

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

November 1, 2012

**CHANGE NOTICE NO. 3**  
 to  
**CONTRACT NO. 071B8200039**  
 between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
HP State and Local Enterprise Services L.L.C. 5400 Legacy Drive Plano, TX 75024	Joe Findlater	Joe.findlater@hp.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(517) 862-7186	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Joe Kelly	517-373-3993	Kellyj11@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	Kellyj11@michigan.gov

CONTRACT SUMMARY:				
DESCRIPTION: <b>MDIT/MDOT IT Program Support</b>				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
October 16, 2007	October 15, 2010		October 15, 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 15, 2013
VALUE/COST OF CHANGE NOTICE:		ESTIMATED AGGREGATE CONTRACT VALUE:		
\$0.00		\$18,523,709.00		
Effective October 16, 2012, this contract is hereby EXTENDED for 6 months to April 15, 2013. All other terms, conditions, pricing and specifications remain the same. Per vendor and agency agreement, DTMB Procurement approval and the approval of the State Administrative Board on October 16, 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**

July 20, 2011

**CHANGE NOTICE NO. 2**  
**TO**  
**CONTRACT NO. 071B8200039**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF VENDOR <b>HP State and Local Enterprise Services</b> <b>Services L.L.C.</b> <b>5400 Legacy Drive</b> <b>Plano, TX 75024</b>  Email: <a href="mailto:joe.findlater@hp.com">joe.findlater@hp.com</a>	TELEPHONE Joe Findlater <b>( 517) 862-7186</b>
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-3993 <b>Joe Kelly</b>
Contract Compliance Inspector: Mark Lawrence <b>MDIT/MDOT IT Program Support</b>	
CONTRACT PERIOD: From: <b>October 16, 2007</b> To: <b>October 15, 2012</b>	
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>	
MISCELLANEOUS INFORMATION:	

**NATURE OF CHANGE(S):**

Effective immediately, this contract has been **EXTENDED** to October 15, 2011 and **INCREASED** by \$2,500,000.00. Please also note, the buyer has been **CHANGED** to Joe Kelly. All other terms, conditions, pricing and specifications remain the same.

**AUTHORITY/REASON:**

Per vendor and agency agreement and the approval of the State Administrative Board approval on July 19, 2011.

**INCREASE: \$2,500,000.00**

**TOTAL REVISED ESTIMATED CONTRACT VALUE: \$18,523,709.00**

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

September 27, 2010

CHANGE NOTICE NO. 1  
TO  
CONTRACT NO. 071B8200039  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR <b>HP State and Local Enterprise Services Services L.L.C. 5400 Legacy Drive Plano, TX 75024</b>  Email: <a href="mailto:joe.findlater@hp.com">joe.findlater@hp.com</a>	TELEPHONE Joe Findlater <b>( 517) 862-7186</b>
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-1455 <b>Laura Gyorkos</b>
Contract Compliance Inspector: Mark Lawrence <b>MDIT/MDOT IT Program Support</b>	
CONTRACT PERIOD: From: <b>October 16, 2007</b> To: <b>October 15, 2011</b>	
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>	
MISCELLANEOUS INFORMATION:	

**NATURE OF CHANGE(S):**

Effective immediately, this contract has been extended for one year. The revised contract expiration date is October 15, 2011. In addition \$2,200,000.00 has been added to this contract value.

Rates for Program/Project Management Support are attached in Article 1, Attachment A Pricing. Please refer to the attached letter from the vendor dated March 31, 2010 for changes in key personnel.

Please note, the buyer has been changed to Laura Gyorkos. Also note that the vendor's name has changed to HP State and Local Enterprise Services.

**AUTHORITY/REASON:**

Per DTMB purchasing Operations and State Administrative Board approval on September 14, 2010 and the vendor's letter of agreement dated March 31, 2010.

**INCREASE: \$2,200,000.00**

**TOTAL REVISED ESTIMATED CONTRACT VALUE: \$16,023,709.00**

OSE internal use only:  
 OSE Req#: \_\_\_\_\_

**PURCHASE REQUEST FORM**

Agency Reference Number:  
 No.: \_\_\_\_\_

**SECTION 1 – Requesting Agency Contact Information**

1. Requesting Agency Transportation	2. Office/Bureau/Division MDOT PMO	3. Agency Contact Viji Jayaraman
4. Phone Number (517)241-5792	5. Fax Number	6. E-Mail Address jayaramanv@michigan.gov
		7. Date 4/1/2010

**SECTION 2- Purchase Request Categories (check all that apply):**

8a. <input type="checkbox"/> Commodities	8b. <input type="checkbox"/> Professional Services	8c. <input checked="" type="checkbox"/> IT Services	8d. <input type="checkbox"/> MRO
9. <input type="checkbox"/> New - Over \$25,000 <input type="checkbox"/> Personal Services - \$2,501 - \$25,000 <input type="checkbox"/> Delegated Authority <input checked="" type="checkbox"/> Contract Change (select one) - <input type="checkbox"/> Amount Change <input type="checkbox"/> Option Yr. <input checked="" type="checkbox"/> Both <input type="checkbox"/> Other: <input type="checkbox"/> IT Changes Over \$500,000 <input type="checkbox"/> IT Contract Releases <input type="checkbox"/> IT PO Advice of Change			
10. <input type="checkbox"/> SW Furniture <input type="checkbox"/> SW Temporary Services Contracts <input type="checkbox"/> MMCC Contracts <input type="checkbox"/> Subscriptions & Periodicals/Publications			

**SECTION 3 - Purchase Information**

11. Vendor Name: HP (Hewlett Packard)	12. Title of Purchase: (Brief Description) MDOT IT Program Support (This is a request to exercise a one-year contract option. We are also requesting additional funds.)		
13. Contract Number 071B8200039	14. Requisition Number		
15. New Purchase Est. Amount	16. Current Contract Amount \$4,076,678.00	17. Contract Change Amount \$2,200,000.00	18. New Contract Amount \$6,276,678.00
19. Contract Period Start Date: 10/16/2007    End Date: 10/15/2010		20. Revised Contract Period Start Date: 10/15/2010    End Date: 10/16/2011	
21. <input checked="" type="checkbox"/> One Time Purchase <input type="checkbox"/> Multi-year Purchase			

**SECTION 4 – OSE Information – Personal Service Purchases Only**

22. CS-138 Number 084S000018	23. Preauthorized CS-138 <input type="checkbox"/> Statewide <input type="checkbox"/> Departmental		24. CS-138 Standard <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D
25. Union/NERE Code <input checked="" type="checkbox"/> Y <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		26. Notice Date 3/5/2010	
27. Explain in detail why current department employees cannot perform the requested personal services: These contractors have worked extensively with our applications and bring a great deal of knowledge with them. If we lose these experienced resources, there will be major project disruptions as we bring new resources up to speed. There are not enough State employees who currently possess the skills and expertise needed to perform this work. We have been able to periodically hire permanent project managers but haven't been able to hire enough employees to fill the needs of the department.			

