, 2012

CHANGE NOTICE NO. 6
 to
CONTRACT NO. 071B7200347
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7	Jim Sodoro	jsodero@sts-mh.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(877) 926-4637	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	MDOS	Mike Butcher	(517) 636-6339	butcherm@michigan.gov
BUYER	DTMB	Mark Lawrence	(517) 241-1640	lawrencem1@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Commercial Driver License (CDL) /Automated Testing Systems (ATS) - MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 14, 2007	October 1, 2010	2, 1 Yr. Options	October 1, 2012
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>	6 MONTHS	April 1, 2013
VALUE/COST OF CHANGE NOTICE:		ESTIMATED REVISED AGGREGATE CONTRACT VALUE:		
\$151,470.00		\$4,321,478.20		
Effective immediately, this Contract is hereby EXTENDED six (6) months to April 1, 2013 and INCREASED by \$151,470.00. Please note the buyer has been changed to Mark Lawrence.				
All other terms, conditions, specifications, and pricing remain the same.				
Per agency and vendor agreement, DTMB Procurement approval, and the approval of the State Administrative Board dated September 13, 2012.				

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

June 21, 2011

CHANGE NOTICE NO. 5

TO

CONTRACT NO. 071B7200347

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR		TELEPHONE (877) 926-4637 Jim Sodero
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7 Email: jsodero@sts-mh.com		CONTRACTOR NUMBER/MAIL CODE
		BUYER/CA (517) 373-0301 Sue Cieciwa
CONTRACT COMPLIANCE INSPECTOR: Mike Butcher (517) 636-6339 Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS		
CONTRACT PERIOD: 3 yrs. + 2 one-year options From: September 14, 2007 To: October 1, 2012		
TERMS N/A	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
ALTERNATE PAYMENT OPTIONS: <input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other		
MINIMUM DELIVERY REQUIREMENTS N/A		

NATURE OF CHANGE(S):

The last option year available on this Contract is hereby exercised, therefore the contract expiration date is changed to October 1, 2012.

In addition, the contract value is hereby INCREASED by: \$1,003,264.00.

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

Contract pricing is based on the purchase of the software licenses and on the networking of the testing stations, which have not been completed to date. If these two items do not occur, it may be necessary to revert to previously negotiated and accepted pricing, subject to the State's acceptance.

Contract No. 071B7200347

Change Notice No. 5

Page 2

AUTHORITY/REASON:

Per agency request dated April 5, 2011, DTMB, Purchasing Operations request dated April 12, 2011, vendor acceptance by email dated May 13, 2011, and State Administrative Board approval on June 21, 2011.

INCREASE: \$1,003,264.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$4,170,008.20

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET December 28, 2010
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 4
TO
CONTRACT NO. 071B7200347
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE	Jim Sodero (877) 926-4637
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7 Email: jsodero@sts-mh.com		VENDOR NUMBER/MAIL CODE	
		BUYER/CA (517) 373-0301 Sue Cieciva	
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS			
CONTRACT PERIOD:		From: September 14, 2007	To: October 1, 2011
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS N/A			

NATURE OF CHANGE(S)

Effective immediately Hardware Maintenance Language is hereby added to this Contract as follows:

The annual Hardware Maintenance fee ensures continual operations by providing maintenance of all hardware associated with the applicable PCS/CS or TS.

The Annual Hardware Maintenance price was calculated based on 364 machines (80 PC Server/Control Stations + 284 Testing Stations) x \$500.00 per machine per year for the total of: \$181,000.00 per annum.

In addition the buyer for this Contract is hereby CHANGED to Sue Cieciva.

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

AUTHORITY/REASON:

Per Agency request and Administrative Board approval dated December 7, 2010 and DTMB approval.

INCREASE: \$181,000.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$3,166,744.20

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET **August 20, 2010**
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 3
OF
CONTRACT NO. 071B7200347
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR		TELEPHONE	Jim Sodero (877) 926-4637
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7 Email: jsodero@sts-mh.com		VENDOR NUMBER/MAIL CODE	
		BUYER/CA	(517) 241-1647 Irene Pena
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS			
CONTRACT PERIOD:		From: September 14, 2007	To: October 1, 2011
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS		N/A	

NATURE OF CHANGE(S)

Effective immediately the first of two one year extensions is hereby exercised therefore the Contract end date is now October 1, 2011. The Contract is also INCREASED \$871,764.26.

In addition, the attached Work Statement is hereby incorporated into this Contract.

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

AUTHORITY/REASON:

Per Agency request and Administrative Board approval dated August 17, 2010.

INCREASE: \$871,764.26

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$2,985,744.20

Introduction

The Department of State administers approximately 22,000 mechanics tests annually and is seeking a method to improve efficiency by providing applicants with immediate test results along with simplification of the data handling process.

Summary of Issues

Solutions Thru Software has reviewed the documentation provided by the state and has determined that it is not possible to expand the Mechanics exams in the phases envisioned by the State primarily due to a limitation in the way the existing system has been implemented. Phase 1 would see the test(s) implemented on the CDL Automated Testing System kiosks located within 80 of the branch offices. However, the State of Michigan is currently using a "Standalone Office Implementation" whereby all of the Control and Testing Stations in each individual office reside on their own private and isolated network. As such, there is no physical connection between this private network and the State Network, or the outside world.

The issue that this type of implementation poses to an expansion of the Mechanics exams is twofold. First, there is no method for providing software and item pool updates without physically visiting each office. Even if we did re-install the entire state, without a connection, there would be no means of transmitting any data from the individual offices back to the correct location for further data-cleansing and entry into the L2K system.

Second, within Michigan we are operating three completely independent systems for CDL paper exams, CDL computer exams, and Driving School Exams. The Driving School Exam system allows the Driving Schools to connect in and create exams across the internet, but it only allows the creation of paper exams, not automated exams. This system would also need to be upgraded to allow for computerized electronic exams in the vocational schools.

Recommended Solution

Given the issues outlined above, STS recommends the following changes to the proposed phases to assist the State of Michigan in achieving their goals regarding improving the efficiency of the Mechanics Testing process:

Phase 1

System Capabilities

We recommend the implementation of a Centralized System. This will:

- operate from a single (with redundant back up) server
- operate out of a secure co-location site meeting State requirements
 - Co – location site will:
 - be located within the United States
 - offer both physical and electronic security
 - offer Video monitoring of all access
- be capable of producing CDL, Driving School, and Mechanics exams
- be capable of producing Paper or Computerized Exams

- be capable of limiting the types of exam offered based on location, i.e. Driving Schools will only be able to offer and access Driving School exams, Vocational Schools will only be able to offer Mechanic Exams, while Government offices will be able to access exams as defined by the State.
- be capable of accepting varying rules and unique identifiers based on the type of exam being offered
- be capable of outputting a CSV file (or alternate format) as a means for connecting into the L2K system
- be capable of creating State wide reports individually for CDL, Driving School, or Mechanics exams

It should be noted that Solutions Thru Software has extensive experience in creating secure State-wide installations that operate on State WANs. In fact, of all of our State clients, Michigan is the only state that operates on isolated networks as opposed to the State WAN

Phase 2

Integration to Servers

It should be noted that Phase 2 is offered as an expansion possibility only and is not mandatory based on the State's current set of requirements.

The STS Examiner system includes a built-in interface that allows easy connection to third party applications and databases. This system is referred to as our "Open Control Interface (OCI)". Essentially, the OCI offers a variety of means of connecting to, or controlling, our application. With the OCI we can use: Soap (client and server), Stored Procedures, and/or direct database access to move information from our server(s) to State databases.

We are able to provide a list of State references if you would like to contact other customers who have already implemented these integration methods. With this interface, it would be possible to eliminate all physical handling of the data between the STS and State servers. With the Pass or Fail of a CDL exam, the States database could automatically be updated to reflect this information. With the Pass or Fail of a Mechanics exam, much of the data cleansing could be automatically completed and the databases updated accordingly.

By doing a search for an applicant on a State database prior to starting an exam, it is possible to ensure that a single unique identifier is used for all exams and eliminate the possibility of duplicate records.

Phase 2 has not been priced into this proposal, and is only provided as "food for thought" for a more fully integrated system that can reduce the State's cost of data handling.

- Project duration is expected to be between 4 and 6 months. STS will devote key staff members to this project to ensure timely completion. Tasks will include but are not limited to:
 - System Design
 - Programming
 - Testing
 - Implementation
 - On-site testing
 - On-site training
 - On-site conversion of CDL ATS stations to networked solution
 - Clone Image creation
 - Re-training where necessary

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

March 3, 2010

**CHANGE NOTICE NO. 2
 OF
 CONTRACT NO. 071B7200347
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR		TELEPHONE	Jim Sodero (877) 926-4637
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7 Email: jsodero@sts-mh.com		VENDOR NUMBER/MAIL CODE	
		BUYER/CA (517) 241-1647 Irene Pena	
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS			
CONTRACT PERIOD:		From: September 14, 2007	To: October 1, 2010
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS		align="center"> N/A	

NATURE OF CHANGE(S)

**Effective immediately this Contract is hereby INCREASED \$809,343.96.
 All other terms, conditions, Specifications and pricing remain unchanged.**

AUTHORITY/REASON:

Per Agency request and Administrative Board approval dated March 2, 2010.

INCREASE: \$809,343.96

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$2,113,979.94

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

February 23, 2009

**CHANGE NOTICE NO. 1
 OF
 CONTRACT NO. 071B7200347
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR		TELEPHONE	Jim Sodero (877) 926-4637
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7 Email: jsodero@sts-mh.com		VENDOR NUMBER/MAIL CODE	
		BUYER/CA (517) 241-1647 Irene Pena	
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS			
CONTRACT PERIOD:		From: September 14, 2007	To: October 1, 2010
TERMS	N/A	SHIPMENT	N/A
F.O.B.	N/A	SHIPPED FROM	N/A
MINIMUM DELIVERY REQUIREMENTS N/A			

NATURE OF CHANGE(S)

**Effective immediately this Contract is hereby INCREASED \$404,671.98.
 All other terms, conditions, Specifications and pricing remain unchanged.**

AUTHORITY/REASON:

Per Agency request and Administrative Board approval dated February 9, 2009.

INCREASE: \$404,671.98

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$1,304,635.98

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

September 26, 2007

**NOTICE
 OF
 CONTRACT NO. 071B7200347
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR		TELEPHONE Jim Sodero (877) 926-4637
Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 241-1647 Irene Pena
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS		
CONTRACT PERIOD: From: September 14, 2007 To: October 1, 2010		
TERMS		SHIPMENT
N/A		N/A
F.O.B.		SHIPPED FROM
N/A		N/A
MINIMUM DELIVERY REQUIREMENTS N/A		
MISCELLANEOUS INFORMATION:		

The terms and conditions of this Contract are those of ITB #07117200288, this Contract Agreement and the vendor's quote dated August 13, 2007. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: \$899,964.00

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

CONTRACT NO. 071B7200347
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF VENDOR Solutions Thru Software, Inc. Box 789 Medicine Hat, AB T1A 7G7	TELEPHONE Jim Sodero (877) 926-4637 VENDOR NUMBER/MAIL CODE BUYER/CA (517) 241-1647 Irene Pena
Contract Compliance Inspector: Mike Butcher Commercial Driver License (CDL)/Automated Testing Systems (ATS) - MDOS	
CONTRACT PERIOD: From: September 14, 2007 To: October 1, 2010	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07117200288, this Contract Agreement and the vendor's quote dated August 13, 2007. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.	
Estimated Contract Value: \$899,964.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. 07117200288. Orders for delivery will be issued directly by the Department of State through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR: Solutions Thru Software, Inc. _____ Firm Name _____ Authorized Agent Signature _____ Authorized Agent (Print or Type) _____ Date	FOR THE STATE: _____ Signature Irene Pena, Buyer Specialist _____ Name/Title Commodities Division, Purchasing Operations _____ Division _____ Date
---	---



Article1 – Statement of Work (SOW)

1.0 Introduction

1.001 DEFINING DOCUMENT RESERVED

1.002 PROJECT TITLE AND DESCRIPTION

The purpose of this Contract is to provide new Commercial Driver License (CDL) Automated Testing Systems (ATS) for the Michigan Department of State (MDOS). These systems will be standalone and will be placed in 28 Department of State Branch Offices.

1.003 PROJECT CONTROL

Project Control

- a. The Contractor will carry out this project under the direction and control of the Department of State.
- b. Although there will be continuous liaison with the Contractor team, the client agency's project director will meet monthly as a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.
- c. The Contractor will submit brief written bi-weekly summaries of progress which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed-upon work plans. A copy of this report will be forwarded to the named Buyer in Purchasing Operations.
- d. Within five (5) working days of the award of the Contract, the Contractor will submit to the Department of State project director for final approval a work plan, which must include the following:

The Contractor's project organizational structure.

- (1) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- (2) The project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.
- (3) The time-phased plan in the form of a graphic display, showing each event, task, and decision point in your work plan.



Reports

Standard Report Requirements

Included as part of the 10 types of pre-constructed report queries, the CDL ATS should generate at least four standard reports that provide the following information:

- **Standard Report 1**

Provides an overview of test activity at that single location. Clerks or system administrators may select, and constrain if desired, report parameters including: test category, test type (on-screen, audio or written), test location, pass/fail/cancelled, or language. This report should include the following information:

- Local office name
- Test category
- Test type
- Language
- Report time period
- Number of tests taken
- Number of tests passed
- Number of tests failed
- Average time to complete tests
- Number of tests cancelled
- Report generation date

- **Standard Report 2**

Provides a detailed listing of all tests taken within a particular time period. The report can be constrained by date, location, test category, test type, language, and pass/fail/cancelled. Each result should give the following information:

- Local office name
- Report time period
- Client name and/or ID
- Test date
- Start/end time
- Kiosk station ID
- Test category
- Test type
- Language
- Test score
- Pass/fail status
- Report generation date

- **Standard Report 3**

Provides test history and results for individual applicants. The report is generated by input of applicant name or identifier. Report information for each applicant should include the following information:

- Applicant name and ID
- Test names for all tests taken
- Test type (on-screen, audio, written)
- Test start/end times
- Test location
- Kiosk station ID
- Language for each test taken



- Total number of questions for each test
- Total number of questions answered correctly
- Score for each test (%)
- Final status for each test.

- **Standard Report 4**

Provide detailed analyses of the question pool, which will help administrators identify and correct problems related to incorrect, misleading and unfair questions. Reports should be able to be generated for individual questions, for all questions within any knowledge domain, or for all questions that make up any previously administered test. Report information should include the following information:

- Question ID
- Display of associated visual or an identifier associated for visual (this information is helpful in identifying poor quality or misleading graphics).
- Total question usage
- Number of times answer and each distracter has been selected
- Average time taken by applicants to answer the question
- Number of times question has been skipped by applicants

Bidder Response: There are currently a total of 37 different report forms available with the standard installation, covering a broad range of reporting requirements. These reports have been custom designed for existing customers to be easy to interpret and contain all relevant data to assist in question pool, system usage, and user analysis.

The standard set of included reports has been optimized to present related data in an easy to read and logical format. These reports are the result of fine tuning operational reports to meet customer desires and as such are field proven.

Solutions Thru Software will for no extra charge, create or customize any reports which may be required.

Standard Report 1 can be handled with two of our standard reports, the Pass Rate report and the Average Test Duration report. Both of these reports provide an overview of testing activity at a single location or at all locations for any specified time period.

Test Type	Language	Test Method	Total Tests	Tests Passed (%)	Tests Failed (%)	Tests Exited (%)
CDL Air Brake	English	O	9	0	78	22
	Spanish	V	9	100	0	0
CDL Combination	English	O	2	50	50	0
	Spanish	V	1	0	0	0
CDL Dbls Tripls	English	O	2	0	0	0
	Spanish	V	1	0	0	0
CDL General	English	O	3	0	0	0
	Spanish	V	2	0	0	0

The Pass Rate report provides the majority of the data while the Average Test Duration report provides the rest. Both reports can be constrained by Date and Time and if created by an Administrative user, they can include any or all offices. These reports can be generated by any Examiner in any office but will only include activity for that office.

The Test Method column indicates how the test was presented to the Client: Visual only (V), Oral (O), or a Paper test (P).

Standard Report 2 can be handled with

Office	Test Start Date/Time	Test Duration	Unique ID	Full Name	Test Type	Pass	Test Score
Dover	01/23/2006 08:36:14	13	1223213	KRAMER, ALAN	CDL Instructor	FAIL	21
	01/23/2006 08:58:19	3	1223213	KRAMER, ALAN	Class D	FAIL	6
	01/23/2006 09:01:35	3	1223213	KRAMER, ALAN	Class D	FAIL	13
	01/23/2006 09:05:33	10	1223213	KRAMER, ALAN	CDL Instructor	FAIL	26
	01/23/2006 09:15:50	2	1223213	KRAMER, ALAN	Non-CDL	FAIL	6
	01/23/2006 09:18:26	103	1223213	KRAMER, ALAN	CDL Instructor	PASS	85
	01/23/2006 11:02:31	6	1223213	KRAMER, ALAN	Class D	PASS	80
	01/23/2006 11:09:59	30	1223213	KRAMER, ALAN	Non-CDL	FAIL	40
	01/23/2006 11:55:20	71	1234567	USER, TEST	Class D	PASS	80
	01/23/2006 11:55:21	80	1234567	USER, TEST	Non-CDL	PASS	80
	01/23/2006 11:55:22	85	1234567	USER, TEST	Signs	PASS	80
	01/23/2006 11:55:23	115	1234567	USER, TEST	CDL Instructor	PASS	85
	01/23/2006 12:06:12	42	123	KRAMER, KERRY	CDL Air Brake	FAIL	72
	01/23/2006 12:06:13	51	123	KRAMER, KERRY	CDL Combination	PASS	80
	01/23/2006 12:06:14	63	123	KRAMER, KERRY	CDL Dbls Tripls	FAIL	70
	01/23/2006 12:06:15	92	123	KRAMER, KERRY	CDL General	FAIL	56
	01/23/2006 12:10:22	29	2222222	BOE, HO	Motorcycle	FAIL	20
01/23/2006 12:10:23	34	2222222	BOE, HO	Signs	PASS	80	
01/23/2006 12:10:24	43	2222222	BOE, HO	CDL Tanker	FAIL	55	
01/23/2006 12:10:25	50	2222222	BOE, HO	CDL SchoolBus	PASS	80	
01/23/2006 13:40:06	7	123	KRAMER, KERRY	Class D	PASS	80	



one of our standard reports, the Activity report which provides a detailed listing of all tests taken within a particular time period. This report can be constrained by Date and Time and if created by an Administrative user, it can include any or all offices. This report can be generated by any Examiner in any office but will only include activity for that office.

Standard Report 3 can be handled with one of our standard reports, the Driver History report which provides test history and results for individual applicants. All that is required to create this report is the ID for the Client. This report can be generated by any Examiner in all offices and by any Administrative personnel.

Standard Report 4 can be handled with three of our standard reports, the Question Dump, Question Analysis and Average Question Duration reports. There are two versions of the Question Analysis report, one which presents actual counts and the alternate presents the data as percentages. These reports can be generated only by Administrative personnel.