**SECTION 5 – Purchase Justification**

28a. Description of Product/Service Requested: This is a request to exercise a one-year contract option of contract 071B8200039. We are also requesting additional funds. The contract's current end date is 10/15/2010 and the option year will run from 10/15/2010 to 10/16/2011. These services will be paid by fixed price per the contract. The contract doesn't address pricing for the contract option year. A vendor proposal for option year pricing is attached.	28b. <input checked="" type="checkbox"/> Attachments
29. Purpose/Business Case of New Contract, or Change and Expected Outcomes: We would like to extend the contract for one year and add additional funds. We currently use HP staff to manage such critical programs as our annual Call for IT Projects and Legacy Application Modernization Program (LAMP), as well as our infrastructure and development projects. HP staff presently provides support for nearly every MDOT business area (including, but not limited to Finance, Real Estate, Highway Operations and Planning).	
30. Risk / Liability Assessment (consequences if not procured, potential issues if not procured, etc.): The requested resources perform critical work in the MDOT PMO. The MDOT PMO is staffed almost entirely by contract resources, the majority of whom are acquired through this contract. There are not enough state employees who currently possess the skills and expertise needed to perform this work. Without this contract in place, we would lose essential project management oversight of \$6,000,000-\$10,000,000 of active IT projects. Federal funds for such projects as Program/Project Management System (P/PMS), Field Manager Rewrite, and Bentley Enterprise would also be jeopardized.	
31. Funding Source: <input type="checkbox"/> Federal _____% <input type="checkbox"/> State GF _____% <input type="checkbox"/> ARRA _____% <input checked="" type="checkbox"/> State Restricted 100.00% -List fund title :State Trunkline <input type="checkbox"/> Other _____% Provide Details:	

<b>32a. DIT Service Coding – IT Purchases Only:</b>				Appropriation Year	
Agency Internal Funding Source					
Agency Request	Agency Code 3	Agency Object Code	Amount	For DIT Internal Requests Index	
IDG <input type="checkbox"/> Yes <input type="checkbox"/> No					
IDG <input type="checkbox"/> Yes <input type="checkbox"/> No					
IDG <input type="checkbox"/> Yes <input type="checkbox"/> No					
IDG <input type="checkbox"/> Yes <input type="checkbox"/> No					
<b>32b. IT Service Purchases Only</b>					
Item No.	Qty. Req'd.	Unit Type	Description	Unit Price	Total Cost
					\$ 0.00
					\$ 0.00
					\$ 0.00
<b>Grand Total</b>					\$ 0.00

**SECTION 6 - Executive Directive Exemption Criteria**

33. Select the most applicable exemption criteria that applies: (select all that apply)

<input type="checkbox"/>	1. To comply with a legal mandate or court order (enter citation _____). <b>Copy of mandate language/citation must be attached.</b>
<input type="checkbox"/>	2. To enable the delivery of non-discretionary basic services necessary to protect the health or safety of individuals in this state.
<input type="checkbox"/>	3. To provide for the basic living requirements of residents of state facilities, including but not limited to food, clothing, and prescription drugs, and healthcare needs.
<input type="checkbox"/>	4. To produce substantial savings as defined under Standard D of <u>Civil Service Commission Rule 7-3</u> , as determined by the Director of the Office of the State Employer, that would not have otherwise been realized were the same personal services performed by a classified service employee. <b>Attach Standard D cost analysis.</b>
<input checked="" type="checkbox"/>	5. To prevent a reduction in revenue otherwise payable to this state.
<input type="checkbox"/>	6. To avoid additional expenditures that will exceed any savings resulting from deferring the personal services contract expenditure.
<input type="checkbox"/>	7. To respond to a state of emergency or state of disaster declared by the Governor.
<input type="checkbox"/>	8. To assure compliance with the federal American Recovery and Reinvestment Act of 2009, Public Law 111-5, as certified by the Director of the Michigan Economic Recovery Office. <b>Attach certification document.</b>
<input type="checkbox"/>	9. To facilitate the efficient and effective expenditure of funds authorized by the federal American Recovery and Reinvestment Act of 2009, Public Law 111-5, as certified by the Director of the Michigan Economic Recovery Office. <b>Attach certification document.</b>

34. How does this purchase meet the selected exemption criteria? These contractors perform management activities for such federally funded projects as Program/Project Management System (P/PMS), Field Manager Rewrite, and Bentley Enterprise. Disruptions to these projects will affect the Federal funds the State currently receives.

**SECTION 7- Approvals**

35. Internal Agency Approval Signature:

<i>Cheryl A. Dacey</i>	<i>ITDT CHAIR, FIN &amp; ADMIN</i>	<i>4/5/10</i>
Department Designee	Title	Date

36. Requesting Agency Signature:

<i>Don Stark</i>	<i>CAO</i>	<i>4/5/10</i>
Department Director or Designee	Title	Date
<i>[Signature]</i>	<i>IT Services Director</i>	<i>4/1/10</i>

37. OSE Signature: Personal Services Only  Approved  Denied  Pre-Authorized

OSE Director	Date
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38. Department of Technology, Management and Budget Signature: IT Purchases Only

DTMB Director or Designee	Title	Date
---------------------------	-------	------

39. Department of Technology, Management and Budget Signature: Purchasing Operations

**Article 1, Attachment A**

**Pricing**

**Program/Project Management Support Time & Materials Rate Card**

Based upon the State's request to have flexibility in the type of resources that may be required for miscellaneous needs, Contractor will be flexible and responsive to the State's resource needs and will supply the appropriate mix of skill sets.

**HOURLY RATES ARE FIXED FOR DURATION OF 3-YEAR CONTRACT**

STAFFING CATEGORY	HOURLY RATE
Sr. Project Manager	\$110
Jr. Project Manager	\$80
Jr. Business Analyst	\$73
Sr. Business Analyst	\$85
Data Modeler	\$135
Systems Architect	\$135

The rate card will be utilized in conjunction with an approved Work Authorization Request (WARS). Up to 28,000 hours per year (a total of 84,000 for 3 years) can be utilized, although the State may choose not to use.

Time-and-materials rates will be utilized to supplement, not replace, the fixed price deliverables of this contract.

**Facilitated Requirements Gathering Sessions and Project Analysis**

Estimated Projects Per Year	Project Price	1-Year Total Cost	3-Year Total Cost
Type A – 10 projects	\$22,950	\$229,500	\$688,500
Type B – 10 projects	\$37,020	\$370,200	\$1,110,600
Type C – 6 projects	\$52,938	\$317,628	\$952,884

**Business Design Sessions**

Estimated Projects Per Year	Project Price	1-Year Total Cost	3-Year Total Cost
Type A – 10 projects	\$15,475	\$154,750	\$464,250
Type B – 10 projects	\$40,897	\$408,970	\$1,226,910
Type C – 5 projects	\$61,371	\$306,855	\$920,565

**GRAND TOTAL - PROGRAM/PROJECT MANAGEMENT SUPPORT TIME AND MATERIALS, FACILITATED REQUIREMENTS GATHERING SESSIONS, AND BUSINESS DESIGN**



March 31, 2010

Ms. Viji Jayaraman, PMP  
Manager - Project Management Office  
Agency Services - MDOT  
Department of Information Technology

Dear Ms. Jayaraman,

HP Enterprise Services is pleased to offer the State of Michigan an extension to our contract to provide MDIT/MDOT IT Program Support (State of Michigan contract number: 07188200039). The original contract terms from October 16<sup>th</sup>, 2007 to October 15<sup>th</sup> 2010 will be extended to October 14<sup>th</sup>, 2011. All terms and conditions outlined and agreed to in the original contract will be extended for the extension year, with the following exception:

Section 2.041 / Section B:

Please replace key employee "Bill Schmidt" with key employee "Robert Baker".