Driver History Printing Help Print Back Main

ID: 123
 Driver Name: KRAMER, KERRY
 Creation Date: 2006-01-20 09:09:24.000

Test Type	Test Start Date/Time	Test Duration	Language	Test Score	Pass	Office	Machine ID
Non-CDL	08/23/2006 18:02:50	0	English	-	EXIT	Dover	0030
Signs	01/24/2006 14:55:47	3	English	80	PASS	Dover	0003
CDL Haz Mat	01/23/2006 15:31:53	0	English	-	EXIT	Dover	0004
CDL SchoolBus	01/23/2006 15:31:52	28	English	80	PASS	Dover	0004
Motorcycle	01/23/2006 15:31:51	17	English	76	FAIL	Dover	0004
Class D	01/23/2006 15:31:50	7	English	80	PASS	Dover	0004
Signs	01/23/2006 14:33:59	57	Spanish	80	PASS	Dover	0004

With these reports a detailed analysis of the question pool is possible and can be used to locate and identify any problem questions. A single report format can be created to provide MDOS with the information as desired.

39. If you must make an emergency stop, you should brake so you:

Question Analysis (percent) Printing Help Print Back Main

All Dates, Generated On: Sat Sep 30 11:05:11 2006

Question	Correct (Agg)	Total A (%)	Total B (%)	Total C (%)
AB_1AB_001A	A	85	5	3
AB_1AB_002	A	93	0	5
AB_1AB_003A	A	79	11	2
AB_1AB_004	C	31	2	58
AB_1AB_005	B	3	72	17
AB_1AB_006	A	83	3	8
AB_1AB_007	B	5	86	5
AB_1AB_008	A	93	4	0
AB_1AB_009	C	0	2	98
AB_1BK_001A	C	3	2	89
AB_1BK_002	A	89	1	3
AB_1CP_001	B	1	92	2
AB_1CP_002	C	3	6	77
AB_1CP_003	B	31	80	5
AB_1CP_004	D	1	3	6
AB_1DG_001	B	3	61	1
AB_1DG_002	D	12	4	2

Average Question Duration by Question and Lang Printing Help Print Back Main

For the period 09/01/2006 00:00:00 through 09/16/2006 11:06:59
 For all Offices

Question	Language	Avg. Question Duration (sec)
AB_1AB_001A	English	39
AB_1AB_002	English	18
AB_1AB_003A	English	31
AB_1AB_004	English	35
AB_1AB_005	English	23
AB_1AB_007	English	19
AB_1AB_008	English	14
AB_1CP_001	English	35
AB_1CP_004	English	20
AB_1DG_001	English	23
AB_1DW_001A	English	16
AB_1DW_002A	English	28
AB_1GN_001	English	22
AB_1GN_004	English	32
AB_1GN_005	English	38

1.004 COMMENCEMENT OF WORK

Contractor shall show acceptance of this agreement by signing a copy of this Contract and returning it to the Contract Administrator. Contractor shall not proceed with performance of the work to be done under this agreement, including the purchase of necessary materials, until both parties have signed this agreement to show acceptance of its terms.



1.1 Product Quality

1.101 SPECIFICATIONS

The Contractor will provide the following services for the complete and successful implementation of a CDL ATS providing the automated CDL testing functionality required for the State's business operations at the 28 MDOS locations listed in this Contract.

Expected implementation is to have all 28 locations with the CDL ATS on December 31, 2007 (exception to this date would need prior approval from MDOS). The automated testing system in each location will have its own "PC server" to distribute testing services to the kiosk test stations. This PC server will also house a SQL Server database for recording all results. The system will not be connected or loaded on any MDOS Equipment. The PC Server will also be used as a control station at the counter to be used for clerks to enter test applicant data and to queue up the test at the kiosk testing stations located in the lobby. Maintenance and troubleshooting must be done on-site because each office system is standalone.

Deliverables and Services include:

1. Technical infrastructure
2. System Software and Hardware Design Consideration and Specifications
3. Provide hardware
4. Provide testing software (includes SQL database)
5. Install software
6. Implementation of hardware and software
7. Training
8. Maintenance

The Contractor shall provide deliverables, services and staff and otherwise all things necessary or incidental to provide the functionality required for the State's business operations in accordance with requirements set forth below.

Bidder Response: Solutions Thru Software commits to providing all of the hardware, software and services listed above necessary to complete the installation, testing and staff training of the stand alone CDL Automated Test Stations in each of the 28 locations. Implementation is expected to be completed much earlier than the December 31, 2007 date pending a timely award of the contract.

ENVIRONMENT

Information regarding the State's information technology architecture and standards for hardware, database applications, network hardware and monitoring tools, identity management/authentication and development tools may be found at:

<http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

The new ATS must comply with State of Michigan technology standards. The State uses Windows XP. In the event that a new version of any of the this software is released prior to implementation of this system, the Contractor is responsible for ensuring that the system is compatible with the new release as well as those listed above.

Contractor shall identify hardware requirements needed to achieve the desired solution that meets current Michigan Department of Information and Technology (MDIT) standards. NOTE: Current standards can be viewed at the following link: <http://www.michigan.gov/dit>



Contractor shall include a diagram of their proposed Hardware and Network Infrastructure in their bid response. Contractor shall provide the detailed specifications of the operating system and memory.

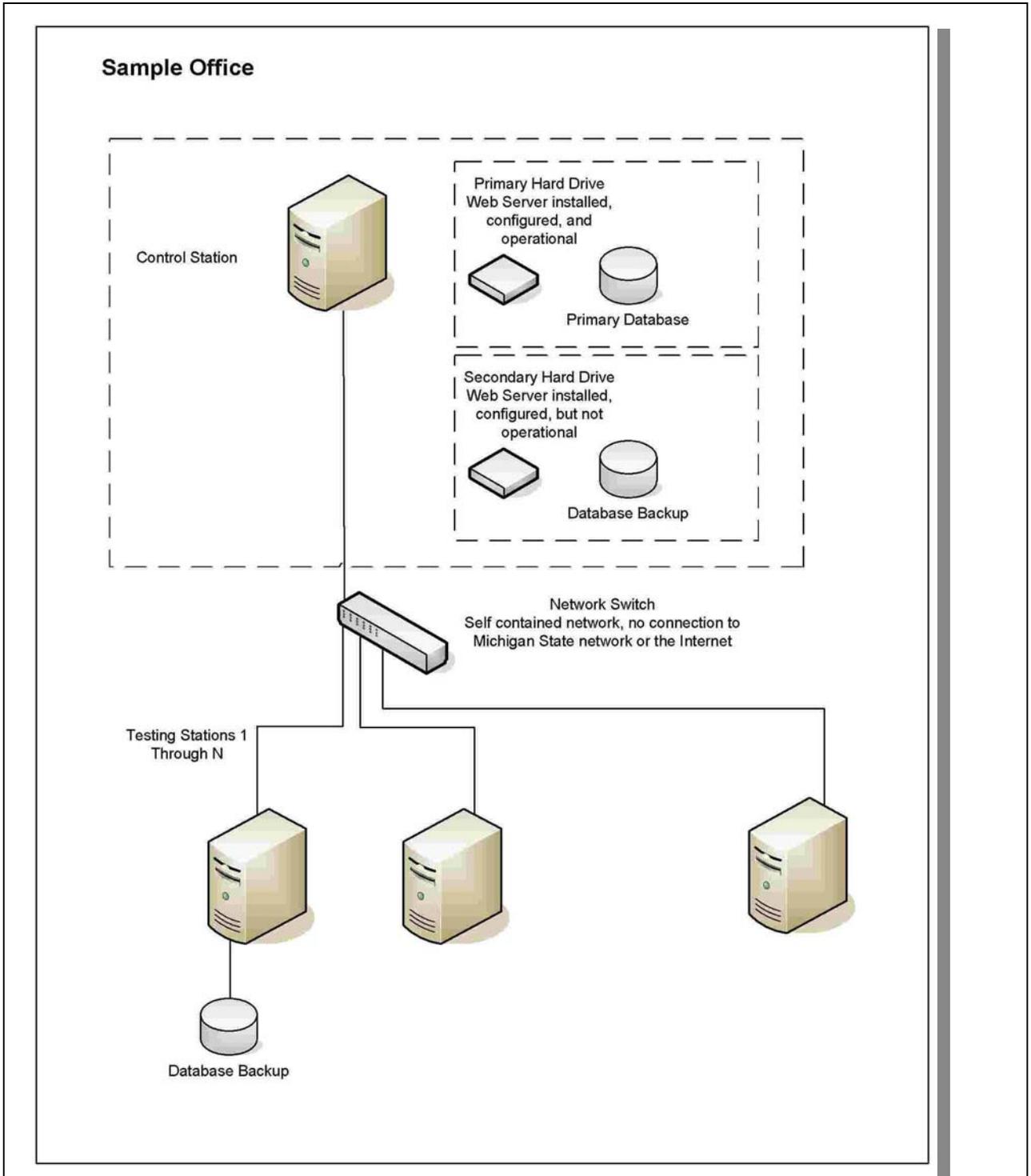
Bidder Response: Solutions Thru Software will provide a Windows XP based system in compliance with the State of Michigan standards. All software will be upgraded as updates become available, however, all updates will be subject to State approval.

It is assumed that the State will provide tables and suitable chairs to place the desktop kiosks upon. Standard waiting room or lobby chairs will be sufficient for use with a Desktop Kiosk.

It is assumed that the State will provide suitable electrical connections at the Kiosk Test Stations as well as network connections between the Kiosk Test Stations and the proposed PC Server location in each of the Branch Offices. It is difficult for Solutions Thru Software to quote these due of the varying building codes between cities, counties, etc.; also impacting this is ownership and leasing arrangements of buildings, varying building construction types, etc.. Solutions Thru Software will carry a number of extension cords and long network cables to facilitate installations where possible, however, will refrain from running cords across doorways or floors in violation of standard safety codes. Solutions Thru Software will assume that the Branch Office Manager or technical staff member will make the final decision within each location.

Solutions Thru Software has provided a Branch Office ATS function network diagram below to show the interconnections of the system.

Branch Office ATS functional Network Diagram



Solutions Thru Software has provided an equipment list breakdown in the Pricing Sheets included of this proposal. Electrical requirements for this equipment is enclosed with the PC Server and Kiosk Test Station component details list, however, they require no more power than a standard computer and LCD desktop monitor. The information will be repeated below for convenience.

SYSTEM COMPONENT BREAKDOWN LIST

Control Station/PC Server



- Dell GX-320 OptiPlex Mini-Tower Computer
 - 3.06 GHz Celeron
 - 1GB RAM
 - 48x32 CD-RW/DVD Combo Drive
 - 2 x 80 GB Hard Drives
 - Optical Mouse
 - USB Keyboard
 - 5 years NBD Parts and Labor
 - Windows Server 2003 Web Edition
 - SQL Server 2005 Express
 - Solutions Thru Software's Examiner Server Software
 - CDL 2005 Item Pool (English and Spanish)
 - Electrical Requirements: 90-135 VAC, 60 Hz, 305 Watts Maximum
- Dell E178FP 17" Flat Panel LCD Monitor
 - Electrical Requirements: 100-240 VAC, 50-60 Hz, 1.5Amps Maximum
- Surge Protected Power Bar, 100MB Network Switch, 2 x Network Patch Cables

Kiosk Test Station

- Desktop Kiosk Cabinet c/w locking access panel
 - Dual Audio Panel
 - Surge Protected Power Bar
 - Network Patch Cable
 - Audio Cable
- Dell GX-320 OptiPlex Small Form Factor Computer
 - 3.06 GHz Celeron
 - 1GB RAM
 - 48x32 CD-RW/DVD Combo Drive
 - 80 GB Hard Drive
 - Windows XP Professional
 - Optical Mouse
 - USB Keyboard
 - 5 years NBD Parts and Labor
 - Solutions Thru Software's Secure Browser
 - Electrical Requirements: 90-135 VAC, 60 Hz, 305 Watts Maximum
- ELO 1537L 15" LCD Flat Panel Touch Screen Monitor c/w accessories
 - Electrical Requirements: 100-240 VAC, 50-60 Hz, 30 Watts Maximum

Solutions Thru Software Desktop Kiosk requires a physical area of 20 ¾ inches wide by 20 ¼ inches deep and is approximately 19 inches tall.



A. General Requirements. To fulfill the purpose of this Contract, the CDL ATS shall:

- Be easy to use and administer from the clerk's and the applicant's viewpoint;
- Be flexible enough to meet present and changing driver license testing needs;
- Allow for "future expansion and the addition of" new capabilities such as reading a driver license bar code, mobile office testing, license photo appearing on testing station and improved testing access.
- Be reliable and capable of handling large volumes of workload and information storage;
- Support all required languages (listed below) in on-screen, audio and written formats;
- Provide comprehensive, flexible record keeping, statistical data and audit reporting;
- Be fully capable of integrating with the state environment in the future.

1. Test Presentation

a. Test Types The system shall include the following CDL driver license knowledge tests:

- CDL General Knowledge
- CDL Combination Vehicle
- CDL Air Brakes
- CDL Passenger
- CDL Double/Triple
- CDL Tank
- CDL Hazardous Materials
- CDL School Bus
- Other as required

b. Languages

- System will have ability to provide Commercial Driver License Tests in the following languages: English and Spanish. (HazMat will only be offered in English and not through audio).
- The ATS System will be capable of implementing additional languages upon request. Contractor will be able to add requested languages within 3 months time from request. These languages will include: Arabic, Albanian, Cambodian, Chinese, French, German, Greek, Hmong, Italian, Korean, Laotian, Polish, Portuguese, Russian, Spanish, and Vietnamese.
- Contractor to include initial price for adding each additional languages and any ongoing cost associated with the addition.

c. Test Items

- Each test question (test item) shall include a question (stem) and a variable number of potential answers (choices).
- The format for these multiple choice test items will be approved by MDOS.
- The text for all finalized test items will reside in a Test Database that is utilized and supported by the automated system itself.
- **All CDL Test questions must be in compliance with the American Association of Motor Vehicle Administrators (AAMVA) and Federal Motor Carrier Administration (FMCA) standards.**
- Each test will have a unique ID and be trackable by location, date, time, and duration.
- Test questions will be indexed and trackable.
- Each test item shall have one choice that is the correct answer with a variable number of other choices that are included as distracters.
- The ATS must present all test items, including stems, choices and associated photographs or audio tracks in a consistent format and location on the Kiosk station monitor.
- The text of the test item must be presented so that it does not disturb a photographic



presentation, i.e. the applicant must be able to clearly view an accompanying picture while reading the question and making a choice.

- The “field” for each stem must have capability to allow for at least 300 characters of text.
- The field for each of the four (4) choices (answer or distracter) must have capability to allow for at least 154 characters. Therefore, for all four choices, the choice field could be 4 X 154 or a total of 616 characters. The total field for each test item (stem + choices) must have capability to be at least 916 characters.
- Character size shall be no smaller than 14 characters per inch. Character size, type and font must be approved in advance by the MDOS.
- The option of selecting Help will be available for each test question.

d. Test Media

- Where appropriate and also by request by MDOS, a photograph shall appear visually on the Kiosk station monitor in conjunction with the associated test item.
- Pictures included as a component of a test item shall be presented as a photograph accompanying text.
- No stick-figure type diagrammatic representations are acceptable.
- The MDOS reserves the right to refuse to allow any picture or graphic to be used within any aspect of the automated system.
- Pictures supplementing test items shall be clear digital photographs.
- No graphics or pictures shall include any references to any states or areas other than Michigan.
- The addition of new or replacement pictures must be possible without upgrades to hardware or software.
- Any picture included as a component of a test item shall be at least 20%, but no larger than 50%, of the size of the Kiosk station monitor screen.
- The system must have the capability of enlarging the picture to full screen and then reducing the image to the original size as prompted by Kiosk station and selected by the applicant.
- The picture shall appear in the same place on the screen for all test items on all tests.

Examples of photographs, graphics, help and user interfaces that make the application user friendly, along with character type, font, spacing, color, etc. need to be included in the bid proposal.

The Contractor must fully describe the characteristics of the test questions (items) utilized in their proposed CDL ATS solution and how questions (items) and pictures can be added, changed, and deleted when using a stand-alone system.

e. Test Modes

The CDL ATS must be capable of delivering all tests in the following three presentation modes:

- On-Screen - via touchscreen.
- Aural - through a listening device attached to the Kiosk station.
- Written – Ability for paper and pen tests that can be printed. Note: Contractor does not need to provide printer, but printing capability to industry standard printer needs to exist.

f. The aural (audio) test must:

- Be available on all Test Stations.
- Be conducted with the use of secure listening devices to ensure privacy during tests.
- Include a volume control feature to enable an applicant taking an aural test to change the volume to a comfortable level. The level must reset to a predetermined level after every test session has been completed.
- Be presented in clear and understandable audio.



- Use a digitized human or human-sounding voice system to preclude the requirement for tape drives or other mechanisms prone to wear and that require regular adjustment or calibration. This is the requirement for all aural tests, including languages other than English.
- Correspond word for word with the on-screen test answers and questions displayed on the Test Station monitors.
- Provide the test question and all answer choices.
- Permit the applicant to repeat the question and answer choices by touching a specific touch zone, e.g., "Repeat Question."
- Be available in all languages in which an on-screen test is available.
- New or replacement questions (in the form of digital sound files) can be added without any upgrades to hardware or software and can be done by a Clerk with administrative rights without a programming or technical background.

The vendor must fully describe the equipment required to administer an audio version of an exam, fully describe how an audio test is administered and taken, and fully describe how audio test items would be added, changed, and deleted.

g. Randomization

- The system will scramble the test questions and Contractor is to explain approach and process of how their system does this.
- Undesirable questions need to be able to be "turned off" at the request of the MDOS.

Bidder Response: General Requirements

Solutions Thru Software's Examiner system is extremely easy to use. It has been shown that Examiners with little or no computer experience will be able to start and monitor tests in a matter of minutes. New employees are rarely ever formally trained and are shown how to use the system by existing staff. Applicants are presented instructions at the beginning of the test and will have no problems navigating through the intuitive screen presentations.

The Examiner system is extremely flexible and has been designed to allow the addition of system features and testing features. Future expansion capabilities include items such as bar code scanning, mobile office testing, applicant photos displayed on Test Stations, improved testing access and much more.

The Examiner system has proven to be extremely reliable and is capable of handling large volume workloads. In the State of Ohio the Examiner system has performed flawlessly in producing 800 tests per hour while still maintaining less than 1% CPU workload and only utilizing slightly more than 1% network bandwidth.

Solutions Thru Software's Examiner system is capable of supporting virtually any written language and has implemented 17 languages for other jurisdictions including English, Spanish, Arabic, Bosnian, Chinese, French, German, Hindi, Japanese, Korean, Punjabi, Russian, Serbo-Croatian, Tagalog, Thai, and Vietnamese.

Solutions Thru Software wishes to point out that the above list of previously implemented languages includes several oriental pictorial font languages and the right-to-left format of the Arabic language. The Examiner system has no limitations on the number of languages that can be simultaneously supported.

Many companies claim multiple language capabilities, but only actual implementation of pictorial fonts of the Asian languages, or the right to left character presentation of the Hebrew and Arabic languages, will bring problems to light. These languages inject complexities that simply cannot be understood without fully integrating all languages and all fonts into every aspect of software and systems. The Examiner system has fully implemented these and many more languages and unique character fonts including the American Sign Language (ASL) font.



The Examiner system is also capable of displaying ASL videos instead of text, and is currently planning the implementing ASL videos for the State of Ohio.