Pricing as outlined in Article 1, Attachment "A" will remain the same for the extension year.

If you have any questions related to this extension, please feel free to contact the HP Enterprise Services Account Manger, Joe Findlater at 517.862.7186.

We are proud of our long standing relationship, and look forward to providing continued outstanding service to MDIT/MDOT for the remainder of the contract term.

Sincerely,

A handwritten signature in black ink that reads "Andy Tonkovich". The signature is written in a cursive, flowing style.

Andy Tonkovich  
HP Enterprise Services  
District Manager

**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. 071B8200039**

between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF VENDOR <b>Electronic Data Systems Corporations /EDS Information Services L.L.C.</b> <b>5400 Legacy Drive</b> <b>Plano, TX 75024</b>	TELEPHONE Gary LaRoy <b>( 517)272-5939</b> VENDOR NUMBER/MAIL CODE BUYER/CA (517) 241-7233 <b>Joann Klasko</b>
Contract Compliance Inspector: Cindy Turben <b>MDIT/MDOT IT Program Support</b>	
CONTRACT PERIOD: From: <b>October 16, 2007</b> To: <b>October 15, 2010</b>	
TERMS <p style="text-align: center;"><b>N/A</b></p>	SHIPMENT <p style="text-align: center;"><b>N/A</b></p>
F.O.B. <p style="text-align: center;"><b>N/A</b></p>	SHIPPED FROM <p style="text-align: center;"><b>N/A</b></p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;"><b>N/A</b></p>	
MISCELLANEOUS INFORMATION: <b>The terms and conditions of this Contract are enclosed. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.</b> <b>Estimated Contract Value: \$13,823,709.00</b>	

**THIS IS NOT AN ORDER:** The terms and conditions of this contract are enclosed. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.  
**Original contract was awarded on the basis of our inquiry bearing the req No. 084R7200144.**

**FOR THE VENDOR:**

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

**FOR THE STATE:**

Signature
<b>Elise A. Lancaster, Director</b>
Name
<b>Purchasing Operations</b>
Title
Date



**STATE OF MICHIGAN  
Department of Management and Budget  
Purchasing Operations**

**CONTRACT 071B8200039**

**MDOT IT Program Support**

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

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**Attachments**

- Attachment 1 - Project Types Based on Size, Complexity, and Duration
- Attachment 2 - Systems Engineering Methodology (SEM)

**Glossary of Terms**

Key terms and acronyms used in this contract are defined in the table below.

Acronym	Term	Definition
AM	Automation manager	Automation managers are MDOT employees who serve as representatives of a business area on the Information Technology Operations Team. Automation managers are also sometimes called bureau automation managers (BAMs) because historically each automation manager represented one of MDOT’s seven bureaus.
BO	Business Owner	A representative of the business area for whom the software is being created. The business owner is responsible for providing input into understanding all the business processes and rules. They are the single point of contact for the project manager. While they work on some of the tasks in the project plan, it is the responsibility of the project manager to create and manage the project plan.
CIO	Chief Information Officer	At the State of Michigan, each CIO oversees one or more state agencies or bureaus.
CMM	Capability Maturity Model	The Capability Maturity Model <sup>®</sup> for Software is a model for judging the maturity of the software processes of an organization and for identifying the key practices that are required to increase the maturity of these processes.
DIT	Department of Information Technology	DIT was created in 2001 to centralize and consolidate the technology resources in Michigan government. Also referred to as MDIT.
EC	Executive Committee	A committee of top DIT executives who review and approve IT projects, programs, and spending.
ER	Executive Review	MDOT’s Executive Review committee is comprised of representatives of MDOT and MDIT top-level management. The ER committee reviews and is the final level of approval for all IT projects at MDOT.
	Facilitated session	<p>In the context of this CONTRACT, a facilitated session typically involves employees of an MDOT business area, MDIT employees, and other project stakeholders. The purpose of the session is to gather information about the business requirements of a project. A trained facilitator leads the group through the session, ensuring that all session objectives are met.</p> <p>One or more facilitated <u>design</u> sessions are held later, during the Business Design phase.</p>
ITOT	Information Technology	ITOT is a cross functional group comprised of MDOT



Acronym	Term	Definition
	Operations Team	automation managers and MDIT managers and specialists. ITOT's charge is to carry out the strategic direction that is provided by the MDOT and MDIT executive management teams.
	IT Program Governance	IT Program Governance is comprised of the policies, mechanisms, and procedures put in place to provide oversight and control during all phases of an IT system's life cycle, and to ensure that all systems are in compliance with department standards.
MDIT	Michigan Department of Information Technology	See DIT.
MDOT	Michigan Department of Transportation	MDOT is responsible for planning, designing, and operating streets, highways, bridges, transit systems, airports, railroads and ports to provide for the safe, rapid, comfortable, economical, convenient, and environmentally safe movement of people and goods, in the state of Michigan.
PMO	Project Management Office	The Project Management Office oversees the development of information technology projects at MDOT.
SEM	Systems Engineering Methodology	<p>The Systems Engineering Methodology (SEM) of the State Unified Information Technology Environment (SUITE) provides guidance for information systems engineering related to project management activities and quality assurance practices and procedures throughout the entire software development life cycle.</p> <p>The SEM is used by DIT staff and contractors at MDOT to ensure that IT projects are developed in a disciplined, well-managed, and consistent manner that promotes the delivery of quality products and results in projects that are completed on time and within budget.</p>
SME	Subject Matter Expert	A person who has demonstrated competency and mastery in a particular subject or topic.
SOW	Statement of Work	A document prepared for the customer during project initiation and planning that describes what the project will deliver and outlines generally and at a high level all work required to complete the project.
WBS	Work Breakdown Structure	The organization of projects into phases, activities, tasks and milestones.

**Article 1 – Statement Of Work (SOW)**

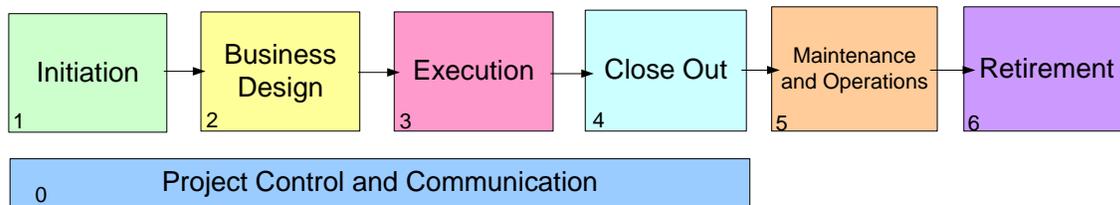
1.0 Project Identification

**1.001 PROJECT REQUEST**

The State of Michigan (State), through the Michigan Department of Information Technology (DIT) with assistance of the Michigan Department of Management & Budget (DMB) has issued this contract to provide services related primarily to the IT development program at the Michigan Department of Transportation (MDOT). Services related to IT system maintenance at MDOT are also included.