English, Spanish, Chinese, Japanese, Korean

Solutions Thru Software uses CTS Language Link, a professional international translation firm with extensive experience in both translation and voicing services. CTS Language Link also has previous motor vehicle experience, acting as a translator for the driver’s manuals of several different states and countries.

The Examiner system provides a comprehensive, flexible record keeping system for producing statistical data and audit trail reports.

The Examiner system is capable of integrating with State networks and databases at a later date if MDOS desires.

Solutions Thru Software has completed the Proposal Checklist of the CDL ATS Kiosks in Attachment A which can be found at the end of the “Article 3” section of this response.

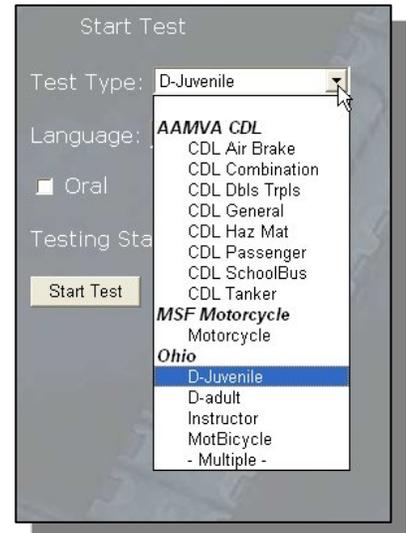
1. Test Presentation

a. Test Types

The Examiner system supports presentation of all test types including, but not limited to, the requested CDL/FMCSA Tests listed below:

- CDL General Knowledge
- CDL Combination Vehicle
- CDL Air Brakes
- CDL Passenger
- CDL Double/Triple
- CDL Tank
- CDL Hazardous Materials
- CDL School Bus

The system is capable of incorporating an unlimited number of additional tests and test types as may be required in the future by the State of Michigan.

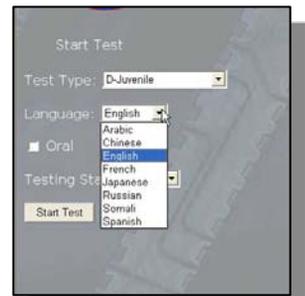


b. Languages

All CDL tests will be provided in English and Spanish along with the associated audio files, excluding the HazMat Test which will be presented in English only and not with accompanying audio.

The Examiner system is capable of implementing virtually any written language including all of the additional languages requested above within 3 (three) months from request.

Pricing for additional languages is located within the





Pricing Sheet contained at the end of the "Article 1" section of this response.

c. Test Items

Solutions Thru Software provides all of the most current CDL test sets from the AAMVA and FMCSA and will be subject to MDOS approval prior to implementation.

All test items and distracters will reside within the Test Database of the Automated Test System in an encrypted format to prevent access by unauthorized personnel. Each test item is identified by a unique ID and is indexed and trackable within the database. Each test administered on the system is assigned a unique ID and is tracked by date, time and location.

The Examiner system presents each test item, one choice that is the correct answer along with variable number of distracters, image and associated audio files to applicants during the test. Every test is presented in a clear, consistent manner minimizing changes between screen selections. The test questions field is capable of displaying up to 300 characters, while the choice fields are capable of displaying up to a total of 770 characters for all fields combined for a total of 1070 characters. Font size is typically set at 14 characters per inch and will be subject to the approval of MDOS. As can be seen in the following image the screen provides separate areas for the display of the test items including test question, choices, images and controls.

Sample Test Screen Indicating Features

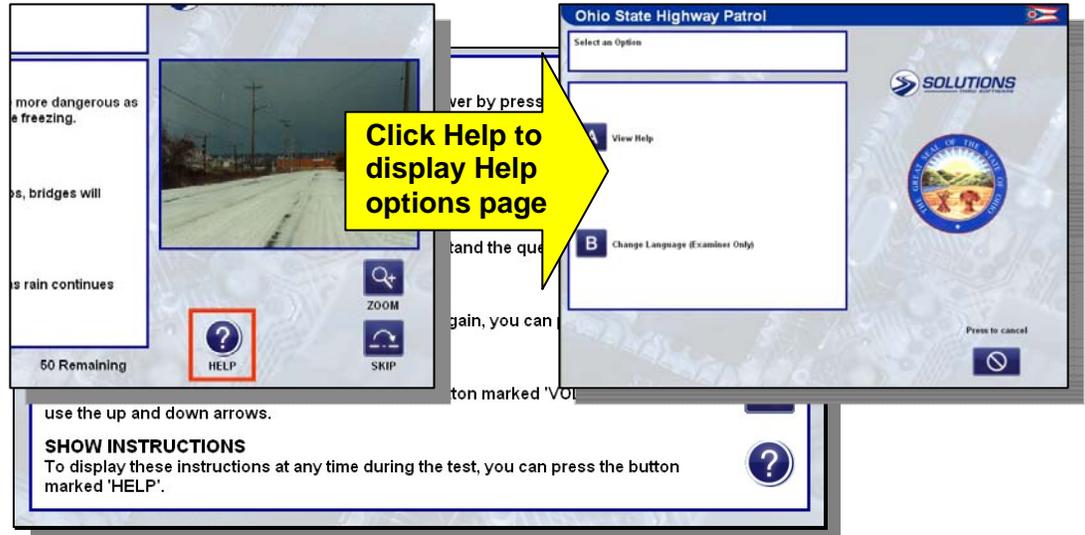


The screenshot shows a test interface for Class 7 (Alberta Department of Motor Vehicles). The top header includes the title 'Class 7 Alberta Department of Motor Vehicles' and the applicant's name 'AMBER KRAMER'. The main content area displays 'Question 5 of 20 (4 Wrong = Fail)' with the text: 'When approaching a school bus from the rear that is displaying alternating flashing amber lights, you should:'. Below this are four multiple-choice options (A, B, C, D). At the bottom of the question area, it shows '3 Correct', '1 Wrong', and '16 Remaining'. To the right of the question is a 'SOLUTIONS THRU SOFTWARE' logo and a photo of the applicant. Below the photo is a large image of a yellow school bus with 'SCHOOL BUS' written on top and '110' on the side. At the bottom right, there is a control panel with icons for 'REPEAT', 'ZOOM', 'VOLUME', 'SKIP', and a 'HELP' button with a question mark icon.

Callout boxes provide the following explanations:

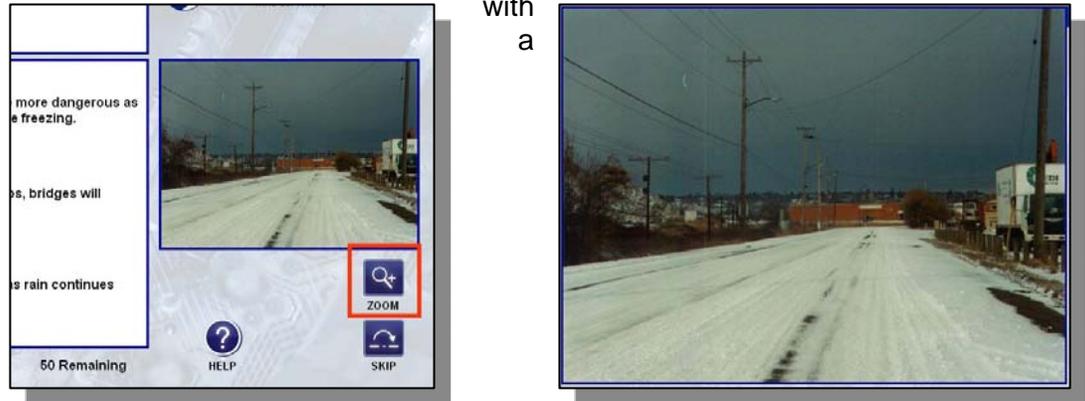
- Question is prominently placed, claiming immediate attention from the applicant.** (Points to the question text)
- Uncluttered screen contributes to ease of use by ensuring attention is focused appropriately.** (Points to the overall layout)
- Displaying applicants identification deters exam fraud through "kiosk hopping".** (Points to the applicant's name and photo)
- Automatic configuration presents two to five answers as required.** (Points to the multiple-choice options)
- Test status indicators.** (Points to the '3 Correct', '1 Wrong', and '16 Remaining' text)
- Clean, organized appearance reinforces the high quality to the applicant's experience.** (Points to the overall interface)
- Standardized help icon.** (Points to the 'HELP' button)
- Readily understood icons and translated text support multiple languages.** (Points to the control panel icons)

The controls section provides on-screen buttons that include the Help, Repeat, Skip, Volume, and Zoom features and are presented on all screens along with the Test Items. The Help button is available at all times in case the applicant needs assistance. To avoid confusion the Volume and Repeat Controls are only displayed when an audio test is in progress.



d. Test Media

The Examiner system is capable of providing an image with each test item; each image is based on a photograph or digital still image to enhance the quality of the question without giving away the answer. No image will include any references to any state or area other than Michigan and will not include any stick figure type diagrams. All images will be subject to MDOS approval. The image on the Examiner system comprises approximately 20% of the screen area and can be enlarged to full screen



touch of the ZOOM control for a default period of five (5) seconds before returning to its original size.

e. Test Modes

The Examiner system provides tests in multiple modes including:

- On-Screen via a touch screen interface, with test items being presented in a text format, all interactions being done through a touch screen interface and message prompts;
- Aural which includes the addition of audio files to the on-screen test;
- Written, printed paper test are created using the identical test generation rules as an on-screen test, however, they are presented in a paper format that can be printed with any standard printer. Paper printed tests are typically configured to include essential pictures only, with images that are required to

Click Zoom to expand image



answer questions such as “What does this sign mean?”. Printing all or just essential images is a configurable item and can be set to include all images if desired, however, it requires additional paper, printer toner and time to print each test.

f. Aural Tests

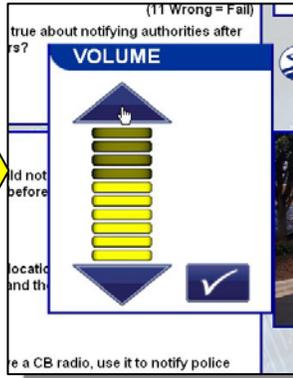
The Examiner system provides Audio instruction on all Test Stations to the applicant using a private listening device such as headphones to avoid causing distractions to other applicants or office staff. A Volume control is conveniently placed on the screen to allow the applicant to adjust the volume to a comfortable level. This level will remain at the same level through the entire test session and is reset to a moderate level prior to starting a test for a new applicant.

All



aural testing files are created in language files that all aural files correspond to.

Click Volume to adjust volume level



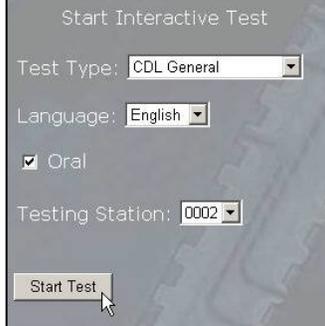
audio for each using digital ensure files are Audio word for test item

displayed including question and the associated choices to prevent the possibility of any confusion or disputes. Applicants are able to use the on-screen Repeat function to have the audio for the test item questions and choices repeated to them as many times as they wish.



Updates to test items can be completed without any modifications to the hardware or software by a Clerk with administrative rights. Updates to the test items may include the addition, modification and deletion of test questions, choices, audio files and/or images. This process is performed automatically with an installation CD created by Solutions Thru Software or by MDOS administrative staff who have been trained to create the update. The update installation is performed automatically when the CD is inserted into the Control Station/Test Server.

Audio tests are



administered in exactly the same fashion as On-Screen tests, the Examiner must select the ORAL checkbox option and desired language prior to starting the test(s). If an applicant decides that they require an audio test after the test has started the Clerk has the ability to enable the audio on the test through the Enable Oral feature in the Test



Management screen. The Examiner system also provides the ability to switch to an alternate available language if the applicant desires at any time during the test.

g. Randomization

Solutions Thru Software's Examiner system has multiple implementations of randomization available to ensure the highest caliber exams possible. When used with a large enough item pool of questions, it is virtually impossible for applicants to predict the questions that will be on their exams. Integrity can be returned to the testing process when it is easier to study to pass an exam, than it is to study to cheat on an exam.

When test creation definitions are used, the system selects questions from a large item pool based upon an algorithm. Once the questions are chosen by the algorithm, the order in which they are presented is further shuffled, increasing the number of exam combinations possible.

Answer Presentation Randomization shuffles the order of the answers for each question. As an example, if one version of a particular question has the correct answer in position "A", on subsequent exams the correct answer may be placed in position "B" or "C".

With true randomization, it is possible to have two subsequent exams that are 100 percent identical, or at least much closer than would be normally desired. This is especially true with small item pools, or when algorithms are too tightly constrained. When the "25 percent New Material" option is turned on, the system utilizes randomization, but rejects any combinations where at least 25 percent of the questions are not different from the previously generated exam. This feature also overrides the Question presentation randomization and ensures that any questions that are contained on subsequent exams are placed in a different numerical position and that the answers are presented in a different order.

Undesirable questions that do not meet MDOS requirements due to changes to legislation or for any other reasons may be deactivated or "turned off" at any time.

2. Report Requirements

The CDL ATS should:

- Include user-friendly reporting tools. These reports will be available from the PC server at each branch office.
- Include at least 10 pre-constructed report queries and have the capability for a user to easily select criteria and build their own report.
- Generate informative, user-friendly reports that detail test and system usage and clerk and test applicant statistics.
- Compile and print reports that will be utilized by employees who are not computer programmers.
- Provide reporting functions presented in an intuitive and simple-to-use format appropriate to the skill level of a casual computer user.
- Generate reports on-demand as frequently as desired.
- Generate reports automatically at pre-designated intervals and times that can be printed on any standard printer or can be saved on an external device such as a thumb drive or CD.
- Be able to be saved in an industry standard file format so that a PC with Windows XP with the MS Office and Adobe Acrobat will be able to open and read.



- Create report that allows administration to see questions success/failure rate and will list them in ascending or descending order.
- Have capability to run a report and flag particular characteristics to assist with test analysis and also applicant analysis.
- Have a list of reports and examples to be provided in proposal.

Bidder Response: There are currently a total of 37 different “canned” report forms available with the standard installation, covering a broad range of reporting requirements. These reports have been custom designed for existing customers to be easy to interpret and contain all relevant data to assist in question pool, system usage, and user analysis.

The standard set of included reports has been optimized to present related data in an easy to read and logical format. These reports are the result of fine tuning operational reports to meet customer desires and as such are field proven.

Solutions Thru Software will for no extra charge, create or customize any reports which may be required by MDOS.

The report generation process is extremely easy to use by non technical staff. To create a report the clerk selects the “Create Report” button which takes them to the Create Report screen, here they will select the report type from the Report Forms screen, they will assign it a Report Name and select “Next”. This will take them to the Report constraints screen where they will select the time period using pre assigned time periods or using the calendar controls. With these time controls it is possible to create a report for any time period measured in years, months, days, hours or minutes.

Commonly used reports such as a previously created daily, weekly or monthly report can be updated with literally three clicks of the mouse and can be generated at any time.

Reports can be automatically generated at pre-determined times or intervals and sent to a printer or data file for transfer to a thumb drive or CD.

Reports can be printed or saved in any number of desirable formats that integrate

The first screenshot shows a 'Test Summary with Images' for a motorcycle test. It includes details like ID, start date, language, and result (FAIL). It lists 15 questions with checkboxes for correct/incorrect answers and small images of motorcycle components. The second screenshot is a table of test results for various candidates, including names like MARTINEZ, GABRIEL and CHARLES, BIRNEY. The third screenshot is a bar chart showing office busy times from 11:00 to 17:00, with a note that the office is more than 75% busy during certain periods.



with Microsoft Office and Adobe products.

Standard report forms are available that will allow administration staff to view the success or failure rates of questions and will list them in ascending or descending order as desired. These reports include flags to indicate questions with particular high or low rates to assist in the analysis process.

Additional information on reporting features is available in the sample Control Station Users Manual located under the SAMPLE DOCUMENTS tab contained within this response.

A sample of reports has been included under the SAMPLE REPORTS tab contained within this response. Only the first page of each report has been included to demonstrate the various reports and their formats current provided with the Automated Testing System.

Currently available standard reports include the following:

- Activity
- Activity Simple
- Alerts
- Activity by Test Type
- Average Question Duration by Question and Lang
- Average Questions per Test by Type
- Average Test Duration by Type and Language
- Driver History
- Office Busy
- Pass Rate by Examiner ID
- Pass Rate by Examiner ID and Method
- Pass Rate by Examiner ID, Type and Language
- Pass Rate by Type, Language and Method
- Question Analysis (counts)
- Question Analysis (percent)
- Total Tests, Test Method
- Tests by Duration
- Tests, Entry Method
- Test Summary
- Test Summary with Images
- Total Tests by Office
- Total Tests by Office and Day
- Total Tests by Office and Lang
- Total Tests by Office and Type
- Total Tests by Office and Station
- Total Tests for State by Lang
- Total Tests for State by Lang and Day
- Total Tests for State by Lang and Station
- Total Tests for State by Lang and Type
- Total Tests by Type and Language
- Tries by Type
- Tries by Type (%)

3. Statistical Database Requirements

The Statistical Database is the component of the ATS that must serve as a repository for the retention of core information relevant to applicant testing, the testing process, test results and the certification of test performance that will result in specific authorization for a license to drive.



The Statistical Database must be able to:

- Record and electronically store the results of on-screen and audio tests automatically.
- Support data entry, data exchange, data transfer, automated processing and comprehensive compilation of responses to requests made by any clerk at any time. This will be able to be done from the PC / server that is behind the counter at each branch office.
- Store and report information in a manner that is compatible with state standards and reflect current information technology standards.
- Process requests easily, quickly and accurately, regardless of request type.
- Query, search and execution by category and by type of test and applicant ID must also be possible upon clerk request.
- Process all requests, regardless of request type, utilizing a normalized process and flow that fully controls entry, tracking, update, monitoring, controlling, reporting and printing.
- Test results must be retained in a complete and accurate manner that meets the needs of the MDOS, individual applicants and other system users.
- Require that all data input pass system edits (with associated warning prompts) that are designed to ensure data accuracy, detect inaccuracies and make required adjustments or updates, if any.
- Assist with data reconstruction, problem analysis data transfer reconciliation and system audits.
- Include provisions for an audit trail of system transactions and database updates, including the identity of the user who initiated the transaction (i.e. logon ID, user name, user number, or clerk code).
- Retain applicant test data on the system for 3 years (current year plus 2 previous years).
- Ability to archive data after 3 years. Type of archive must have capability of accessing archive information with up to at least 7 years.
- Have disaster recovery and database back-up procedures in place.
- Maintain the following information for each test taken by an applicant:
 - Testing Branch Office location
 - Date of test
 - Test start time
 - Test end time (elapsed time)
 - Test ID
 - Test language
 - Test Category
 - Test type(s)
 - Test version(s)
 - Test mode(s)
 - Total number of questions
 - Total number of questions answered correctly
 - Total number of questions skipped
 - Record of score (%)
 - Test outcome (pass, fail, abandon, cancel)
 - Kiosk station ID
- Maintain the following information for each test item:
 - Test item identifier
 - Total question usage
 - Choice selected
 - Choice correct
 - Average time required to respond



- Rate at which questions are being answered incorrectly
- Frequency at which answers are selected per test item
- Display of associated graphic

Bidder Response: The Examiner system is able to integrate with any database system available to date. The database application to be incorporated into the MDOS ATS system will be SQL Server 2005 Express.

The database is used to house all information required for all reporting and data collection and will automatically record all the results of all tests generated by the system. The database will be configured in a method that is compatible with current state standards. As this is a stand alone installation, the database will respond very since this is the same database installation used for centralized server deployments. Every search is completed through the use of the Examiner system which provides an easy to use user interface. All data input will be through the Examiner software which will provide the appropriate input filters and controls necessary to maintain proper data accuracy and structure. Missed information such as blank data fields are not allowed and warning messages are posted as required to ensure essential information is obtained.

The Examiner system maintains an audit trail to track system usage. Several tools are available to the data analysis and system audits. Audit features include the tracking of system users including clerks who initiate transactions on the system. Entry into the system requires a user ID and password, users ID may be in form of a name, number or clerk code.

All test results, system data, audit trails, etc. will be maintained for a period of three (3) years as requested by MDOS, after which they will be archived into an MDOS accessible format for a period of up to at least seven (7) years.

Solutions Thru Software provides database and system management for several jurisdictions and thus has disaster recovery procedures in place. Solutions Thru Software will utilize these same procedures for database backup and disaster recovery.

Solutions Thru Software's Examiner system will maintain at a minimum, but not limited to, the following information for each test taken by each applicant:

- Testing Branch Office location
- Date of test
- Test start time
- Test end time (elapsed time)
- Test ID
- Test language
- Test Category
- Test type(s)
- Test version(s)
- Test mode(s)
- Total number of questions
- Total number of questions answered correctly
- Total number of questions skipped
- Record of score (%)
- Test outcome (pass, fail, abandon, cancel)
- Kiosk station ID

Solutions Thru Software's Examiner system will maintain at a minimum, but not limited to, the following information for each test item:

- Test item identifier
- Total question usage
- Choice selected



- Choice correct
- Average time required to respond (duration)
- Rate at which questions are being answered incorrectly
- Frequency at which answers are selected per test item
- Display of associated graphic

General Technical Requirements

- The Contractor will provide the necessary hardware to support the system. This includes, but is not limited to CPU, disk storage, archival media, and output capabilities to adequately meet specific performance goals for applications.
- The system PC Server is compatible with the State’s technical architecture and is sized suitable for the system specified.
- The system must ensure that the integrity and confidentiality of data is protected by safeguards to prevent release of information without proper consent.
- The software uses an industry standard relational database management system.
- The system is modular in design to accommodate future expansion.

1. **System Components Requirements**

a. Kiosk Station Requirements

The Kiosk station is the device on which the applicant will take the CDL test. It will present the questions; a picture corresponding to the question, alternative answers, and provides prompts and test feedback. In general the kiosk station should include:

- The kiosk/cabinet that houses the kiosk station can be locked with cords covered whenever possible.
- Display a standardized initial screen.
- Can be adjusted to accommodate someone in a wheelchair.
- The screen must be capable of providing a graphic, a message and/or a Kiosk station identifier that will aid the Clerk in directing the applicant to the correct Kiosk station.
- Be capable of allowing an applicant to take multiple tests of differing lengths (e.g. one test with 25 questions and another with 50 questions) at one setting.
- Display prompts to guide applicants in responding to questions
- The system must have at least three prompts:
 - A prompt helping the applicant understand how to select an answer to a test item or respond to a screen.
 - A prompt confirming when the applicant chooses an answer, e.g., “You selected Answer ‘X’ would you like to submit this answer? Yes—No” An answer must not be finally accepted until the applicant actually touches the “Yes” area of the screen. The applicant must be able to change a selected answer to any other available choice anytime prior to the touching the “Yes” area. Touching the “Yes” area is the final indication that an applicant has made his or her final decision.
 - An End-of-Test prompt instructing the applicant that the test is over and that they must report to the Clerk for further information or processing.
- Be capable of accurately and immediately scoring each individual test and recording the results.
- Allow access to internal components to facilitate maintenance.
- The access panel must be lockable and require a key to open.
- All subassemblies must be mounted so they can be easily removed and installed without special tools.
- Cooling airflow must be provided to all components requiring cooling.



- Installation and implementation must not require site modifications.

- b. PC/Server & Kiosk Software Functions
- PC / server and Kiosk Stations must require no more than ten (10) minutes per day per examination site to perform routine system management tasks, i.e., those tasks that must be completed daily in order for the system to operate (log-on, log-off, etc.)
- Kiosk Station software must be browser-based and offer a secure operating environment. Kiosk station software must be capable of simultaneously displaying both text and picture for each test item.
- In collaboration with the MDOS, the Contractor must develop straightforward on-screen-instructional procedures that provide the applicant with a clear understanding of how to proceed with the test. Kiosk station software must allow results data from individual Kiosk stations to be electronically stamped with unique identifiers. MDOS and the Contractor will determine the applicant identifier. The Kiosk station identifier must include a serial number or other identifier agreed to by MDOS and the Contractor.
- Kiosk Station software must permit applicants to answer questions by simply touching the Kiosk station screen using touch screen technology.
- Kiosk station must provide the applicant with options to answer the question, skip the question, or have the question repeated. If the applicant skips a question, the system shall repeat that question at the end of the test (but only if additional questions are necessary to pass or fail the applicant).
- Kiosk station software must be capable of displaying immediate feedback to the applicant as to whether or not the answer selected was correct or incorrect. If an applicant selects the wrong answer, the system must reveal the correct answer so that the applicant may review it before proceeding on to the next question.
- Kiosk station software must allow applicant to enlarge the graphic image to full screen size by touching an on-screen control so that the applicant may study the picture. Once the image is enlarged to full screen, it may be returned automatically to normal size by timer function after five seconds, or by touching the screen again.

- Kiosk station must display to the applicant whether the test has been passed or failed. This display shall also depict the total number of answers that were correct or incorrect at the end of the test.
- Kiosk station software must deny applicants, or other unauthorized persons, the ability to print or save any aspect of the testing information contained within a Kiosk station.
- Test results and applicant information must be automatically transferred to the PC / server and accessible via Administrator at each Branch Office location.

- Kiosk stations must be capable of retaining all scoring, statistical and audit data in the event of a power failure or a system hardware failure. No information shall be lost, including information for tests that are in-progress, if any.
- In the event of a system outage due to a power failure of any combination of Kiosk stations and/or PC / server, Kiosk stations must be capable of restarting all tests within five (5) minutes of the restoration of power.

- c. PC / Server Requirements
- The PC / server is the central point of control for the system at each location. The PC / server is used to assign application to test, monitor test progress, display test results, review tests, print test results, print statistical reports, and store applicant test data. The PC / server will be supplied by the Contractor.

- The PC / server must allow review of any examination with clerk intervention. Any examination shall be reviewed at any Kiosk station at the location.



- The PC / server must be operational upon turn-on without the need to load any program or read any data from a floppy disc or CD-ROM at each turn-on.
- The PC / server must be user friendly and menu driven so that MDOS employees with basic computer skills and minimal training will be able to use the software. MDOS employees who may be either directly or indirectly affected by the operation of PC / server must be able to respond to or rely upon the software with minimal instruction and supervision.
- The PC / server must have the capability to retrieve and review test results for tests currently in-progress and tests previously completed.
- The PC / server must be able to monitor the local site and report system failures.
- The PC / server must be able to generate select reports that report on information extracted from the Central Statistical Database (number of tests taken, test language, test type, test version, test mode, etc.);
- The PC / server must perform a system configuration check any time that the system is initially powered-up.

- The PC / server must require no more than ten (10) minutes per day per examination site to perform routine system management tasks, e.g., those tasks that must be completed daily in order for the system to operate (log-on, log-off, etc.)

d. PC / Server Software Requirements

Clerk software must:

- Be browser-based and offer a secure operating environment.
- Require a combination of screen name (or user number) and secure password that will grant clerks access to pre-defined user rights for various levels of system access.
- Utilize automated procedures that guarantee password protection but allow authorized users to change their personal passwords quickly and easily.
- Provide clerks the ability to assign an applicant to a specific test at a specific Kiosk station.
- Provide the ability to enter a unique identifier for each applicant. Clerk will enter the whole first name and first three letters of last name of the test applicant (This method will be used due to security approvals at this time), however, the capability for the system to capture and track applicant by Drivers License Number (DLN) is required, but will not be used at this time. PC / server will need ability to look-up an applicant(s) by first name followed by first three letters of last name.
- Provide a continually updated display of the status and test progress for each local Kiosk station.
- The data displayed must include at least the following:
 - Kiosk station number
 - Applicant identifier
 - Start time
 - Elapsed time
 - Number of questions answered correctly and incorrectly for test in progress
 - Number of questions answered correctly and incorrectly and a pass/fail indicator for completed tests.
 - The names of other tests assigned but not started.
- Have the ability to retrieve and review test results currently in progress and previously completed.
- A menu-driven search utility must be in place at the PC / server to allow for rapid retrieval of test result data.
- Provide the ability for the clerk to review all questions and answers for any local test. The review must display the questions and answers in the 'order presented in the test



including graphics, the answer selected by the applicant and the correct answer when different from the selected answer.

- Allow the clerk (administrator) the choice of:
 - Terminating a test after a preset percentage or number of the questions has been answered correct or incorrectly (e.g., “quick pass” or “quick fail”).
 - Requiring the applicant to take the entire test regardless of whether the applicant passes or fails. Allowing the applicant to continue the test after being notified that the test has been passed or failed.
 - Note: The clerk must have the ability to apply these ‘options to all instances of a specific type of test.
 - Setting the amount of time a question can be displayed without any selection (a warning sign will be displayed prior to test being terminated).
 - Setting the amount of time a test question is displayed after an answer has been chosen (a warning sign will be displayed prior to test being terminated).
 - Setting an option that would allow a test to be taken over without leaving the kiosk test station.
- Have all PC / server utilities to be menu driven and to require as few keystrokes as possible. Utilities may include such processes as:
 - Printing test results
 - Changing date and time
 - Changing system password
 - Overriding test parameter defaults for each test.



- Enable the clerk to cancel any test in progress at anytime. All normal statistical data shall be captured for the cancelled tests. In addition, a notation in the data will be made to show the test was cancelled before completion.
- Include a practice mode or identifier, which may be used for employee training where statistical data will not be indicated in the statistical data other than as "Practice or Training."

Bidder Response: Solutions Thru Software will provide Dell GX320 OptiPlex small form factor computers and ELO 1537L Surface Acoustic Wave (SAW) touch screen monitors will all kiosks. Dell GX320 OptiPlex Mini tower computers and 17" LCD desktop monitors will be utilized for the Control Station/Server. Solutions Thru Software has been utilizing the Dell OptiPlex business line of computers for several years and has proven to be a highly reliable product. ELO Surface Acoustic Wave technology touch screen monitors are considered to be the best in the industry and will provide many years of trouble free operation. Modern hard drives are very inexpensive and highly reliable; each Control Station will be equipped with a backup drive to ensure that all data is protected from hardware failure. Data backups will be performed daily to ensure that all data remains current.

The MDOS Automated Testing system will utilize the latest in computer technology and will have more than enough processing power to run the entire state let alone each office. All systems will be procured to meet or exceed the State's technical architecture requirements.

All system data is encrypted and protected by username, passwords and access levels to prevent unauthorized access.

The Examiner system is capable of utilizing any database system available and SQL Server 2005 Express an industry standard relational database will be utilized for the MDOS implementation.

The Examiner system is extremely flexible and can easily accommodate future expansions in hardware and system features.

1. System Components Requirements

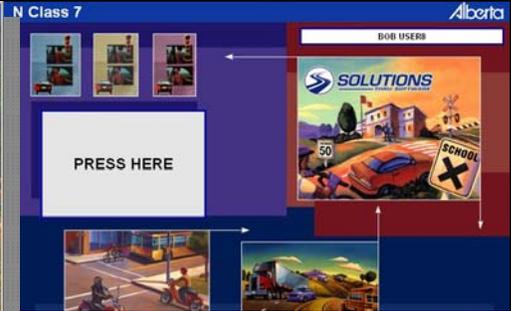
a. Kiosk Station Requirements

Solutions Thru Software will provide standard Desktop Kiosks on which applicants will take the CDL tests using an integrated touch screen monitor.

The access panel is lockable and designed to prevent unauthorized access to the internal components which include the Test Station computer, keyboard, mouse, electrical and network connections.

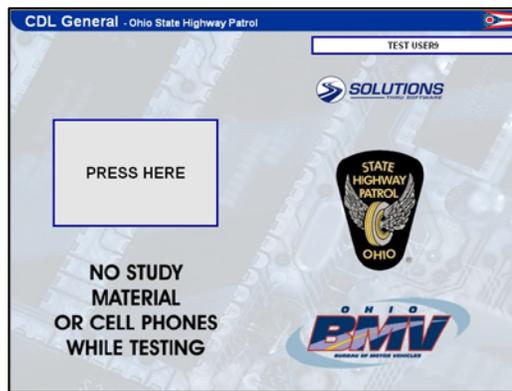
Desktop Kiosks can be positioned on ADA compliant tables to provide access to applicants using wheelchairs.

Applicants will be presented a standard "Welcome" screen prior to the beginning of their test(s). The content of the Welcome screen will be subject to the approval of MDOS.



Each Test Station is identified with an on-screen display which indicates the station number to assist the Clerk in directing the applicant to the correct station.

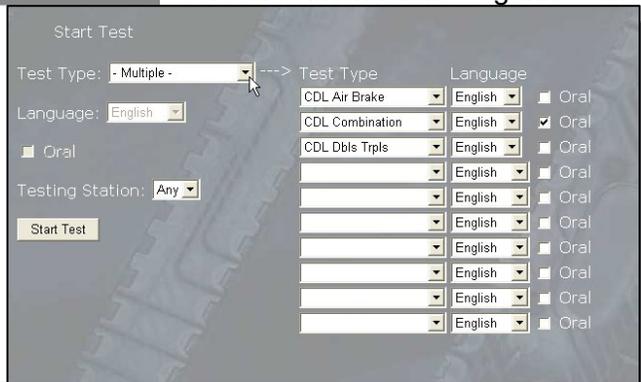
The Examiner system provides the Clerk the ability to queue multiple tests

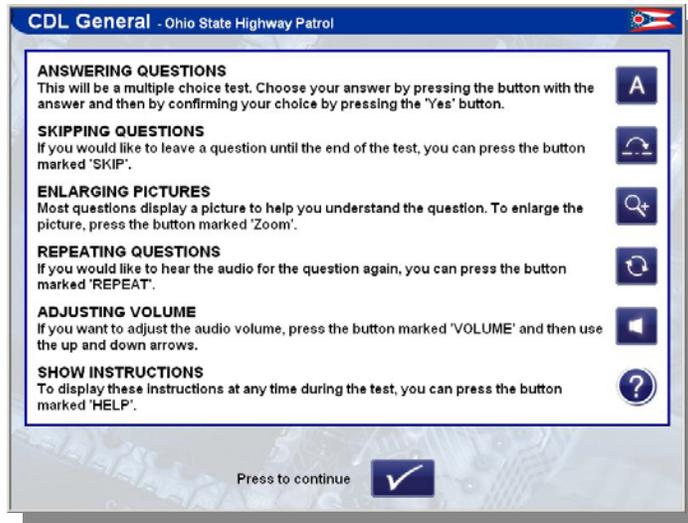


of varying sizes for applicants with one setting allowing the Clerk to concentrate on other duties rather than having to be distracted between tests.

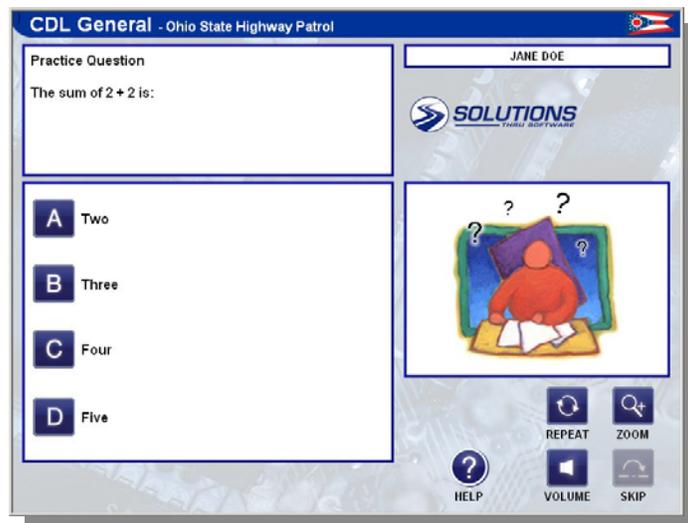
Once the test(s) have been initiated for the applicant, the Examiner system provides the applicant with on-screen instructions. The on-screen instructions guide the

applicant in responding to the questions as well as how to work the onscreen controls for the Volume, Repeat, Zoom, Skip and Help functions.

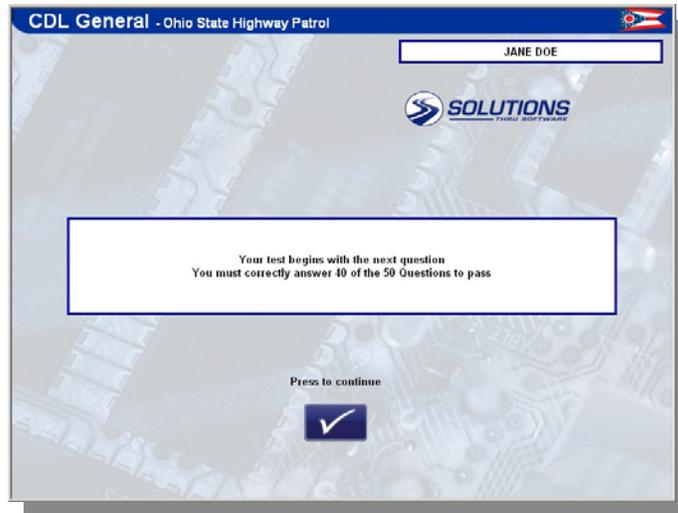




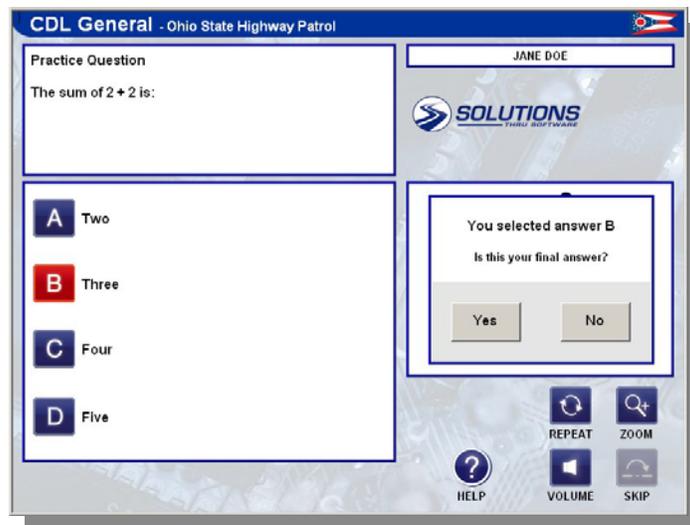
The applicant is provided a simple practice question to ensure that they understand how the interface works prior to the test starting.



Upon completion of the practice question the applicant is informed that the test will be starting with the next question. The applicant is also informed as to the number of questions in the test and the required number of correct answers required to pass the test.