The contract is for three years from the time of the contract issuance with two (2) one-year optional extensions.

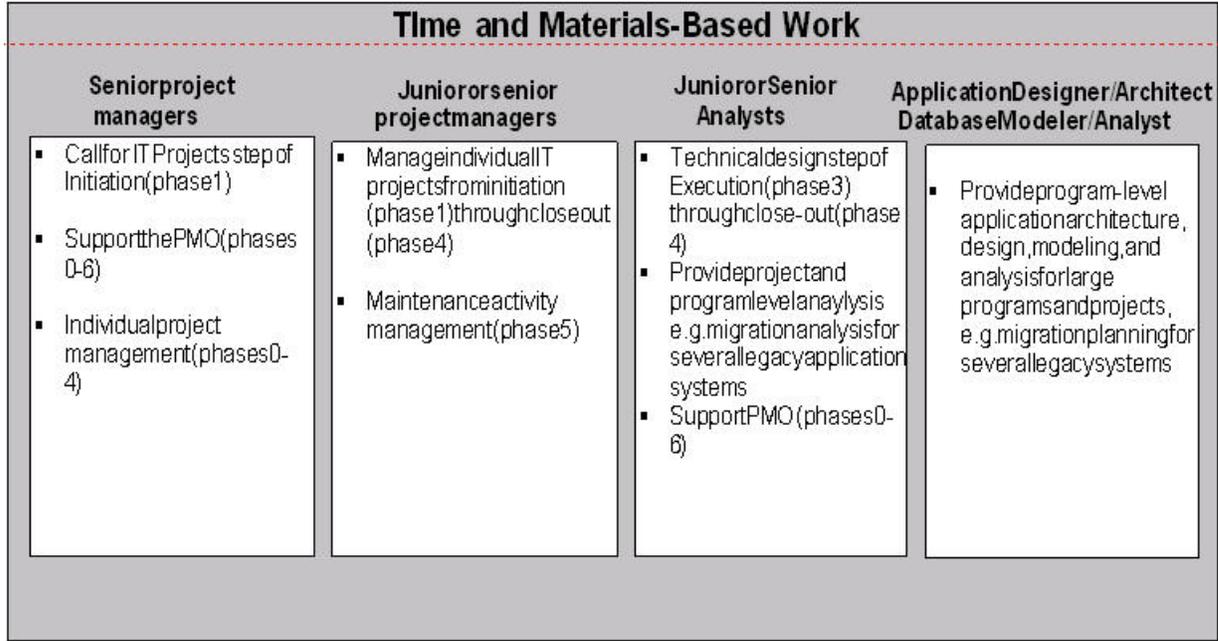
The Systems Management Process (SMP) outlined in Attachment 2 is the methodology that DIT employees use at MDOT for developing, modifying, and maintaining computer systems. The SMP begins with the annual Call for IT Projects and encompasses all phases from initiation through design, development, quality assurance, release, maintenance, and eventual system retirement. The SMP also includes project management tasks and responsibilities. A high level overview of the SMP is depicted in the diagram below.



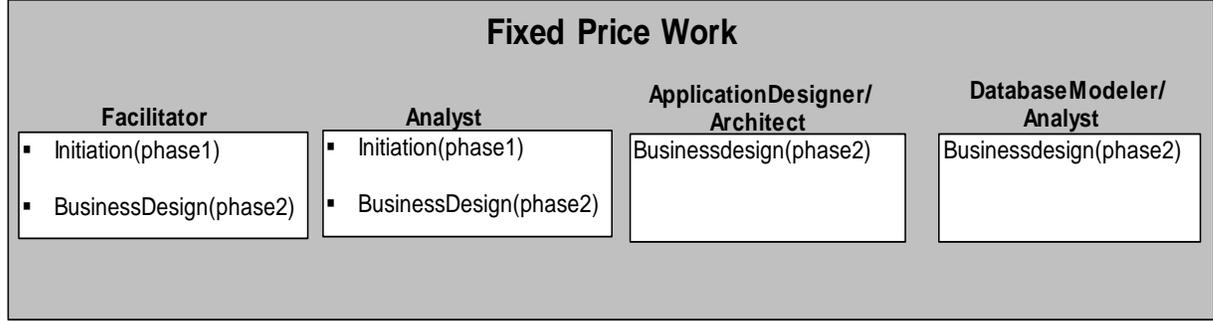
This contract engages resources to perform the work summarized in the table below and depicted in the table that follows. The MDIT/MDOT Systems Engineering Methodology (SEM) must be followed when performing this work. The tasks listed here are described in more detail later in this document.

Task	Resource(s)	SEM Phase
Manage MDOT's annual Call for IT Projects	Senior project manager(s)	Project Control/Communication; Initiation
Support/assist the Project Management Office (PMO) and the PMO manager with all aspects of managing the IT development program at MDOT	Senior project manager(s)	Project Control/Communication through Close Out
Facilitate requirements gathering sessions for new IT development projects; perform project analysis, scoping, and estimating; document high level business requirements	Facilitator Analyst	Initiation Business Design
Work with the project development team to provide transfer of knowledge from the Initiation phase to the Business Design phase, and through the technical design portion of the Execution phase.	Analyst	Initiation; Business Design; Execution
Manage the development effort for individual IT projects	Junior and/or senior project manager(s)	Project Control/Communication through Close Out
Develop detailed business design for new IT development projects	Software architect Application designer Analyst Data/database designer	Business Design
Perform maintenance management tasks	Junior and/or senior project manager(s)	Maintenance and Operations

The following two diagrams demonstrate both the time and material based work and the fixed price work that are part of this contract.



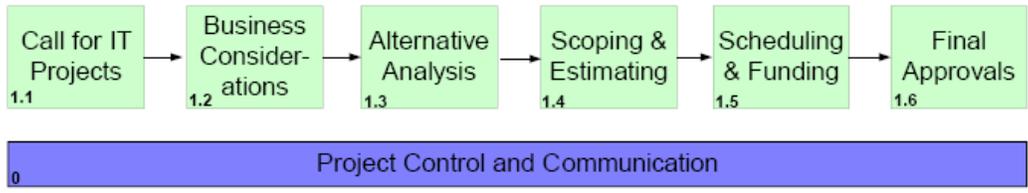
1.002



**BACKGROUND**

This section provides a brief overview of the portions of the Systems Engineering Methodology that are included in this contract.

**Initiation Phase**



The Systems Engineering Methodology at MDOT begins in the MDIT/MDOT IT Project Management Office (PMO) with the **Initiation phase**, depicted in the above diagram. Each year, the PMO conducts MDOT’s Call for IT Projects. The “Call” process determines which IT projects will be funded in the coming fiscal year. The Call follows these basic steps:

1. Business areas/owners develop and submit IT project requests
2. MDOT’s IT Operations Team (ITOT) reviews all IT projects and prioritizes them

3. Available funding is allocated based on the prioritized list of IT projects.
4. MDOT's IT Executive Review Committee (ER) reviews/revises/approves the prioritized list of IT projects and proposed funding
5. Once approved, the list of funded projects becomes MDOT's IT Development Program for the coming fiscal year.
6. The MDOT IT Development Program is managed by the PMO in conjunction with ITOT.