With each selection during the test a prompt is used that states i.e. “You have selected answer B, Is this your final answer?” is used to confirm each selection. The applicant must select “Yes” to score the question or “No” to make an alternate selection.

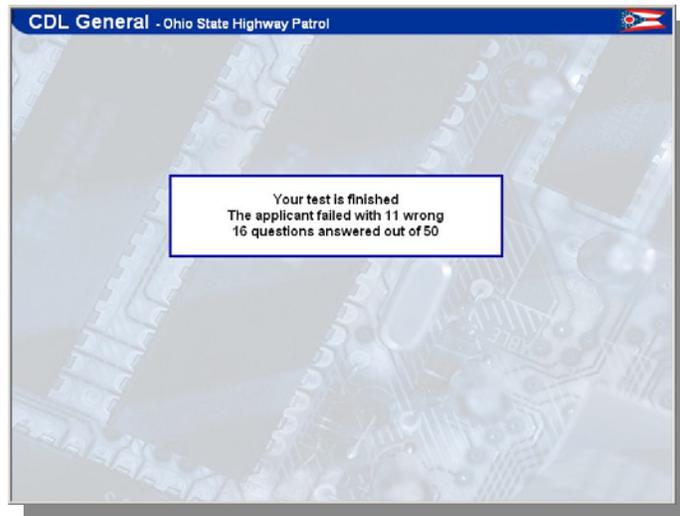


Throughout the test the applicant is informed as to their progress status which indicates the number of questions they have answered correctly, the number they have answered wrong and the number of questions remaining. Near the top of the display is an indicator of the number of wrong to Fail the test.

At the end the test applicant given a prompt that the test has been



completed, whether they have passed or failed, along with the number of correct answers out of the number of questions presented.



This prompt may include a customized message that they must report to the Clerk for further information or processing.

The Examiner system accurately scores each test question in real-time and immediately records the results to the database.

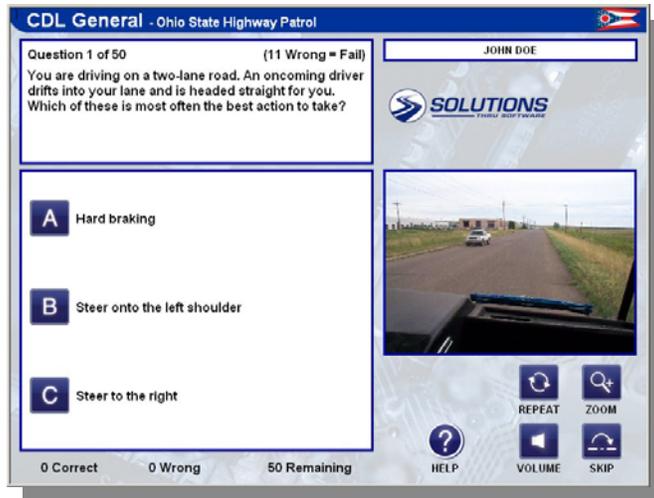
Maintenance to the Test Station internal components is performed through the removal of the key lockable access panel. All of the components and subassemblies of the Desktop Kiosk are mounted with standard fasteners and do not require any special tools for installation and/or removal. The Desktop Kiosk provides adequate cooling ventilation for all internal components through the use of multiple vents.

Site modifications are not required for the installation of Desktop Kiosks or any other components of the Examiner system. It is assumed that the State will provide tables and chairs for the Desktop Kiosk Test Stations that are compatible with room layouts and the kiosk design.

b. PC/Server & Kiosk Software Functions

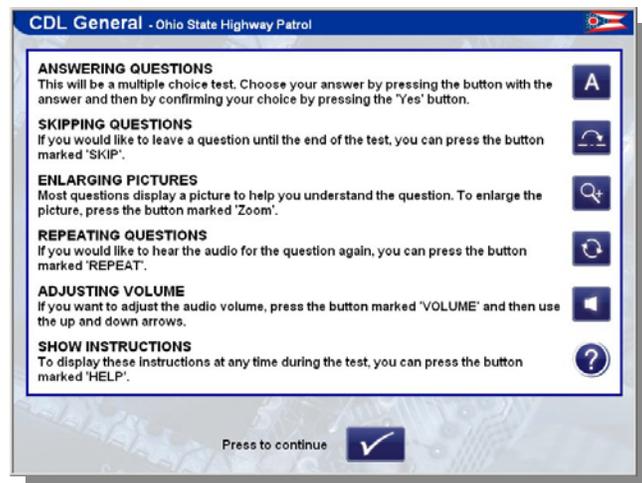
The PC/Server and Test Station Kiosk software requires less than 10 minutes per day to perform routine daily management tasks to operate. These tasks are typically automated to occur during off hours requiring the staff to only log-on or log-off of the system.

The Examiner system is a browser based system which requires user authentication (user ID and password) to access the system. Access to components of the system is based on individual user rights and access is only provided to the required security level of each user ID. The Test Station software utilizes a proprietary secure browser which prevents applicants from accessing anything other than the testing interface.



When a test has been started an applicant is presented all components of the test item including, but not limited to, the question, choices, associated image and audio files. In the bottom right corner are the control buttons for Help, Repeat, Skip, Volume and Zoom. At the bottom left is the test progress results. Upper left has the question number, upper middle left has the number of questions wrong to fail the test and in the upper right hand is the applicant's name.

Solutions Thru Software provides on screen instructions for the applicant to clearly understand how to proceed with the test. All test information is electronically time-stamped and marked with unique identifiers to associate specific test information to each applicant. MDOS and Solutions Thru Software will review the process to ensure the information meets MDOS approval.

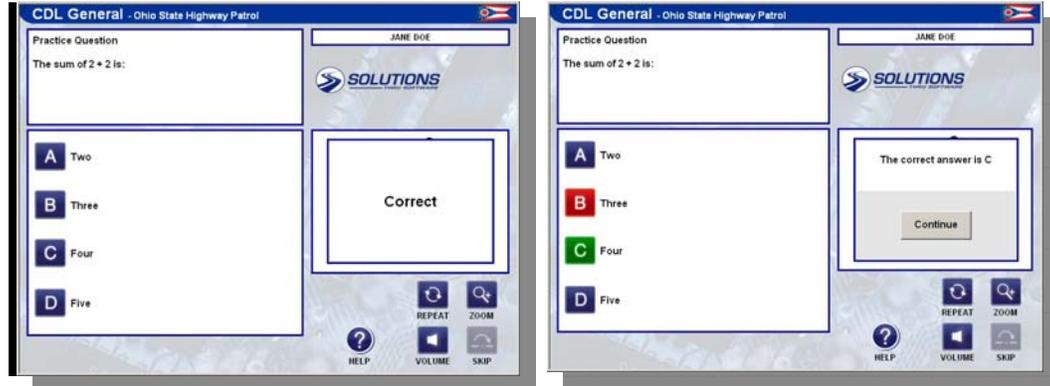


Applicants select answers and utilize control functions such as Volume, Repeat, Zoom, Skip and Help by simply touching the appropriate areas on the touch screen monitor. If a question is skipped it is sent to the end of the test and will be presented again only if additional questions are necessary to pass or fail the applicant.



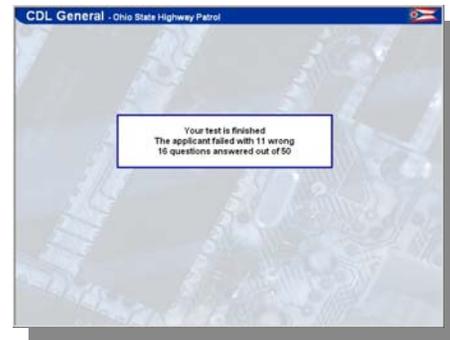


The Examiner system immediately provides feedback to the applicant as to whether or not they have selected the correct answer. If the answer is correct it displays the message "Correct" for three (3) seconds and then moves on to presenting the next question. If the answer selected is wrong then the message displayed is "The correct answer is B" if they had selected something else other than B. The applicant must select the "Continue" button before the system will proceed to the next question ensuring that the applicant has had sufficient time to understand the results.



The Examiner Test Station software allows the applicant to enlarge an image to full screen by touching the on-screen Zoom control. The image will enlarge to full screen size for a period of five (5) seconds and will automatically revert to its normal size; the image will also revert to normal size if the applicant touches the screen during the five (5) second time frame.

The Examiner Test Station software will display a message to the applicant indicating whether the test has been passed or failed including the number of questions presented as well as the total number of questions answered correctly.



The Examiner system does not allow applicants to print, save or manipulate any aspect of the testing information.

All test results and applicant information is automatically transferred and stored in the Examiner database located within the PC/Server in real time. Administrators in each Branch Office location will have immediate access to the information as it is stored within the system.

The Examiner system is a browser based system and thus all test information is created and stored on the PC/Server, with the Test Station only displaying the information as a web page using the secure browser application and thus not storing any test information. In the event of a power failure no information will be lost and will be available as soon as power is restored and the system has been restarted. The system including the PC/Server and Test Station will require less than five (5) minutes of restarting and becoming fully operation, limited only by the time required to restart the Operating System (OS).



c. PC/Server

Solutions Thru Software will provide Dell GX320 OptiPlex Mini tower computers and 17" LCD desktop monitors for the PC/Server to be used in each of the Branch Office locations. Solutions Thru Software has been utilizing the Dell OptiPlex business line of computers for several years and has proven to be a highly reliable product. The PC/Server will allow review of any examination by authorized clerks.

Alternative: The Examiner system is currently capable of reviewing the test results at the Control Station only. It is not capable of reviewing an examination at the Kiosk Test Station, however, this feature will be added and supplied to MDOS as an upgrade at no additional cost.

The PC/Server contains all information required to operate the system and does not require to load any information from a floppy disc or CD-ROM at each turn-on.

The Examiner system has an easy to use, intuitive user interface and users with little or no computer training will be administering tests within minutes. It is typical that the user's manual cannot be located in an office as there has never been the need to reference it.

The Examiner system provides the ability to retrieve and review tests that are ongoing or have been previously completed through the monitor testing screen.

The Examiner system has the ability to monitor the operational status of each Test Station.

The Examiner system provides the ability to generate selected reports on information recorded on the Central Statistical Database (in this installation the Central Statistical Database is the local database located on the PC/Server). There are thirty-seven (37) standard report formats available and if a particular report is not available then Solutions Thru Software will create and install it.

The PC/Server performs a large number of automated system configuration checks upon initial power up to ensure that the system is fully functional. The system requires less than 10 minutes per day to perform routine daily management tasks to operate. These tasks are typically automated to occur during off hours requiring the staff to only log-on or log-off of the system.



d. PC/Server Software Requirements

The Examiner system is a browser based system and utilizes a secure browser to prevent unauthorized access to the system. Authorized staff members require a user name (or user number) and password to access system features based on their pre-defined access level. The Examiner





system provides automated procedures to guarantee password protection and allows all users to change their personal passwords quickly and easily.

The Examiner system has an intuitive, easy to use interface that allows clerks to administer specific tests for applicants on a specific Test Station Kiosk.



The Examiner system is designed to utilize a unique identifier in any format as required by MDOS, with minimal customization, and this format can be changed as requirements (and security approvals) are updated. Most jurisdictions currently utilize an applicant's Drivers License Number (DLN). Applicant information can be searched for using any combination of their unique ID, first and last name including the ability to utilize wildcard characters within the search criteria.

The Examiner system provides a monitoring screen that provides updates as to the status of each test in progress for each local Test Station, however, only the following information is included:

- Kiosk Station Number
- Applicant Identifier
- Start Time
- Number of questions answered correctly for the test in progress
- Number of questions answered for the test in progress
- % (Percentage of Test answers that have been answered correctly)
- Pass, Fail or Exit for tests previously completed

The Monitor Test screen provides the ability for clerks to retrieve and review test results for tests currently in progress as well as for tests that have been previously completed.

The Examiner system provides a menu driven search process that allow for the search of applicant test result data using any combination of their unique ID, first and last name including the ability to utilize wildcard characters within the search criteria.



Tests performed on the same day are displayed within the Monitoring Test screen results. Alternate days may be searched by using the calendar controls to review results from a specific day.





The Examiner system provides the Clerk the ability to review all questions and answers for any local test administered on the system. Test results include all details of the test and are present in exactly the same order as the test was administered to the applicant.

The Examiner system provides the ability to independently implement the Quick-Pass or the Quick-Fail features. These

enable an applicant to Pass or Fail a test if a preset percentage or number of questions has been answered correctly or incorrectly whether they have completed the test or not. If Quick-Pass and Quick-Fail are turned off (disabled) then the applicant must complete the entire test. Enabling Quick-Pass allows the test to be terminated if the applicant scores a sufficient percentage or number of questions to pass the test. Enabling Quick-Fail will terminate the test if the applicant has scored a sufficient percentage or number of questions to Fail the test.

Name	Test	Language	Station	Status	Score	Started At	Operations
LAST, FIRST	D-adult	French	0030	PASS	75 %	16:19:23	Details Clear History
DCE, JANE	CDL General	English	0004	PASS	80 %	16:16:51	Details Clear History
LAST, FIRST	D-adult	French	0002	EXIT	0 %	16:18:39	Details Clear History
DCE, JANE	CDL General	English	0002	FAIL	24 %	16:07:58	Details Clear History
LAST, FIRST	D-adult	Japanese	0030	FAIL	23 %	15:18:14	Details Clear History
BOB, BOBBY	CDL Passenger	English	0032	EXIT	0 %	15:40:56	Details Clear History
BOB, BOBBY	CDL General	English	0032	PASS	80 %	15:11:43	Details Clear History
BOB, BOBBY	CDL General	English	0032	FAIL	72 %	14:49:59	Details Clear History
BOB, BOBBY	CDL Passenger	English	0032	PASS	80 %	14:24:43	Details Clear History

Solutions Thru Software is providing an Alternate Method as described within the RFP for the following desired methods or features. These methods or features have not been applied as they have not been requested by any other jurisdiction. These methods or features, however, would be implemented in a subsequent update which would then be provided to MDOS at no additional cost. The methods or features are identified and addressed individually below:

- o Note: The clerk must have the ability to apply these 'options to all instances of a specific type of test.

The Examiner system includes the optional Quick-Pass and Quick-fail features, however this is set as a global setting by administrative staff and is applied at all times unless the MDOS decides to adjust their business rules and subsequently the Quick-Pass/Quick-Fail feature setting. Solutions Thru Software has chosen to implement this feature in this manner as to date all jurisdictions state that this setting must be set as a global rule based on their business rules in order to prevent applicants from protesting that the same rules must apply equally for all applicants during testing. The Examiner system currently does not provide the Clerk the ability to adjust or apply these setting or options; the office Administrator would have the ability to change this setting however it is a global setting that would affect all tests in progress or started within the time frame the setting was in place.

- o Setting the amount of time a question can be displayed without any selection (a warning sign will be displayed prior to test being terminated).



Currently the Examiner system provides the ability to apply time limits to take a test; however, the system will not prompt the applicant to make a selection. The reasoning is if the applicant is having trouble with a question they are able to choose the "Skip" feature to move onto the next question. If at some point they have skipped through all of the questions and are forced to answer a question that they cannot, then it can be assumed that they do not possess the knowledge required to complete a test at that time and thus require additional study time of the driver's handbook. This feature can be implemented in a future release and would be provided as a free update to the State of Michigan.

- o Setting the amount of time a test question is displayed after an answer has been chosen (a warning sign will be displayed prior to test being terminated).

This feature has not been implemented in software and has not been previously requested by another jurisdiction; again for the same reasoning as the previous feature requirement. If the applicant is unable to answer the question then they have the option of moving on to the next question using the "Skip" feature. If they are no longer allowed to skip questions and must answer the questions and are unable then it can be assumed that they do not possess the knowledge required to complete a test at that time and require additional study time of the driver's handbook. This feature can be implemented in a future release and would be provided as a free update to the State of Michigan.

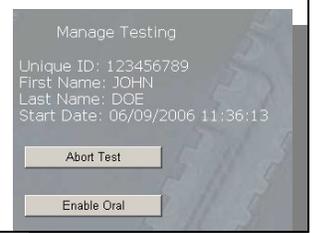
- o Setting an option that would allow a test to be taken over without leaving the kiosk test station.

This feature has not been implemented; currently jurisdictions that allow multiple attempts of the same test in one day require the applicant to request it from the Examiner. This feature can be implemented in a future release and would be provided as a free update to the State of Michigan.

The Examiner system has menu driven utilities that require minimal keystrokes to change system parameters, printing test results, reports, administering tests, reviewing test results, changing passwords, access levels, etc... Access to the system features is controlled by the access level assigned to each user ID and password.

The Examiner system provides Clerks with the ability to cancel any test in progress at anytime, the test may be set as an EXIT if started in error or can be set as a FAIL if the applicant is caught cheating.

Solutions Thru Software will provide MDOS staff with a practice mode identifier to allow staff members to practice on the system. These test results are entered into the database but are removed during scheduled database maintenance cycles.





2. General System Requirements – The system should be able to support 1.5x the peak number of concurrent users in order to provide sufficient capacity for growth. .

Bidder Response: The proposed version of the Examiner system solution will be able to support a minimum of up to 1.5x the peak number of concurrent users to allow for system capacity growth. A single Centralized server in the State of Ohio is servicing over 488 Test Stations and equally large number of Control Stations.

3. Maintenance and Support
- Maintenance programs commence at the end of the warranty period
 - All maintenance is performed by qualified personnel familiar with the equipment
 - Toll free service number available 24 hours a day, 7 days a week.
 - Toll free help desk support is available Monday – Friday from 9:00 AM to 5:00 PM and Saturday 9:00 AM to 12:00 PM Eastern Time.
 - Maintenance service options are provided including 2 (emergency), 4, and 8 hour and next day response times.
 - Call for service will be returned within 2 hours.
 - Guaranteed parts availability within the service response window at all times.
 - Provide a maintenance plan and schedule.

The rates for optional extensions shall not increase by more than 5% per option.

Bidder Response: Solutions Thru Software has an excellent Maintenance and Support record. New system installations of this low complexity level generally present no issues. For example the Pilot system set up in the Lansing Area Plus office has been operational for two (2) years with absolutely zero (0) service calls. As this is a cost sensitive contract, maintenance programs with short turn-around time windows can be very expensive. Solutions Thru Software believes that the following alternative maintenance program will provide the most cost effective and manageable solution:

- Solutions Thru Software will include a number of redundancy features to ensure that the system will be tolerant to potential failures.
- Minor issues will be handled over the phone by our Help Desk staff to expedite returning the system to operational status as soon as possible. This may require the assistance of the Branch Office staff member or an MDOS technical staff member.
- In the event a machine issue cannot be resolved a configured machine will be shipped from our service depot via overnight express service. This will require the assistance of the Branch Office staff member or an MDOS technical staff member to exchange the defective device. A pre-paid return shipping label will be included with the shipment for the return of the defective unit.
- In the event of an emergency and the inability to solve the problem over the phone, a Solutions Thru Software service technician will be dispatched from our service depot with sufficient supplies to correct the issue.



Maintenance programs will commence at the end of the warranty period if the purchase option is selected; Solutions Thru Software offers a 1 year warranty period commencing on the anniversary date of the completed installation. Maintenance is included within the cost of the lease price if the Lease Option is selected.

All maintenance will be performed by qualified personnel who are familiar with the equipment and system configuration.

Solutions Thru Software offers a Toll Free telephone number for technical support which is available 24 hours a day, 7 days a week. Help Desk staff are directly available from 8:00 a.m. to 8:00 p.m. Monday through Saturday Eastern Time. After hours support is available on an Emergency basis and contact information will be provided upon award.

Maintenance service options typically are quoted on next business day service as typically a new system will not present any insurmountable problems or issues. Equipment suffering from catastrophic failures will be replaced. Emergency 8 hour service is available but at an extended cost. Pricing is included within the Pricing Sheets in the Price Proposal.

Solutions Thru Software guarantees parts availability within the service response window at all times as we stock an inventory of all parts, including spare machines, at our repair depot.

Solutions Thru Software will perform an annual Preventative Maintenance cycle visit to all offices to inspect and service all testing system components. Solutions Thru Software will provide a more in-depth maintenance plan upon award of the contract. Maintenance is included within the cost of the lease price if the Lease Option is selected for the duration of the lease agreement.

4. **Service Levels**

- The system shall perform efficiently and in an acceptable manner to provide service to users no less than 95% of the time from implementation date or a plan of action to resolve, within 4 hours from the time the problem was first reported to Contractor. Scheduled maintenance not included
- The Contractor shall provide a summary of reliability statistics, number of help desk calls, service calls, and service turnaround times of the systems they have installed in the States they provide CDL ATS.

B. Services to be Provided

For purposes of preparing proposals, Contractors are to assume the system will be fully installed and in operation by December 31, 2007(exception to this date would need prior approval from MDOS).

C. Data Conversion

For the purpose of preparing proposals, Contractors are to assume that data file conversions *will not* be required.

D. Interfaces

The ATS system will be a standalone system at each of the 28 locations and will not have any external interfaces. It will not interface with the MDOS Branch Office System (BOS).

Bidder Response: The Examiner system has proven to be an extremely reliable system as can be seen by the Pilot system installed in the Lansing Area Plus office which has operated trouble free for two (2) years. New hardware combined with robust software will provide many years of trouble-free operations. Solutions Thru Software Help Desk staff will respond to trouble calls within 30 minutes or less of the trouble call. Solutions Thru Software proposes a maintenance service level similar to our Nevada Lease contract.



Similar installations of this system have produced equally high reliability results, for example:

Nevada	Utilizes just over 100 Test Stations and 15 Control Stations. Nevada is a lease customer with Solutions Thru Software owning the equipment. Generally we have received 1 hardware trouble call from Nevada per year which has been typical for the past 6+ years. Nevada provides Level 1 Help Desk through its Call Center to handle issues which are not hardware or software related. Solutions Thru Software provides a configured spare machine within each office; this machine is used to replace either parts or the whole machine. Hardware repairs are performed by the Nevada DMV technical staff. A replacement configured machine is sent from our repair depot to the office, and then the defective machine is return shipped to our repair depot. In the fall of 2006 Solutions Thru Software replaced the entire desktop and Test Station monitors due to their age. All Control Station and Test Station computers were rebuilt with new hard drives (dual hard drives), cooling fans and power supplies to avoid any potential future reliability issues. The single Centralized server was replaced with two new identically configured servers to service the testing system. One server is located in Carson City and the other in Las Vegas and the database is replicated between the two servers to offer data redundancy. Software maintenance is performed through VPN access to the servers.
--------	--

Solutions Thru Software commits to having completed the installation of the CDL ATS system prior to December 31, 2007. This is a basic system and the installation time frame will be driven by the acquisition of equipment (computers, monitors and desktop kiosks) for installation.

Solutions Thru Software confirms that there will be not requirement for any data conversion.

Solutions Thru Software confirms that the ATS system will be a standalone system at each of the 28 Branch Office locations and will not interface with any MDOS Branch Office System (BOS) or any other network.

1.102 RESEARCH AND DEVELOPMENT

Contractor shall discuss their ability to invest in new product development and research to stay current with ongoing demands.

Bidder Response: In order to stay current with ongoing industry trends, Solutions Thru Software commits a substantial portion of funds each year to research and development. New contracts, new customers and new ideas are continually driving the industry for improvements to features and functions. Many of the ideas are derived from customer comments such as “wouldn’t it be nice if it did this”, or “it would be better if”; comments like this provide the inspirations for improvements. Updated versions of software are offered to all clients and will be offered to the State of Michigan as well. Complementary applications are constantly being created and updated to ensure that Solutions Thru Software provides the best software possible for our existing and future clients.

1.103 QUALITY ASSURANCE PROGRAM



Contractor to provide detail regarding any Quality Assurance Program(s) that are currently in place within their organization.

Bidder Response: Solutions Thru Software utilizes a time proven method of Project Management including scheduling, procedures and check-sheets to ensure that no details are missed. Solutions Thru Software utilizes a Revision Control system to ensure that all versions of software remain current. Automated backups of system configurations and databases are used to provide continuous system operations. Please reference our Business Continuity Plan document located behind the Company Information tab of this response as further evidence to our commitment to our Quality Control Program.

1.104 WARRANTY FOR PRODUCTS OR SERVICES

All configurations are covered by the manufacturer's standard warranty.
Warranty commences on the date products are accepted by the State.
Any upgrades of the software made during the warranty period are supplied at no additional cost.

Bidder Response: Solutions Thru Software provides a standard one (1) year manufacturers warranty that commences on the installation completion date. Manufacturers warranty applies to Purchased systems. Leased systems are provided with a continuous warranty which is applicable for the duration of the lease. All software upgrades, updates and modifications will be provided at no additional cost to MDOS. The states of Ohio and Nevada were upgraded last year from their originally installed Distributed version of system to the Web Testing version of Examiner at no additional cost to state.

1.2 Service Capabilities

1.201 CUSTOMER SERVICE/ORDERING

Contractor shall discuss their ordering/customer service capabilities. This includes having the capacity to receive orders electronically, by phone, facsimile, and by written order. The Contractor shall provide a statewide toll-free phone number for phone orders. Contractor shall have internal controls, approved by Purchasing Operations, to insure that authorized individuals with the State place orders. The Contractor shall verify orders that have quantities that appear to be abnormal or excessive.

The Contractor shall have an accessible customer service department with an individual specifically assigned to State of Michigan accounts. The Contractor shall have experienced sales representatives make timely personal visits to State accounts. The Contractor's customer service must respond to State agency inquiries promptly. The Contractor shall provide a statewide toll-free number for customer service calls.

Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule.

All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.



If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods.

Bidder Response: Solutions Thru Software has the capability to provide most products and services that may be required for Automated Testing Systems, Queuing System, Scheduling Systems, etc..

Solutions Thru Software has developed numerous contacts over the past several years for the supply of computer equipment including servers, server racks, printers, networking components, kiosk manufacturers, touch screen manufacturers, biometric equipment suppliers, furniture suppliers, etc.. If MDOS requires it, Solutions Thru Software may be able to supply it at a reasonable price.

Solutions Thru Software is an authorized Dell Sales Partner and has been supplying Dell computers, monitors, printers, etc for over three (3) years.

Solutions Thru Software possess internal controls to permit ordering by authorized personnel only. Orders may be received electronically, by telephone, facsimile or by mail as a written order. Solutions Thru Software provides a Toll Free North American wide telephone number available to all customers for all telephone orders. All orders will be verified to be correct prior to issuing.

Solutions Thru Software will assign an experienced sales staff member to the MDOS account. All requests will be responded to in a timely manner. All delivery or task orders will be subject to the terms and conditions of the contract. In the event of a conflict between the delivery or task order and the contract, the contract will prevail.

If mailed, a delivery or task order will be considered issued when deposited into the mail. Orders received by mail will be processed immediately with confirmation(s) being provided to the originator(s).

1.202 TRAINING

The Contractor shall conduct training required to ensure a successful implementation of the ATS. This will include training required for the rollout at all 28 offices that receive an ATS.

Managers of the 28 Branch Offices must learn the following:

- A general overview of the ATS.
- How to take a test (on-screen, audio).
- How to administer tests.
- How to assist applicants in using the system.
- How to use administrative functions.
- How to activate and deactivate the system.
- How to trouble-shoot the system.
- How to create, view and save system reports.
- How to monitor system status, station status, and test status.
- How to perform preventive maintenance tasks and basic equipment care.
- How to use, monitor, and maintain system security.
- Training New Employees.

The Contractor is responsible for all training materials necessary for all initial training sessions. MDOS shall have the right to re-produce and use any of the training materials for in-house



training programs delivered to MDOS employees.

Contractor will furnish all equipment and supplies needed to present and deliver the training.

Bidder Response: Solutions Thru Software has literally trained thousands of Examination Clerks in the use of the Examiner system. The Examiner system is an intuitive, very easy-to-use system and Branch Office Clerks will be administering tests within minutes. A specific training course and manual will be developed for the MDOS ATS system. A sample Training Manual is located behind the Training Manual tab of this response.

Training of Managers and Clerks will be performed at each of the Branch Offices upon the successful installation of the ATS system within the office. Solutions Thru Software training staff will utilize a time proven "hands-on" training approach with the installed system. The Branch Office Manager will be trained first and then Solutions Thru Software Training Staff will assist the Branch Manager in training the Clerk staff members. This method helps re-enforce the Managers system usage capabilities. Solutions Thru Software training staff will remain at the Branch Office until staff members are comfortable with the operation of the system. Solutions Thru Software Help Desk staff is always available for additional questions should the need arise.

Branch Office Managers will be instructed in the use of, but not limited to, the following information.

- A general overview of the ATS.
- How to take a test (on-screen, audio).
- How to administer tests.
- How to assist applicants in using the system.
- How to use administrative functions.
- How to activate and deactivate the system.
- How to trouble-shoot the system.
- How to create, view and save system reports.
- How to monitor system status, station status, and test status.
- How to perform preventive maintenance tasks and basic equipment care.
- How to use, monitor and maintain system security.
- Training New Employees.

Each of the Branch Offices will be provided with a complete set of ATS Users Manuals including, but not limited to, the following:

- Quick Reference Guide: this document provides a quick procedural reference to the process flow for each of the commonly used tasks such as starting a test, monitoring results, aborting tests, printing paper tests, creating reports, etc..
- Control Station Users Manual: this is a complete manual describing all of the Control Station's features and functions. Each section provides both detailed and quick reference guides describing the use of each system feature.
- Test Station Users Manual: contains all operational information for day-to-day use of the Test Station
- Administrators Users Manual: this is a complete users manual highlighting Administrative features and functions. This manual also includes a detailed section on the Reporting Features.
- Frequently Asked Questions (FAQs) and Trouble Shooting Guide: This document provides answers to frequently asked questions to assist in



commonly occurring procedural and functional issues and their associated “repairs”.

- Training Manual: this document is provided to assist in the training of new employees and outlines the features and function utilized by the various operations groups.

MDOS will be provided with a complete set of documentation in hard copy as well as a CD-ROM containing all documents so that they can be reproduced for in-house training programs for MDOS employees.

Solutions Thru Software will provide all required training equipment and supplies for the initial onsite training of MDOS staff members.

Training Schedule

The Contractor shall include a training plan overview, including curriculum and method of training delivery, and schedule with their offer. The plan and schedule must be approved by MDOS. MDOS will review the training plan and may require modification to training content, material, and delivery.

Bidder Response: Solutions Thru Software proposes to train all Branch Office staff members Administrators and Clerks with the time proven method of “hands-on” training. This provides greater retention than a classroom type training course. A specific training course and manual will be developed for the MDOS ATS system. The training schedule will match the installation schedule and will be subject to the approval of MDOS. A sample Training Manual is located behind the Sample Training Manual tab in the response.

- Administrator: The Office Administrator(s) will be instructed first to ensure they receive the greatest amount of training on the system. The following agenda will be followed:
 - Day to Day system operation; this is to familiarize the administrator with the general operation of the system.
 - System Components
 - Log-on, Log-off, Changing Passwords
 - Administering Tests
 - Monitoring Tests
 - Managing Tests
 - Driver History
 - Printing Paper Tests
 - Reporting
 - System Shutdown and Maintenance
 - Administrative features including but not limited to:
 - Log-on, Log-off
 - System Configuration



- User Management
 - Adding, modifying and deleting system users.
 - Access levels
 - Passwords, password resets
- Feature Management
- System Management
- Reporting
- Clerk: The Branch Office Clerks will be trained in the following day to day operation of the system:
 - System Components
 - Log-on, Log-off, Changing Passwords
 - Administering Tests
 - Monitoring Tests
 - Managing Tests
 - Driver History
 - Printing Paper Tests
 - Reporting
 - System Shutdown and Maintenance

Training Locations

Training for personnel in the 28 Branch Offices may be provided at those locations on the day the ATS is installed. Closing an office is not acceptable but some offices may have a delayed opening. During office business hours only a portion of the office staff may be trained at any one session.

Because proposed systems will be installed in areas with easy public access, training sessions may be subject to interruptions by the public.

Bidder Response: Solutions Thru Software has trained literally thousands of staff members in the use of the Examiner system and understands that the day to day business operations of the office must not be hindered or compromised. Staff members will be trained in groups to permit some staff members to service customers while others are being trained. If acceptable, the Solutions Thru Software installation teams can arrive early to install the equipment prior to office opening. Solutions Thru Software will work with MDOS to develop an acceptable solution.

1.203 REPORTING



Reporting formats must be submitted to the State’s Program Manager for approval within 10 business days after the effective date of this Contract. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the Contract.

Reports to be furnished by the Contractor. They may include all of the following:

- Weekly Project status
- Updated project plan
- Summary of activity during the report period
- Accomplishments during the report period
- Deliverable status
- Schedule status
- Action Item status
- Issues
- Change Control
- Repair status
- Maintenance Activity

Bidder Response: Solutions Thru Software commits to providing the Reporting formats to the State’s Program Manager for approval within ten (10) business days of the contract. The approved format will be used for all subsequent reports. This format will include weekly updates until the successful completion of the installation of all of the Branch Offices, after which it is recommended that this revert to a monthly status report.

Report format will include, but not limited, to the following information:

- Weekly project status
- Updated Project Plan
- Summary of activity during current reporting period
- Accomplishments during reporting period
- Deliverable status
- Schedule status
- Action Item status
- Issues and Issue Management Log
- Change Control list and status
- Repair Status
- Maintenance Activity

1.204 SPECIAL PROGRAMS

The State is interested in any other special programs that the Contractor may have. Please discuss these programs, such as return policies, trade-in programs allowing the return of new product not needed, quantity discounts, etc.

Bidder Response: Solutions Thru Software implements special programs that include quantity discounts (quantity discount prices have been applied to the prices in the Pricing Sheets) and trade-in programs. Solutions Thru Software will accept trade-ins of certain new or even used equipment, however, this is evaluated on a per instance basis and is applicable to Purchased



equipment only. If the Lease Option is accepted then Solutions Thru Software will ensure that all hardware and software will remain current. MDOS is welcome to contact Solutions Thru Software if they have a specific requirement they wish to explore.

1.205 SECURITY

This Contract may require frequent deliveries to State of Michigan facilities. Security and safety shall include, but is not limited to, performance of security background checks on all personnel assigned to State of Michigan facilities (i.e. delivery people) and how they are performed, what the security check consists of, the name of the company that performs the security checks, use of uniforms and ID badges, etc. If security background checks are performed on staff, bidders shall indicate the name of the company that performs the check as well as provide a document stating that each employee has satisfactorily completed a security check and is suitable for assignment to State facilities. Upon request by the State, bidders shall provide the results of all security background checks.

Upon review of the Contractor's security measures, the State will decide whether to issue State ID badges to the Contractor's delivery personnel or accept the ID badge issued to delivery personnel by the Contractor.

The State may decide to also perform a security background check. If so, the Contractor will be required to provide to the State a list of all delivery people that will service State of Michigan facilities, including name and date of birth (social security number or driver license number would also be helpful).

The Contractor and its Subcontractors shall comply with the security access requirements of individual State facilities.

Bidder Response: Solutions Thru Software staff members are all required to have a security check performed as part of their employment. Criminal background checks are performed by the local law enforcement agency. Most, if not all of the staff members retain or have recently retained a minimum of Secret or higher security ratings from the Department of Defense. Criminal checks are renewed on an annual basis to ensure that the information is up to date.

Solutions Thru Software issues ID badges to all staff members, prior to delivery or installations; Solutions Thru Software can forward information (including scanned copies) of the badges to MDOS for distribution to all MDOS facilities if desired.

1.3 Delivery Capabilities
1.301 TIME FRAMES

It is requested that all orders be delivered within 15 calendar days after receipt of order. The State is interested in both a standard delivery program and a quick-ship program. Please discuss the delivery time associated with each program, as well as if there are quantity and other limitations for the quick ship program.

Bidder Response: Solutions Thru Software will provide expedient delivery where possible, however, some of the products we use require a 30 to 60 day delivery time due to their custom nature, inventory levels and the quantity desired. Small quantities can usually be handled in a much shorter lead time (within 15 days).



Prices provided within the "Pricing Sheet" are based on the quantities specified for this contract. **Shipping will be subject to MDOS approval and recommendations will be made by Solutions Thru Software based on quantity ordered as to method of shipping. Standard shipping requires up to 2 weeks and quick shipping can be accommodated within 2 or 3 days.**

1.302 MINIMUM ORDER

Delivery Requirements

For all orders placed by the State during the term of this Contract, delivery will be made within 15 business days of order. (Elapsed delivery time will be measured from the time an order is accepted, either verbally or in writing by the Vendor, to the time produce is delivered to the site identified in the purchase order.

The deliverables shall be shipped F.O.B. Destination, freight prepaid and allowed, directly to each entity unless otherwise requested, and to the exact locations shall be specified in the purchase order.

If during the term of the Agreement, the Vendor enters into a contract with any other customer for substantially the same quantity, equipment, software and services, terms and conditions for a lower cost, the Vendor will offer the same decrease in rates to the State.

Bidder Response: Solutions Thru Software will provide expedient delivery where possible, however, some of the products we use require a 30 to 60 day delivery time due to their custom nature, inventory levels and the quantity desired. Small quantities can usually be handled in a much shorter lead time (within 15 days).

Prices quoted within the "Pricing Sheet" are based on the quantities specified for this contract. Small quantity pricing has been included in the Pricing Sheets. If Solutions Thru Software enters into a contract of similar quantity, equipment, software and services with any customer for a lower cost, MDOS will be offered the same reduced rates.

Orders will be evaluated to determine best pricing and shipping costs (FOB destination) at the time of quote.

1.303 PACKAGING

The Contractor is requested to provide packaging that most closely meets these packaging sizes. However, bidders can submit alternates. The state reserves the right of final approval on packaging offered by the Contractor.

Packaging and containers, etc., shall be in accordance with supplier's commercial practice and shall meet the requirements of Department of Transportation (D.O.T.) and rail and motor carrier freight classifications in effect at time of shipment, which will permit application of the lowest freight rate.

Bidder Response: Equipment shipped by Solutions Thru Software will be in the smallest size possible that will properly protect the equipment. In most cases the packaging will be the OEM packaging provided and equipment in larger quantities will be supplied on pallets to facilitate loading, unloading and moving with forklift trucks and other labor saving devices. All shipping practices will meet the requirements for DOT rail and motor carrier freight classifications in effect at the time of shipment to permit the lowest freight costs.