After MDOT's IT Development Program is approved, MDOT business area representatives meet with a facilitator, an analyst, and members of the PMO to identify business requirements for the system. The analyst and facilitator use the information gathering during the requirements session to:

- Document high level business requirements
- Perform alternatives analysis
- Define and document the project scope
- Develop a preliminary project estimate with a target accuracy of +/- 35%
- Create a preliminary project schedule

When these activities and documents are completed, the project goes before the MDOT IT Executive Review (ER) Committee for approval. If the project is approved by ER, it moves into the Business Design phase.

### Business Design Phase



#### 0 Project Control and Communication

During the **Business Design** phase, the project team develops detailed business design requirements and related documents, including:

- Technical assumptions and constraints
- Business use cases
- Security requirements
- ADA/usability requirements
- Preliminary requirements traceability matrix

### Execution Phase



#### 0 Project Control and Communication

The Business Design phase is followed by the Execution phase, which consists of technical design, construction, testing and implementation.

At the completion of the Execution phase, responsibility for the new system is transferred to the MDIT/MDOT Maintenance and Operations team.

1.1 Scope of Work and Deliverables

**1.101 IN SCOPE**

The scope of this contract is to secure the services of experienced and qualified contractors to assist the MDIT Project Management Office with:

- Conducting MDOT's Call for IT Projects
- Managing MDOT's IT Development Program
- Facilitate requirements gathering sessions for new IT development projects and enhancements to existing systems; use the information from the session to analyze, scope, and estimate the project; document high level business requirements
- Work with the project development team to provide transfer of knowledge from the Initiation phase to the Business Design phase, and through the technical design portion of the Execution phase.
- Manage the development effort for individual IT projects
- Develop detailed business design for new IT development projects
- Perform maintenance management tasks
- Knowledge Transfer

These services include assisting the MDOT/MDIT PMO manager with office responsibilities that include, but are not limited to, process design, standards development, and quality assurance.

**1.102 OUT OF SCOPE**

The scope of this agreement does not include:

- System development
- Developers
- Programmers

This contract does not cover any construction, testing or implementation tasks.

**1.103 TECHNICAL ENVIRONMENT**

All software and hardware items provided by the contractor must run on and be compatible with the MDIT/MDOT Standard Information Technology Environment. A comprehensive listing of MDOT's existing technology standards may be reviewed at [http://www.michigan.gov/mdot/0,1607,7-151-9625\\_21540---,00.html](http://www.michigan.gov/mdot/0,1607,7-151-9625_21540---,00.html).

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. Any changes must be approved, in writing, by the MDOT Project Manager and the MDIT Agency Services Information Officer, before work may proceed based on the changed environment.

Additionally, the State needs to be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by MDIT. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The MDIT/MDOT Project Manager and the MDIT Information Services Officer, before use on any MDIT/MDOT project, must approve any tools, in writing.

The MDIT/MDOT Standard Information Technology Environment consists of the Desktop Environment, Project Management Tools, the Business System Development Environment, the Web / Intranet Site and Application Development Environment, the Security Environment, and the Network Environment.

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at [http://www.michigan.gov/dit/0,1607,7-139-30639\\_30655---,00.html](http://www.michigan.gov/dit/0,1607,7-139-30639_30655---,00.html) and the PMM Methodology website [http://www.michigan.gov/dit/0,1607,7-139-30637\\_31101-58009--,00.html](http://www.michigan.gov/dit/0,1607,7-139-30637_31101-58009--,00.html)

All software supplied by the Contractor shall be capable of running concurrently with the MDOT/MDIT software and all client specific software programs (i.e. LAN, Microsoft Office Suite), without resulting in excessive reduction in production capabilities in the laboratory or management areas. In addition, all client-server applications must be designed to be able to run on a Citrix server, and must behave so that they don't cause conflicts running in a multi-user environment, e.g. temporary work files should be avoided or implemented in a way to not cause conflicts.

Contractor will work within the guidelines and processes established by the MDIT/MDOT team and the contract.

### 1.104 WORK AND DELIVERABLES

Tasks performed under this contract will vary according to the specific assignment during the term of this contract.

- All work performed by the Contractor will be based on prior written authorization by the MDOT/MDIT Project Manager.
- All work and deliverables must adhere to MDIT/MDOT project/maintenance management standards and guidelines.
- All deliverables must use MDIT/MDOT templates if available.
- All deliverables must be accepted by MDOT/MDIT designated personnel.

The work to be performed under this contract falls into three basic categories. Each category has one or more work efforts. The underlined categories and their work efforts are listed below. For each category, the tasks and deliverables, resources and pricing basis, are described in more detail in the following pages.

**1. Program/Project Management Support**– This category includes the following broad tasks:

- a.) Manage MDOT's annual Call for IT Projects
- b.) Support and assist the PMO and PMO Manager with the IT development program at MDOT
- c.) Manage the development effort for individual IT projects
- d.) Manage the maintenance of systems
- e.) Knowledge transfer

**2. Facilitated Requirements Gathering and Project Analysis** – This category includes the following broad tasks:

- a.) Facilitate requirements gathering sessions for new IT development projects and enhancements to existing systems and perform project analysis.
- b.) Work with the project development team to provide transfer of knowledge from the Initiation phase to the Business Design phase, and through the technical design portion of the Execution phase.

**3. Business Design**– This category involves:

- a) Collecting detailed business requirements and developing a detailed business design package for new IT development projects
- b) Providing transfer of knowledge from the Business Design phase forward to the later phases of project development

**1. Program/Project Manager Support**

**a. Manage MDOT's Annual Call for IT Projects**

The following table (exemplary, not prescriptive or limiting) summarizes tasks/deliverables typical of the MDOT Annual Call for IT Projects that will be performed by the contractor:

**Purview:**

Task	Deliverable	Role(s)
<ul style="list-style-type: none"> <li>▪ Create a Call project schedule to detail the tasks and employees responsible for the execution of the Call for IT Projects. This schedule will be based on input from MDIT/MDOT personnel.</li> <li>▪ Manage the Call project schedule and provide regular status updates to MDIT/MDOT</li> <li>▪ Recommend process improvements and incorporate the approved modifications into the project schedule</li> </ul>	Call Project schedule	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Work with MDOT/MDIT managers, e.g., ITOT Chair and MDIT Client Services Director (CSD), to determine annual agency IT priorities</li> <li>▪ Coordinate the review and approval of the IT priorities by MDOT's leadership team in order to help align MDOT's projects with the goals and priorities of the Governor's Vision, DIT's goals and objectives, and MDOT's strategic plan.</li> </ul>	Priority memo	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Work with MDOT/MDIT managers to announce MDOT's Call for IT Projects, communicating the IT initiatives to the agency.</li> </ul>	Call announcement memo	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Collect draft call questionnaires, which provide project information</li> <li>▪ Function as a focal point to channel questions from the requesters</li> </ul>	Summary document outlining the potential call program	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Work with IT Operations Team to identify problematic project requests (e.g., incomplete form) and request additional information from project requestor</li> </ul>	Request for additional information e-mail	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Collect final call questionnaires and create project summary report</li> </ul>	Excel file listing all submitted IT projects	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Work with the automation managers and sponsors to obtain their approval of requested initiatives</li> <li>▪ Coordinate with each project requester to present initiative at the ITOT meeting</li> <li>▪ Work with IT Operations Team to prioritize proposed IT projects</li> </ul>	Revised project summary report	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Work with IT Operations Team to allocate available funding to projects</li> </ul>	Revised project summary report	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Schedule and facilitate meetings necessary to develop program reports</li> <li>▪ Create development program report/recommendations</li> </ul>	Revised project summary report including an IT development program report and infrastructure program report.	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>▪ Submit/present development program recommendation to MDOT's IT Executive Review Committee</li> </ul>	Final project summary report	Call Coordinator (senior PM)

Task	Deliverable	Role(s)
<ul style="list-style-type: none"> <li>Upon executive approval, publish the report to the agency and manage changes to the report using a formal change control process.</li> </ul>	IT Development Program	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>Conduct lessons learned session with IT Operations Team to document lessons learned for incorporation into the next call year.</li> </ul>	Lessons learned document	Call Coordinator (senior PM)
<ul style="list-style-type: none"> <li>Develop action plan with MDIT/MDOT personnel to promote success for the next fiscal year.</li> <li>Track and manage action items.</li> </ul>	Lessons learned Action Plan	Call Coordinator (senior PM)

**b. Support/Assist the PMO and PMO Manager with the MDOT IT Development Program**

The following table (exemplary, not prescriptive or limiting) summarizes typical MDOT IT Program Support tasks/deliverables that will be performed by the contractor:

**Purview:**

Task	Deliverable	Role(s)
Manage MDOT/MDIT's annual IT development program, providing status reporting for the Project Management Office as well as individual project status reports through such activities as: <ul style="list-style-type: none"> <li>Assisting in conducting and coordinating the Call for IT Projects.</li> <li>Attending/facilitating project management meetings as needed.</li> <li>Delivering program status reports</li> <li>Providing a single and consistent source of project status to the MDIT/MDOT PMO manager</li> <li>Developing and delivering ad hoc reports for MDIT and Department of Management and Budget</li> <li>Conduct and manage post-project reviews for the Project Development team</li> </ul>	Program status reports Project status reports	<ul style="list-style-type: none"> <li>Project manager</li> </ul>
The contractor's project managers will assist the PMO manager in the development and continual improvement of all project management processes, and in the development and implementation of standards, tools, templates, and other deliverables as requested by the PMO manager.	Standard templates and tools	<ul style="list-style-type: none"> <li>Project Manager</li> </ul>
Perform resource planning, including: <ul style="list-style-type: none"> <li>Coordination of all project development resources assignments, and forecasting future resource needs.</li> <li>Presenting financial status information needed to make business decisions</li> <li>Acting as an invoicing focal point</li> <li>Overseeing the procurement process including reports of projects funded and available dollars</li> </ul>	Resource plan	<ul style="list-style-type: none"> <li>Project manager</li> </ul>



Task	Deliverable	Role(s)
Track, resolve, and report IT Development Program issues by: <ul style="list-style-type: none"> <li>▪ Managing and expediting issue and risk escalation</li> <li>▪ Escalating issues and problems to the program manager and providing resolution recommendations where appropriate</li> </ul>	Issue tracking reports	<ul style="list-style-type: none"> <li>▪ Project manager</li> </ul>
Provide technical expertise in program management, including: <ul style="list-style-type: none"> <li>▪ Providing mentoring and training</li> <li>▪ Scheduling and facilitating program meetings</li> <li>▪ Coordinating change management</li> <li>▪ Assisting with quality assurance effort</li> </ul>		<ul style="list-style-type: none"> <li>▪ Project manager</li> </ul>
Provide technical expertise in process creation and documentation, e.g., implementing project tracking tools, including: <ul style="list-style-type: none"> <li>▪ Driving improvements in application analysis and planning.</li> <li>▪ Balancing projects needs against organizational objectives</li> <li>▪ Tracking projects consistently throughout their life cycle</li> <li>▪ Supporting strategic planning for active and future projects</li> </ul>		<ul style="list-style-type: none"> <li>▪ Project manager</li> </ul>
Assist the Project Management Office Manager in developing forecasts and metrics as they relate to the MDIT/MDOT project portfolio.		<ul style="list-style-type: none"> <li>▪ Project manager</li> </ul>
Provide program-level analysis and documentation for a large program of projects, such as migration analysis for several legacy application systems.		<ul style="list-style-type: none"> <li>▪ Junior Business Analyst</li> <li>▪ Senior Business Analyst</li> </ul>
Provide business process flow analysis of PMO processes		<ul style="list-style-type: none"> <li>▪ Junior Business Analyst</li> <li>▪ Senior Business Analyst</li> </ul>
Provide analysis for PMO processes		<ul style="list-style-type: none"> <li>▪ Junior Business Analyst</li> <li>▪ Senior Business Analyst</li> </ul>
Provide analysis for implementation of Commercial Off-The-Shelf (COTS) software		<ul style="list-style-type: none"> <li>▪ Junior Business Analyst</li> <li>▪ Senior Business Analyst</li> </ul>
Provide program-level application architecture, design, modeling, and analysis for large programs and projects, e.g. migration planning for several legacy systems		<ul style="list-style-type: none"> <li>▪ Application Designer/Architect</li> <li>▪ Database Modeler/Analyst</li> </ul>
Perform additional tasks as needed to support the PMO and the PMO manager.		<ul style="list-style-type: none"> <li>▪ Project manager</li> <li>▪ Junior Business Analyst</li> <li>▪ Senior Business Analyst</li> </ul>

**c. Manage the Development Effort for Individual IT Projects**

The contractor’s project managers will manage the project from the Initiation phase through Design and Execution, or any portion of those phases of the project. The following table (exemplary, not prescriptive or limiting) summarizes tasks/deliverables typical of this work effort that the contractor will perform:

**Purview:**

<b>Task</b>	<b>Deliverable</b>	<b>Role(s)</b>
<ul style="list-style-type: none"> <li>Work with the MDOT Program Office and business owner to establish project team</li> <li>Manage the project staffing plan and revise when required</li> </ul>	Project staffing plan	Project manager
Create and maintain project schedule by: <ul style="list-style-type: none"> <li>Developing project plans, including the CA Clarity schedule (formerly Niku), deliverables, and key people for each project</li> <li>Establishing critical milestones</li> <li>Updating project schedules to determine current project status</li> </ul>	Work breakdown structure	Project manager
Ensure that team members perform appropriate project duties – this may involve working with geographically dispersed teams		Project manager
Perform status reporting to include progress and resource schedules and hours expended on project tasks	Project status report	Project manager
Track and resolve/escalate project issues: <ul style="list-style-type: none"> <li>Acting as a liaison to the project team to gather data and resolve issues</li> <li>Performing analysis on issues and providing possible alternatives</li> </ul>	Issue tracking report	Project manager
Create/maintain/follow project communication plan	Project communication plan	Project manager
Track/document/mitigate project risks including identifying and classifying risk and communicating risks to appropriate stakeholders	Risk management plan	Project manager
Submit <i>project</i> change requests as necessary <ul style="list-style-type: none"> <li>Evaluating and prioritizing proposed changes</li> <li>Escalating change requests based on approval level needed for type of change</li> </ul>	<i>Project</i> change request form	Project manager
Submit <i>program</i> change requests as necessary <ul style="list-style-type: none"> <li>Evaluating and prioritizing proposed changes</li> <li>Escalating change requests based on approval level needed for type of change</li> </ul>	<i>Program</i> change request form	Project manager
Revise training plan as needed <ul style="list-style-type: none"> <li>Work with the MDOT Program Office and business owner to establish training plan</li> <li>Manage the training plan and revise when required</li> </ul>	Training plan	Project manager
Document and communicate lessons learned	Lessons learned document	Project manager
Measure earned value of projects.	Project Benefits Summary	Project manager
Perform additional tasks as needed to support the PMO and the PMO manager, such as: <ul style="list-style-type: none"> <li>Attend meetings with the MDIT Client Services Director (CSD) and the</li> </ul>		