1.304 PALLETIZING

Shipments shall be palletized whenever possible and shall conform to the following:

- Manufacturer's standard 4-way shipping pallets are acceptable.
- Maximum height: 5'6"; including pallet.
- Maximum weight: 3500 pounds; including pallet.
- Pallets are to be securely banded or shrink-wrapped.
- The cost of palletizing must be included in the unit price.

1.305 DELIVERY TERM

F.O.B. State Facility

Prices shall be quoted "F.O.B. Delivered" with transportation charges prepaid on all orders of *one (1) or* more to the State, or on all orders totaling or in excess of the bidder's minimum order requirement stated on the Item Listing. Other F.O.B. terms will not be accepted and shall disqualify a bidder from further consideration. This supersedes Instruction #8 on the reverse side of the Invitation To Bid cover page.

Freight Charges - Should an agency order below the minimum order requirement of a Contract, or should a vendor quote F.O.B. Shipping Point on one-time purchases, the Contractor for shipping products must use one of the following carriers. Orders being shipped from or to in the State of Michigan or the States of Illinois, Indiana, Ohio, and Wisconsin, use Alvan Motor Freight (Tel: (800) 632-4172, attention Earl Batenburg); orders being shipped from or to ALL other states, use Roadway Express, Inc. (Tel: (800) 253-3193, attention David Lewis).

United Parcel Service (UPS) must be used in instances where the weight of the shipment is less than 150 lbs., or where shipments could be separated into smaller parcels such as three (3) 50 lb. packages. Also, if the shipment weighs less than 150 lbs, but costs \$3000 or more, it must be sent by the appropriate carrier listed above.

If the Contractor fails to follow these shipping instructions, the State shall pay the carrier used and deduct the difference from the Contractor's invoice for the amount that was charged and the amount that would have been charged if the requested carrier had been used.

Bidder Response: Solutions Thru Software agrees to the above terms and conditions. The initial order of equipment will be received on pallets from the OEM equipment manufacturers who will meet the above size, packing and weight limitations. All other equipment (shipments less than 150 lbs.) will be shipped via UPS when possible. All shipments below minimum order quantity will be shipped prepaid FOB destination as per issued purchasing order at the time of the order. All equipment will be securely banded and shrink wrapped. The cost of palletizing will be included in the unit pricing.

1.306 RESERVED FOR ACCEPTANCE OF DELIVERABLES/PARE EXPLANATION

1.4 Project Price

1.401 PROPOSAL PRICING



Contractor shall provide pricing for the items included on this Contract. Contractor must identify all information related, directly or indirectly, to the Contractor’s proposed charges for services and deliverables including, but not limited to, costs, fees, prices, rates, bonuses, discounts, rebates, or the identification of free services, labor or materials. Contractor shall identify any assumptions that were made in developing their cost proposal.

If Contractor reduces its prices for any of the software or services during the term of this Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State’s Contract Administrator with the reduced prices within 15 business days of the reduction taking effect.

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 payment by EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us)

Bidder Response: Solutions Thru Software shall provide pricing for all items included within this Contract. All assumptions have been clearly identified within the text of this response.

Solutions Thru Software agrees to inform the State of any price reductions within 15 days of the reduction taking place. Solutions Thru Software agrees to offer the same price reductions to the state.

Solutions Thru Software agrees to register to receive automatic payment of funds by EFT upon award of the contract

1.402 QUICK PAYMENT TERMS

The State of Michigan is interested in payment terms that reflect cost savings to the State based on an accelerated payment process. Bidders shall discuss quick payment terms that they are offering to the State (i.e. ____% discount off invoice if paid within ____ days). This will be a factor considered in our award decision.

Bidder Response: Solutions Thru Software has provided the State of Michigan with absolutely the best pricing possible and therefore does not offer a discount for quick payments.

1.403 PRICE TERM

Prices quoted are the maximum for a period of 365 days from the date the Contract becomes effective.

Prices are subject to change at the end of each 365-day period. Such changes shall be based on changes in actual costs incurred. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change. Purchasing Operations reserves the right to consider various pertinent information sources to evaluate price increase requests (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics). Purchasing Operations also reserves the right to consider other information related to special economic and/or industry circumstances, when evaluating a price change request. Changes may be either increases or decreases, and may be requested by either party. Approved changes shall be firm for the remainder of the contract period unless further revised at the end of the next 365-day period.



Requests for price changes shall be RECEIVED IN WRITING AT LEAST TEN DAYS PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance before becoming effective. In the event new prices are not acceptable, the CONTRACT may be cancelled. The continued payment of any charges due after September 30th of any fiscal year will be subject to the availability of an appropriation for this purpose.

1.5 Quantity term

Requirements – Vendor agrees to supply all that the state requires. Contract is dependent on Michigan receiving annually allotted Federal Grant money for this project.

A. Other Contractors

The State has and/or may contract with other entities to perform technical services or provide other equipment and software to work with the items provided under this contract. The Contractor agrees to work with these other entities and provide them necessary technical information and required support to accomplish the efforts required by the contract with the State.

1.7 Project Management

1.701 ISSUE MANAGEMENT

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

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

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

Bidder Response: Solutions Thru Software will provide issue management, logging and tracking all issues relating to the provision of services under this contract. The Issue Management Log and details will be included as a portion of the weekly Project Management Reports. The Issue Management Log will contain at a minimum, but not limited to, the following elements:

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description



1.702 RISK MANAGEMENT

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

Contractor’s proposal must define risks identified as being significant to the success of the project. Include how you would propose to effectively monitor and manage these risks, including reporting of risks to the State.

Bidder Response: Solutions Thru Software has determined the Standalone CDL ATS system contract to be an extremely low risk as the system has already been implemented in the Lansing Area Plus Branch Office. Solutions Thru Software desires to add increased redundancy for data and information protection as well as update the software to a newer, more feature rich version of the Examiner software. This is to ensure that Michigan has the best software available to them right from the start. As part of Project Management, Solutions Thru Software will ensure that no action items within its control will be a contributing factor to delay of successful installation prior to the December 31, 2007 installation deadline. Following is a list of items that may pose an element of risk to the project; however, the risk level has been assessed as being low for all of them. The final installation date of no later than December 31, 2007 does hinge on a timely award of contract.

Risk Description	Risk Level
Contract not Issued by September 28, 2007	Low
Equipment delivery dates exceeds 60 Days	Low
Software customization exceeds 60 days	Low

1.703 CHANGE MANAGEMENT

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

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

The Contractor must employ change management procedures to handle such things as “out-of-scope” requests or changing business needs of the State while the migration is underway.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

Bidder Response: Solutions Thru Software incorporates Change Management controls as a portion



of the Project Management task. Solutions Thru Software is accustomed to providing changes to customer orders as required. Equipment will not be shipped without the prior approval of the State's Project Manager.

1.8 Acceptance

1.801 CRITERIA FOR FINAL ACCEPTANCE

Final acceptance is expressly conditioned upon completion of all deliverables, completion of all tasks in the project plan as approved, completion of all applicable inspection and/or testing procedures, and the certification by the State that the Contractor has met the defined requirements. Unless otherwise stated in the Statement of Work or Purchase Order, "Final Acceptance" of each Deliverable shall occur when each Deliverable/Service has been approved by the State following the State Review Periods identified in **Sections 2.080-2.087**. Payment will be made for Deliverables installed and accepted. **Please Note: For purposes of preparing proposals, Contractors are to assume equipment must be delivered to each location and fully installed and in operation by December 31, 2007**(exception to this date would need prior approval from MDOS). **Contractors are to describe how CDL ATS service and maintenance would be provided to support his system in the 28 locations.** Upon acceptance of a Service, the State will pay for all Services provided during the State Review Period that conformed to the acceptance criteria. "Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.

Bidders Response: Solutions Thru Software acknowledges that the CDL Automated Test System will be considered accepted after review by the State's representative. Acceptance will only be considered after the successful completion of installation into the 28 Branch Office locations and successful operations of the systems for no less than 14 days in the production environment. The proposed Maintenance plan for the system is described below:

Maintenance and Support

Solutions Thru Software has an excellent Maintenance and Support record; just ask any of our customers. New system installations of this low complexity level generally present no issues. For example the Pilot system set up in the Lansing Area Plus office has been operational for two (2) years with absolutely zero (0) service calls. As this is a cost sensitive contract and maintenance programs with short turn-around time windows can be very expensive, Solutions Thru Software believes that the following maintenance program modeled after our Nevada lease installation will provide the most cost effective and acceptable solution:

- Solutions Thru Software will include a number of redundancy features to ensure that the system will be tolerant to potential failures.
- Minor issues will be handled over the phone by our Help Desk staff to expedite returning the system to operational status as soon as possible. This will require the assistance of the Branch Office staff member or possibly an MDOS technical staff member.
- In the event a machine issue cannot be resolved, a configured machine will be shipped



from our service depot via overnight express service. This will require the assistance of the Branch Office staff member or an MDOS technical staff member to exchange the defective device. A pre-paid return shipping label will be included with the shipment for the return of the defective unit.

- In the event of an emergency and the inability to solve the problem over the phone, a Solutions Thru Software service technician will be dispatched from our service depot with sufficient supplies to correct the issue.

Maintenance programs will commence at the end of the warranty period if the purchase option is selected; Solutions Thru Software offers a one (1) year warranty period commencing on the date of the completed installation.



Article 2 – General Terms and Conditions

2.0 Introduction

2.001 GENERAL PURPOSE

This Contract is to provide new Commercial Driver License (CDL) Automated Testing Systems (ATS) for Michigan Department of State offices throughout Michigan. for the State of Michigan. Exact quantities to be purchased are unknown, however the Contractor will be required to furnish all such materials and services as may be ordered during the CONTRACT period. Quantities specified if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities. Orders for delivery will be issued directly to the Contractor by various State Agencies on the Purchase Order Contract Release Form. Attached is a listing of State agencies and/or locations that may order from the Contract. The listing shall not limit participation of additional agencies/locations as the need may develop at the same prices, terms and conditions.

2.002 ISSUING OFFICE AND CONTRACT ADMINISTRATOR

The Contract is issued by Purchasing Operations, State of Michigan, Department of Management and Budget, hereinafter known as Purchasing Operations, for the Michigan Department of State, hereinafter known as Department of State. Where actions are a combination of those of Purchasing Operations and the State agencies, the authority will be known as the State.

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

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

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

**Department of Management and Budget
Purchasing Operations
Attn: Irene Pena, CPPB
Buyer Specialist
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
(517) 241-1647
Penai1@michigan.gov**

2.003 NOTICE

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.



2.004 CONTRACT TERM

The term of this Contract will be for three (3) years and will commence with the issuance of a Contract. This will be approximately 09/14/07 through 10/01/2010

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

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

Written notice will be provided to the Contractor within 30 days, provided that the State gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension. If the Government exercises this option, the extended contract shall be considered to include this option clause.

2.005 GOVERNING LAW

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

2.006 APPLICABLE STATUTES

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

MI Uniform Commercial Code (MIUCC) MCL 440. (All sections unless otherwise altered by agreement)

MI OSHA MCL §§ 408.1001 – 408.1094

Freedom of Information Act (FIOA) MCL §§ 15.231, et seq.

Natural Resources and Environmental Protection Act MCL §§ 324.101, et seq.

MI Consumer Protection Act MCL §§ 445.901 – 445.922

Laws relating to wages, payments of wages, and fringe benefits on state projects MCL §§ 408.551 – 408.558, 408.471 – 408.490, 1965 PA 390.

Department of Civil Service Rules and regulations

Elliot Larsen Civil Rights Act MCL §§ 37.2201, et seq.

Persons with disabilities Civil Rights Act MCL §§ 37.1101, et seq.

MCL §§ 423.321, et seq.

MCL § 18.1264 (law regarding debarment)

Davis-Bacon Act (DBA) 40 USCU §§ 276(a), et seq.

Contract Work Hours and Safety Standards Act (CWHSA) 40 USCS § 327, et seq.

Business Opportunity Act for Persons with Disabilities MCL §§ 450.791 – 450.795

Rules and regulations of the Environmental Protection Agency

Internal Revenue Code

Rules and regulations of the Equal Employment Opportunity Commission (EEOC)

The Civil Rights Act of 1964, USCS Chapter 42

Title VII, 42 USCS §§ 2000e et seq.



The Americans with Disabilities Act (ADA), 42 USCS §§ 12101 et seq.
The Age Discrimination in Employment Act of 1967 (ADEA), 29 USCS §§ 621, 623 et seq.
The Old Workers Benefit and Protection Act of 1990 (OWBPA), 29 USCS §§ 626, et seq.
The Family Medical Leave Act of 1993 (FMLA), 29 USC §§ 651 et seq.
The Fair Labor Standards Act (FLSA), 29 USC §§ 201 et seq.
Pollution Prevention Act of 1990 (PPA) 42 U.S.C. §13106
Sherman Act, 15 U.S.C.S. § 1 et seq.
Robinson-Patman Act, 15 U.S.C.S. § 13 et. seq.
Clayton Act, 15 U.S.C.S. § 14 et seq.

2.007 RELATIONSHIP OF THE PARTIES

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

2.008 HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

2.009 MERGER

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

2.010 SEVERABILITY

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

2.011 SURVIVORSHIP

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of the Contract for any reason.

2.012 NO WAIVER OF DEFAULT

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

2.013 PURCHASE ORDERS

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



2.1 Vendor/Contractor Obligations

2.101 ACCOUNTING RECORDS

The Contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three years from expiration date and final payment on the Contract or extension thereof.

2.102 NOTIFICATION OF OWNERSHIP

The Contractor shall make the following notifications in writing:

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

The Contractor shall:

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

2.103 SOFTWARE COMPLIANCE

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

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



accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

2.104 RESERVED

2.105 PERFORMANCE AND RELIABILITY EVALUATION (PARE) - RESERVED

2.106 PREVAILING WAGE

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

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

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

2.107 PAYROLL AND BASIC RECORDS

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

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

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



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

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

2.108 COMPETITION IN SUB-CONTRACTING

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

2.109 CALL CENTER DISCLOSURE

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

2.2 Contract Performance

2.201 TIME IS OF THE ESSENCE

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

2.202 CONTRACT PAYMENT SCHEDULE

All invoices should reflect actual work done. Specific details of invoices and payments will be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Purchasing Operations, Department of Management & Budget. This activity will occur only upon the specific written direction from Purchasing Operations.

2.203 POSSIBLE PROGRESS PAYMENTS

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

2.204 POSSIBLE PERFORMANCE-BASED PAYMENTS (Actual performance rendered) - RESERVED

2.205 ELECTRONIC PAYMENT AVAILABILITY

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

2.206 PERFORMANCE OF WORK BY CONTRACTOR - RESERVED



2.3 Contract Rights and Obligations

2.301 INCURRING COSTS

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of the Contract. The State fiscal year is October 1st through December 31st. The Contractor(s) should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the State is limited to terms and conditions of the Contract.

2.302 CONTRACTOR RESPONSIBILITIES

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

2.303 ASSIGNMENT AND DELEGATION

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

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

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

2.304 TAXES

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

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

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



2.305 INDEMNIFICATION

General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

1. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.
2. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;
3. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;
4. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;
5. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense



(i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Code Indemnification

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

Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in sub clauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other sub clause.

Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect not withstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

Indemnification Procedures

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

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



ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

- (c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

2.306 LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages. Such limitation as to indirect or consequential damages shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; to Contractor's indemnification obligations (2.305); or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

2.307 CONTRACT DISTRIBUTION

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

2.308 FORM, FUNCTION, AND UTILITY

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

2.309 ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

For and in consideration of the opportunity to submit a quotation and other good and valuable consideration, the bidder hereby assigns, sells and transfers to the State of Michigan all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States



or this State for price fixing, which causes of action have accrued prior to the date of payment and which relate solely to the particular goods, commodities, or services purchased or procured by this State pursuant to this transaction.

2.310 PURCHASING FROM OTHER STATE AGENCIES

State agencies are exempt from utilizing the resulting Contract if they would instead prefer to purchase similar items from the following State agencies:

- Michigan State Industries (MSI), which provides valuable training opportunities for inmates at State correctional facilities.
- Department of Management and Budget, Print and Graphics Services

2.311 TRANSITION ASSISTANCE

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

2.312 RESERVED

2.313 RESERVED

2.314 WEBSITE INCORPORATION

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

2.4 Contract Review and Evaluation

2.401 CONTRACT COMPLIANCE INSPECTOR

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

Michael Butcher
 Bureau of Branch Office Services
 Michigan Department of State
 Secondary Complex
 7064 Crown Drive



Lansing, MI 48918
Phone: 517-636-6339

2.402 PERFORMANCE REVIEWS

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

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

2.403 AUDIT OF CONTRACT COMPLIANCE/ RECORDS AND INSPECTIONS

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

2.5 Quality and Warranties

2.501 PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change.

2.502 QUALITY ASSURANCE

The State reserves the right to periodically test products, which have been received to verify compliance with specifications. If laboratory analysis shows that the product does not meet specifications or fails to perform satisfactorily at any time, the Contractor shall be responsible for:

1. All costs of testing and laboratory analysis.
2. Disposal and/or replacement of all products which fail to meet specifications.
3. All costs of repair and/or replacement of equipment deemed to have been damaged by substandard products as determined by the State.

2.503 INSPECTION

All goods are subject to inspection and testing. In the event goods are defective in material or workmanship, or otherwise fail to meet the requirements of the Contract, the State shall have the right to reject the goods or retain the goods and correct the defects. The Contractor shall pay the



State for expenses incurred in correcting defects. Rejected goods will be held for 45 days after delivery. The Contractor must arrange for the return of said goods, including paying for handling, packing, and transportation costs. The State has the authority to dispose of the goods without further liability to the State in the event the Contractor fails to make arrangements within the specified time period.

2.504 GENERAL WARRANTIES (goods)

Warranty of Merchantability – Goods provided by vendor under this agreement shall be merchantable. All goods provided under this contract shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the vendor or on the container or label.

Warranty of fitness for a particular purpose – When vendor has reason to know or knows any particular purpose for which the goods are required, and the State is relying on the vendor's skill or judgment to select or furnish suitable goods, there is a warranty that the goods are fit for such purpose.

Warranty of title – Vendor shall, in providing goods to the State, convey good title in those goods, whose transfer is right and lawful. All goods provided by vendor shall be delivered free from any security interest, lien, or encumbrance of which the State, at the time of contracting, has no knowledge. Goods provided by vendor, under this agreement, shall be delivered free of any rightful claim of any third person by of infringement or the like.

2.505 CONTRACTOR WARRANTIES

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

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;
3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;
6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor is capable in all respects of fulfilling and shall fulfill all of its obligations under this contract.



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

2.506 STAFF

The State reserves the right to approve the Contractor's assignment of Key Personnel to this project and to recommend reassignment of personnel deemed unsatisfactory by the State.

The Contractor shall not remove or reassign, without the State's prior written approval any of the Key Personnel until such time as the Key Personnel have completed all of their planned and assigned responsibilities in connection with performance of the Contractor's obligations under this Contract. The Contractor agrees that the continuity of Key Personnel is critical and agrees to the continuity of Key Personnel. Removal of Key Personnel without the written consent of the State may be considered by the State to be a material breach of this Contract. The prohibition against removal or reassignment shall not apply where Key Personnel must be replaced for reasons



beyond the reasonable control of the Contractor including but not limited to illness, disability, resignation or termination of the Key Personnel's employment.