Task	Deliverable	Role(s)
<p>MDIT/MDOT PMO Manager to discuss relevant issues, perform analyses and develop proposed solutions</p> <ul style="list-style-type: none"> <li>▪ Attend PMO staff meetings, ITOT, and Executive Review meetings and provide information as necessary</li> <li>▪ Assist and provide expertise to the MDIT/MDOT project manager, MDIT/MDOT PMO Manager, and MDOT automation managers in aspects of portfolio management, project management, and quality assurance, along with the development, implementation, and enforcement of standards and procedures</li> <li>▪ Design and document processes and provide technical expertise in process creation and documentation using standard PM products</li> <li>▪ Develop and/or improve issue, risk, and project management tools and templates using standard PM products</li> <li>▪ Develop and document recommendations that may provide benefit for future phases or projects</li> </ul>		

**d. Maintenance Management**

During the Initiation, Business Design, and Execution phases of the Systems Engineering Methodology for every project, various touch points are defined with the Maintenance team. It is critical that these activities take place to provide a seamless transition to the Maintenance team.

Once a development project has been completed, responsibility for the system is transitioned to the Maintenance team by the contractor. Within the contract, management of maintenance work involves managing (or assisting in the management of) all systems assigned to the Maintenance team.

Tasks for this work effort are listed below. These tasks are representative of the work to be performed, but other work will be assigned as well.

This work effort includes the following tasks to be performed by the contractor:

**Purview:**

Task	Deliverable	Role(s)
<p>Manage client relationship, coach and assist maintenance teams by providing a clear understanding of requirements and expectations.</p>		<p>Maintenance manager (Senior or Junior PM)</p>



Task	Deliverable	Role(s)
<ul style="list-style-type: none"> <li>▪ Manage maintenance area financial and human resources</li> <li>▪ Perform measurements at a team level to verify compliance to all deliverables and schedules.</li> <li>▪ Provide assistance to the maintenance managers to measure and monitor financial performance for their responsibilities. This includes assisting in identifying all systems requiring maintenance support, obtaining financial approvals, and tracking expenditures of all maintenance contracts for various IT vendors.</li> <li>▪ Use this data to monitor monthly performance and assist with the generation of comprehensive future annual maintenance budgets.</li> </ul>	Financial reports, performance reports, system reports expenditure reports, budget reports, other reports as required.	Maintenance manager (Senior or Junior PM)
Perform status reporting and other reporting tasks	Status reports; other reports as required	Maintenance manager (Senior or Junior PM)
Manage issue tracking and resolution		Maintenance manager (Senior or Junior PM)
Establish and maintain system metrics tracking		Maintenance manager (Senior or Junior PM)
Manage change requests as necessary	Change request form	Maintenance manager (Senior or Junior PM)
Ensure continual process improvement		Maintenance manager (Senior or Junior PM)
Ensure that systems meet established QA and configuration management standards; coordinate with QA and configuration management teams		Maintenance manager (Senior or Junior PM)
Perform security/identity management		Maintenance manager (Senior or Junior PM)
Perform maintenance management tasks		Maintenance manager (Senior or Junior PM)

**e. Knowledge Transfer**

Mentoring of the State staff will take place over the life of the contract as requested by the State.

**2. Facilitated Requirements Gathering and Project Analysis**

**a. Facilitate requirements gathering sessions and perform project analysis**

The Contractor team will closely work with MDIT/MDOT to provide the flexibility of session-conducting services to support varying project types, including legacy migration.

The tables below (exemplary, not prescriptive or limiting) outlines tasks that are representative (but not inclusive) of the work to be performed by the contractor during requirements gathering and project analysis.

**Purview:**

Task	Deliverable
<ul style="list-style-type: none"> <li>▪ Provide a business analyst to provide shadowing and pre-work with the business owner to gather “seed” information to allow customization of the pre-session documentation and session agenda.</li> </ul>	<ul style="list-style-type: none"> <li>Pre-session Documentation</li> </ul>
<ul style="list-style-type: none"> <li>▪ Prepare and participate in a pre-session meeting at which high-level project details will be gathered, session expectations set, session agenda developed, and the State business owner will be provided with required materials. The Contractor project manager will schedule the meeting and provide the agenda, the project checklist, and the preliminary project plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pre-session meeting agenda.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Facilitate information/requirements gathering session(s)* to capture business requirements, business processes, and technical considerations related to the designated project.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate 1 day to 3 day session, dependent on Project Type</li> <li>▪ Requirements Session Agenda</li> <li>▪ Session Attendance List</li> <li>▪ Session Feedback</li> </ul>
<ul style="list-style-type: none"> <li>▪ Use information collected at the requirements gathering session to document business requirements, issues and business problem resolution.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft Business Considerations Document</li> </ul>
<ul style="list-style-type: none"> <li>▪ Attend a meeting at which the draft of the Business Considerations Document is reviewed and requirements are ranked/prioritized.</li> <li>▪ Facilitate review session(s) to discuss the draft document and determine the appropriate revisions. Attendees of the review session(s) will receive the external draft version of the Requirements Document Deliverable five (5) business days prior to the review session to allow time to read the provided materials and come to the review session prepared to discuss review comments.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate Review Session</li> <li>▪ Review Session Agenda</li> <li>▪ Business Considerations Document – Requirements Ranking Section</li> </ul>
<ul style="list-style-type: none"> <li>▪ Update the draft Business Considerations Document with information from the review session to document, produce, and deliver a High-Level Business Considerations Document. This document will contain the salient business and technical needs from the group’s discussion and capture models, diagrams, and narratives from the work and review sessions necessary for MDOT Executive Review.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Updated Business Considerations Document</li> <li>▪ Appendix to the Business Considerations Document</li> </ul>

\*The Contractor’s team will work with the MDIT/MDOT team to develop session schedules that best accommodate session attendees and the information being collected. The session referenced above is meant to be one continuous session, over consecutive days, if needed, with the same participants, and same Contractor team facilitating. When considering information collection through shorter sessions with different groups of attendees, thought will be given to the value of improved project understanding and consensus gained by working with all stakeholders.