2.507 RESERVED

2.508 EQUIPMENT WARRANTY

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it will maintain such equipment/system(s) in good operating condition and will undertake all repairs and preventive maintenance in accordance with the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor represents and warrants that the equipment/system(s) shall be in good operating condition and shall operate and perform to the requirements and other standards of performance contained in this Contract, when installed, at the time of Final Acceptance by the State, and for a period of one (1) year commencing upon the first day following Final Acceptance.

Within *one (1) business* day of notification from the State, the Contractor shall adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor shall assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

The Contractor shall provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract shall be performed by original equipment manufacturer (OEM) trained, certified and authorized technicians.

The Contractor shall act as the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any and all warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

All warranty work shall be performed on the State of Michigan worksite(s).

All configurations are covered by the manufacturer's standard warranty. Any upgrades of the software made during the warranty period are supplied at no additional cost.

2.509 MAINTENANCE AND SUPPORT

Maintenance programs commence at the end of the warranty period. All maintenance is performed by qualified personnel familiar with the equipment. Contractor must provide a toll free service number available 24 hours a day, 7 days a week. Contractor shall also provide toll free help desk support Monday through Friday from 9:00 a.m. to 5:00 p.m. and Saturday, 9:00 a.m. to 12:00 p.m. Eastern Standard Time. Service calls will be responded to within two (2) hours. Contractors must provide a guaranteed parts availability within the service response window at all times. Contractor shall provide a maintenance plan and schedule with their proposal.

Contract will provide a pricing table for annual base year's maintenance. The rates for optional extensions shall not increase by more than 5% per option.

Service Levels – The system shall perform efficiently and in an acceptable manner to provide service to users no less than 95% of the time from implementation date or a plan of action to resolve, within four (4) hours from the time the problem was first reported to the Contractor.



Scheduled maintenance not included. The Contractor shall provide a summary of reliability statistics, number of help desk calls, service calls, and service turnaround times of the systems they have installed in the States they provide CDL ATS.

2.6 Breach of Contract

2.601 BREACH DEFINED

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

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

2.602 NOTICE AND THE RIGHT TO CURE

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

2.603 EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another Contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.
2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable hereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written



notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.7 Remedies

2.701 CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess re-procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

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

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

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or in part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to



cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.
4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 7. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

2.702 RIGHTS UPON CANCELLATION

Termination Assistance. If this Contract (or any Statement of Work issued under it) is terminated for any reason prior to completion, Contractor agrees to provide for up to six (6) months after the termination all reasonable termination assistance requested by the State to facilitate the orderly transfer of such Services to the State or its designees in a manner designed to minimize interruption and adverse effect. Such termination assistance will be deemed by the parties to be governed by the terms and conditions of this Contract (notwithstanding its termination) other than any terms or conditions that do not reasonably apply to such termination assistance. Such termination assistance shall be at no additional charge to the State if the termination is for Contractor's Default pursuant to Section 2.602; otherwise the State shall compensate Contractor for such termination assistance on a time and materials basis in accordance with the Amendment Labor Rates identified within this Contract agreement.

B. Termination Assistance

If the Contract (or any Statement of Work issued under it) is terminated for any reason before completion, Contractor agrees to provide for up to two-hundred seventy (270) calendar days after the termination all reasonable termination assistance requested by the State to facilitate the orderly transfer of such Services to the State or its designees in a manner designed to minimize interruption and adverse effect. Such termination assistance will be deemed by the parties to be governed by the terms and conditions of the Contract (notwithstanding its termination) other than any terms or conditions that do not reasonably apply to such termination assistance. The State shall compensate Contractor for such



termination assistance at the same rates and charges set forth in the Contract on a time and materials basis in accordance with the Labor Rates indicated within Contractors pricing section. If the Contract is terminated by Contractor under Section 20, then Contractor may condition its provision of termination assistance under this Section on reasonable assurances of payment by the State for such assistance, and any other amounts owed under the Contract.

C. Reservation of Rights

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

D. End of Contract Transition

In the event the Contract is terminated, for convenience or cause, or upon expiration, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of the Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 270 calendar days. These efforts shall include, but are not limited to, the following:

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



from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after Contract expiration that result from transition operations). The hourly rates or fixed price to be charged will be agreed upon prior to the work commencing.

- (6) Single Point of Contact. Contractor will maintain a Single Point of Contact (SPOC) for the State after termination of the Contract until all product and service obligations have expired.

E. Transition out of this Contract

- (1) In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the Contractor agrees to perform the following obligations, and any others upon which the State and the Contractor agree:
 - (i) Cooperating with any Contractors, vendors, or other entities with whom the State contracts to meet its telecommunication needs, for at least two hundred and seventy (270) days after the termination of this Contract;
 - (ii) Reserved.
 - (iii) Providing the State with all asset management data generated from the inception of this Contract through the date on which this Contract is terminated, in a comma-delimited format unless otherwise required by the Program Office;
 - (iv) Reconciling all accounts between the State and the Contractor;
 - (v) Allowing the State to request the winding up of any pending or ongoing projects at the price to which the State and the Contractor agreed at the inception of the project;
 - (vi) Freezing all non-critical software changes;
 - (vii) Notifying all of the Contractor's subcontractors of procedures to be followed during the transition out phase;
 - (viii) Assisting with the communications network turnover, if applicable;
 - (ix) Assisting in the execution of a parallel operation until the effective date of termination of this Contract
 - (x) Answering questions regarding post-migration services;
 - (xi) Delivering to the State any remaining owed reports and documentation still in the Contractor's possession.

- (2) In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:
 - (i) Reconciling all accounts between the State and the Contractor;
 - (ii) Completing any pending post-project reviews.

2.703 LIQUIDATED DAMAGES

- A. The State and the Contractor hereby agree to the specific standards set forth in this Contract. It is agreed between the Contractor and the State that the actual damages to the State as a result of Contractor's failure to provide promised services would be difficult or impossible to determine with accuracy. The State and the Contractor therefore agree that liquidated damages as set out herein shall be a reasonable approximation of the damages that shall be suffered by the State as a result thereof. Accordingly, in the event of such damages, at the written direction of the State, the Contractor shall pay the State the



- indicated amount as liquidated damages, and not as a penalty. Amounts due the State as liquidated damages, if not paid by the Contractor within fifteen (15) days of notification of assessment, may be deducted by the State from any money payable to the Contractor pursuant to this Contract. The State will notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date the State deducts such sums from money payable to the Contractor. No delay by the State in assessing or collecting liquidated damages shall be construed as a waiver of such rights.
- B. The Contractor shall not be liable for liquidated damages when, in the opinion of the State, incidents or delays result directly from causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God, fires, floods, epidemics, and labor unrest; but in every case the delays must be beyond the control and without the fault or negligence of the Contractor.
- C. Liquidated damages will be assessed as follows: The Contractor agrees to reimburse the State of Michigan for cost incurred in correcting any problems which arise in this contract. These costs include, but are not limited to the cost of communications and staff time involved to correct the problem.

2.704 STOP WORK

1. The State may, at any time, by written stop work order to the Contractor, require that the Contractor stop all or any part, of the work called for by this Contract for a period of up to 90 days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either:
 - a) Cancel the stop work order; or
 - b) Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.
2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
 - a) The stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to the performance of any part of this Contract; and
 - b) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.
3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.
4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.



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

2.705 SUSPENSION OF WORK

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

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

A claim under this clause shall not be allowed:

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

2.8 Changes, Modifications, and Amendments

2.801 APPROVALS

The Contract may not be modified, amended, extended, or augmented except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

2.802 TIME EXTENTIONS

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

2.803 MODIFICATION

Purchasing Operations reserves the right to modify this contract at any time during the contract term. Such modification may include changing the locations to be serviced, additional locations to be serviced, method or manner of performance of the work, number of days service is to be



performed, addition or deletion of tasks to be performed, addition or deletion of items, and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the proposed changes are subject to acceptance by the State. Changes may be increases or decreases. IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.

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

2.804 AUDIT AND RECORDS UPON MODIFICATION

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

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

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

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

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

2.805 CHANGES

(a) The Contract Administrator may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:

- (1) In the specifications (including drawings and designs);
- (2) In the method or manner of performance of the work;
- (3) In the Government-furnished facilities, equipment, materials, services, or site; or
- (4) Directing acceleration in the performance of the work.

(a) Any other written or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contract Administrator that causes a change shall be treated as a change order under this clause; Provided, that the Contractor gives the Contract Administrator written notice stating:

- (1) The date, circumstances, and source of the order; and
- (2) That the Contractor regards the order as a change order.



- (b) Except as provided in this clause, no order, statement, or conduct of the Contract Administrator shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.





Attachment A – Branch Office Locations

Central Wayne County Plus #118
6090 N Wayne Rd
Westland 48185-2169

Det. New Center Super!Center #157
3046 W Grand Blvd Suite L650 Cadillac Place
Detroit 48202-6046

Livonia Area Super!Center #120
17176 Farmington Rd Burton Hollow Plaza
Livonia 48152-3102

Northeast Wayne County Plus #117
25700 Joy Rd
Redford 48239-1720

Northwest Detroit Plus #135 (Wayne) R1
20210 West 7 Mile
Detroit 48219-3469

Southeast Wayne County Plus #141
21572 Ecorse Rd
Taylor 48180

Southwest Wayne County Plus #111
795 Sumpter Rd
Belleville 48111-2916

West Wayne County Plus #128
44948 Ford Road
Canton 48187-2939

Flint Area Super!Center #194
G5512 Fenton Rd
Flint 48507-4031

Lansing Area Plus #226
5827 W Saginaw Delta Center
Lansing 48917-2460

Lapeer County Plus #176
700 S Main St Suite 101B
Lapeer 48446-3077

Tuscola County Plus #293
150 Millwood St
Caro 48723-1630

Gr Rapids Area Super!Center #263
3665 28th St. SE Centerpointe Mall 6-B
Grand Rapids 49512-1605

Kalamazoo County Plus #201
5316 West Main Street - Maple Hill Mall
Kalamazoo 49009-3304

Montcalm County Plus #239
701 S Greenville W Drive Suite 21
Greenville 48838

Northwest Berrien County Plus #208
1960 Mall Drive Orchards Park Shopping Center
Benton Harbor 49022-2306

Southeast Berrien County Plus #207
110 E Main St
Niles 49120-2200

South Kalamazoo County Plus #202
603 Romence Rd Shoppes at Romence Village
Portage 49024-3446

St. Joseph County Plus #205
931 South Centerville Rd Sturgis Plaza
Sturgis 49091-2502

Central Oakland County Plus #181
1608 N Perry Rd
Pontiac 48340-2235

Clinton Township Super!Center #166
37015 S Gratiot Avenue
Clinton Township 48036

Sanilac County Plus #291
277 E Sanilac
Sandusky 48471-1320

Southeast Macomb County Plus #162
24040 Harper Avenue
St Clair Shores 48080

Southwest Oakland County Plus #121
31164 Beck Rd
Novi 48377-1020

Grand Traverse County Plus #341
1759 Barlow St P.O. Box 6220
Prudenville 48651-0169

Mecosta County Plus #301
206-A N Michigan Ave
Big Rapids 49307-1518



Roscommon County Plus #358
 2565 S Gladwin Road PO Box 169
 Traverse City 49696-6220

Marquette County Plus #387
 2025 US 41 W Marquette Mall
 Marquette 49855-4924

Branch Offices	# of CDL Kiosks in Lobby
Detroit New Center Super Center	5
Grand Rapids Area Super Center	5
Flint Area Super Center	5
Clinton Township Super Center	5
Livonia Area Super Center	5
Mecosta County Plus	2
Roscommon County Plus	1
Southwest Wayne County Plus	4
Lansing Area Plus	4
Sanilac County Plus	2
Lapeer County Plus	4
Northwest Detroit Plus	4
West Wayne County Plus	4
Southeast Berrien County Plus	4
Northwest Berrien County Plus	4
St. Joseph County Plus	3
Southeast Macomb County Plus	4
Central Wayne County Plus	4
Central Oakland County Plus	4
Marquette County Plus	2
Tuscola County Plus	3
Southwest Oakland County Plus	4
Southeast Wayne County Plus	4
Northeast Wayne County Plus	4
Kalamazoo County Plus	4
South Kalamazoo County Plus	4
Montcalm County Plus	3
Grand Traverse County Plus	4
Total	105 units



Branch Office	FY06 CDL Tests
Detroit New Center Super Center	1,107
Grand Rapids Area Super Center	3,041
Flint Area Super Center	1,626
Clinton Township Super Center1	1,764
Livonia Area Super Center	3,347
Mecosta County Plus	473
Roscommon County Plus	337
Southwest Wayne County Plus	1,508
Lansing Area Plus	2,705
Sanilac County Plus	884
Lapeer County Plus	1,520
Northwest Detroit Plus	1,008
West Wayne County Plus	1,049
Southeast Berrien County Plus	3,477
Northwest Berrien County Plus	1,337
St. Joseph County Plus	723
Southeast Macomb County Plus	854
Central Wayne County Plus	1,224
Central Oakland County Plus	5,187
Marquette County Plus	454
Tuscola County Plus	1,028
Southwest Oakland County Plus	449
Southeast Wayne County Plus	1,995
Northeast Wayne County Plus	1,609
Kalamazoo County Plus	1,186
South Kalamazoo County Plus	1,083
Montcalm County Plus	884
Grand Traverse County Plus	434
Total	42,293



Equipment Description	Leasing Hardware and Software	Purchase Hardware (Optional)	Purchase Software License (Optional)	Installation	Training	Total Cost
	\$	\$	\$	\$	\$	\$
LEASE						
Control Station/ PC Server	\$2,688.46/year			Included	Included	\$2,688.46
Kiosk Test Station	\$2,092.49/year			Included	Included	\$2,092.49
PURCHASE						
Control Station/ PC Server		\$1,322.30	\$2,500.00	\$768.66	\$97.50	\$4,688.49
Kiosk Test Station		\$1,694.99	\$1,500.00	\$97.50	\$0.00	\$3,292.49

Pricing Sheet

Table 1

NOTES:

1. Lease Definition: Solutions Thru Software honors long term lease

s and have had clients remain Lease customers for as many as 13 years. Under our Lease definition, all hardware and software is given an indefinite warranty. This means that Solutions Thru Software will ensure that all systems remain at the leading edge of technology, receiving updates and enhancements as they are made available. Even hardware will be repaired or replaced at the discretion of Solutions Thru Software, as it has been our experience that new systems are often easier and less expensive to maintain than aging system. Our Lease customers have found this to be a very inexpensive way of maintaining leading edge technology and current software without the peak expenditures and costs for letting new contracts every few years.

2. The lease prices above are shown as the price per station, per year, to be paid at the beginning of each year.
3. Lease prices include installation, training, shipping and maintenance costs based on the one time installation of a total of 105 Test Stations and 28 Control Station/PC Servers into 28 Branch Office locations.
4. Installation Prices listed in the purchase section are based on the one time installation of total of 105 Test Stations and 28 Control Station/PC Servers into 28 Branch Office locations.
5. As informed that the state is not be required to pay tax(es), therefore no tax(es) have been included in the above pricing.
6. State is responsible for the installation of Electrical Power connections in Kiosk Test Station Area as well as network connection between the Kiosk Test Stations and the proposed PC Server location within each of the Branch Office Locations.
7. State is responsible for providing suitable tables and chairs for Kiosk Test Stations.
8. One (1) set of headphones for aural tests will be supplied annually for each Test Station and will be distributed during the annual Preventative Maintenance cycle.

SYSTEM COMPONENT BREAKDOWN LIST

Control Station/PC Server

- Dell GX-320 OptiPlex Mini-Tower Computer (3.06 GHz Celeron, 1GB RAM, 48x32 CD-RW/DVD Combo Drive, 2 x 80 GB Hard Drives) c/w Optical Mouse, USB Keyboard, 5 years NBD Parts and Labor, Windows Server 2003 Web Edition, SQL Server 2005 Express, Solutions Thru Software’s Examiner Server Software, CDL 2005 Item Pool (English and Spanish)
 - o Electrical Requirements: 90-135 VAC, 60 Hz, 305 Watts Maximum



- **Dell E178FP 17” Flat Panel LCD Monitor**
 - o **Electrical Requirements: 100-240 VAC, 50-60 Hz, 1.5Amps Maximum**
- **Surge Protected Power Bar, Network Switch, 2 x Network Patch Cable**



Kiosk Test Station

- Desktop Kiosk Cabinet c/w locking access panel, Dual Audio Panel
- Dell GX-320 OptiPlex Small Form Factor Computer (3.06 GHz Celeron, 1GB RAM, 48x32 CD-RW/DVD Combo Drive, 80 GB Hard Drive) Windows XP Professional c/w Optical Mouse, USB Keyboard, 5 years NBD Parts and Labor, Solutions Thru Software's WTClient Secure Browser
 - o Electrical Requirements: 90-135 VAC, 60 Hz, 305 Watts Maximum
- ELO 1537L 15" LCD Flat Panel Touch Screen Monitor c/w accessories
 - o Electrical Requirements: 100-240 VAC, 50-60 Hz, 30 Watts Maximum
- Surge Protected Power Bar, Network Patch Cable and Audio Cable

Table 2

Maintenance (Base Year)	Price
First Year Maintenance	\$49,875.00
Second Year Maintenance	\$49,875.00
Third Year Maintenance	\$49,875.00
Total Year Maintenance	\$149,625.00 for total of three years
	Please Reference Note Below
Maintenance (Optional Years)	Price
Fourth Year Maintenance (Optional)	\$49,875.00
Fifth Year Maintenance (Optional)	\$49,875.00
Total Optional Years Maintenance	\$99,750.00
	Please Reference Note Below

Table 3

NOTE:

- The maintenance price per year quoted above applies only to the PURCHASE OPTION ONLY. Maintenance is included in the Lease Option pricing quoted in Table 1 for the duration of the lease.



Table 4 **Cost for Additional Languages (in addition to the specified English and Spanish)**

First Additional Language	Price
Textual Translations only	\$13,000.00
Textual and Aural Translations	\$26,000.00
Modification to Individual Question	\$250.00
Each Additional Language	
Textual Translation only	\$13,000.00
Textual and Aural Translations	\$26,000.00
Modification to Individual Question	\$250.00

NOTES:

- Cost of implementing a new language for the 752 Question Item Pool in the Commercial Driver License (CDL) question set.
- Cost of implementing multiple (more than two (2)) additional languages are typically lower if we request a quote for all languages at one time. Prices quoted above are typical maximum costs for 1 to 2 language translations for textual only and textual with aural translations.
- Price for modification to an individual question is \$250 per question. Cost of implementing modifications to multiple questions will be quoted for better pricing than individual question rate.

Cost per hour for requested software changes, after implementation is \$ 75.00 per hour.

Cost to Add a Test Station

\$2,092.49_per station if added to lease, includes all conditions that apply to lease pricing. Applies to Lease Option only.

\$3,292.49 per station if purchased and installed at same time as the initial order. Applies to Purchase Option only.

\$3,292.49 per station (Purchase Option only) if purchased in small quantities (less than 10) would apply if MDOS self-installed after completion of statewide rollout; installation price quoted would be used to offset shipping costs for small quantity orders of equipment to specific Branch area offices. Test Station computer(s) would be configured by Solutions Thru Software to be operational out of the box. Quantities greater than 10 will be quoted at Best Price at the time to save on shipping costs and would include installation pricing options as well.