To allow for flexibility with the delivery of these services to MDOT, the maximum number of days identified in the table in Project Types Attachment 1 will still be in effect for the various project types, however, sessions may be broken up into as small as ½ day intervals to allow for information gathering from specific groups. For Type A projects, up to two sessions may be held (not to exceed 1 day of session work); for Type B, up to four sessions may be held (not to exceed 2 days of session work); and for Type C, up to six sessions may be held (not to exceed 3 days of session work).

Task	Deliverable
Determine alternatives using prioritized requirements and completion of the criteria rating table.	<ul style="list-style-type: none"> <li>▪ Alternatives Analysis Checklist;</li> <li>▪ Criteria Rating Table</li> </ul>
Evaluate alternatives by performing existing alternatives research and documenting findings including but not limited to: contacting the American Association of State Highway and Transportation Officials (AASHTO), other DOT's, local agencies, other MDOT bureaus and divisions; investigating current MDOT systems, MDOT projects in progress and proposals, MDOT library, Internet, other industry sources, MDOT Document Management, and MDOT standards. See Also Alternative Analysis and Effort Hours table at Project Types	<ul style="list-style-type: none"> <li>▪ Project Alternatives Evaluation;</li> <li>▪ Product Evaluation Questions</li> </ul>
Document selected alternative, submit selected alternative for Scoping and Estimating, and provide documentation on alternative(s) not selected.	Alternatives Solution Description
Complete an MDIT/MDOT standards checklist for selected alternatives	Standards Checklist
Using information from the facilitated requirements gathering session, the review session, and the Business Considerations Document, create a project scope document.	Preliminary project scope document
Create project cost estimate package based on the scope statement and using data delivered in previous phases, including a preliminary project schedule, project staffing plan, project effort, and cost estimates within a project margin of plus or minus 10 percent for the Requirements and Analysis stage and plus or minus 35 percent for the entire project.	<ul style="list-style-type: none"> <li>▪ Preliminary project schedule</li> <li>▪ Preliminary staffing plan</li> <li>▪ Preliminary effort and cost estimate (+/- 35%)</li> </ul>
Create project training plan	Preliminary training plan
Create project communication plan	Preliminary communication plan
Create project risk plan	Preliminary risk management plan
Create work breakdown structure	Preliminary work breakdown structure
Create project schedule	Preliminary project schedule
Create project teaming plan	Preliminary Project Teaming Plan
Create business use cases	Preliminary business use case documents
Create project transition plan	Preliminary transition plan
Create production transition plan	Preliminary production transition plan
Create production staffing plan	Preliminary production staffing plan
Create retirement plan for existing systems that are being replaced	Preliminary legacy system retirement plan

**b. Work with the Business Design team to provide transfer of knowledge**

The Contractor's team supporting previous stages (and involving the senior project manager, facilitator, and analyst) will transition project knowledge and information to the business design team to continue efforts related to producing the business design document.

**Facilitated Requirements and Project Analysis – Deliverable Definitions**

The Contractor's team will provide the following deliverables as part of this contract. The tasks and deliverables outlined in the tables above are covered within the following documents:

- **Pre-session meeting agenda** – This document covers who the primary stakeholders for the project are and provides an overview of the Initiation Process, instructions on scheduling the session, sample text for the session invitation, and a listing of the MDIT/MDOT business owner responsibilities.



- **Requirements Session Agenda** – This document covers the agenda items in the session, such as Project Introduction by the sponsor, Project Objectives, Business Issues, Current Business Process, Future Business Process, potential impacts and technical considerations.
- **Facilitate one- to three-day session, dependent on Project Type** – This deliverable includes information on conducting the session along with any notes, charts, or other documents produced as output of the session.
- **Attendance List** – This document is used capture the attendees' names, titles, and contact information to be included in the Requirements Definition Document.
- **Session Feedback Forms** – This document captures the attendees' feedback for lessons learned and continuous improvement of the sessions.
- **Business Considerations Document** – This is the primary deliverable document from Requirements and provides a prioritized, consolidated view of the project's requirements and workflows associated with the project. Key items of this deliverable will include: Executive Summary, General Features, User Community, Business Processes (both current and proposed), Business Improvements, Common Use Case Scenarios, Project Impact, Organizational Data, Operations, Technical Considerations, Implementation Considerations, Assumptions, Risk, Glossary, and a listing of Prioritized Requirements Ranking.
- **Business Considerations Document – Business Process Section** – This section includes the Business Process Flow diagrams for both the current and proposed process(s) and the Business Use Cases.
- **Business Considerations Document – Business Process Improvement Section** – This section is used to describe the business improvements that could be gained from executing this project.
- **Business Considerations Document – Operations Section** – This section highlights the operational considerations to support the discussed business requirements.
- **Business Considerations Document – Parking Lot Section** – This section identifies areas that have not been completely detailed or clarified, along with who has been assigned to follow up on the item.
- **Business Considerations Document – Requirements Ranking Section** – This section lists the Business priority and the rank as assigned by the review session participants.
- **Review Session Agenda** – This document indicates the topics from the Business Considerations Document that will be covered in the review session.
- **Alternatives Analysis Checklist & Corresponding Deliverables** – This document covers the checklist required by MDIT/MDOT Executive Review for project approval and will include the following tasks as part of the completion of this deliverable for both Project Types B and C (Type A tasks are outlined in Project Type section):
  - Complete the criteria rating table
  - Perform existing alternatives research and document findings including Investigation of: Current MDOT systems, MDOT projects in progress and proposals, MDOT Library, Internet, other industry sources, MDOT document management, MDOT standards
  - Complete the project alternatives evaluation template
  - Complete the product evaluation questions
  - Evaluate viable alternatives
  - Document selected alternative
  - Complete standards checklist
  - Submit selected alternative for Scoping and Estimating
  - Document alternatives not selected.
- **Alternatives Analysis Checklist** – This document provides a listing and description of the alternatives that were analyzed, the alternative selected by MDOT, and the reasons for MDOT's selection.
- **Facilitated Session Acceptance Document** – This document provides approvals from both the MDIT/MDOT business owner and the MDIT/MDOT PMO manager on final acceptance of the required deliverables within this section.



- **Preliminary Project Scope Statement** – This document includes Project Objectives, Business Benefits, Project Description, Modules. In Scope with the details of the work efforts required for each module, the major project deliverables, and a listing of items that were denoted as being out of scope.
- **Estimate Package** – This document is a package of the estimate deliverables as defined below.
- **Project Estimate Document** – This document includes sections for; Risk, Labor Needs – Hours, Resource – Non-Labor Needs, Scheduling Constraints, Project Estimate – Hours/Cost by major phase, and the estimated five-year Maintenance Cost.
- **Preliminary WBS** – This document includes the project milestones and activities
- **Preliminary Project Schedule** – This document includes the project phases, activities, task, hours, and cost
- **Preliminary Project Communications Plan** – This document includes sections: Project Stakeholder Communications, Project Communication Distribution Plan, MDIT/MDOT Management Communications, Project Team Communications, and Communication Type Descriptions.
- **Preliminary Project Risk Management Plan** – This document includes sections: Executive Summary, Identified Risk, Risk Categories, Risk Action Plan Templates, and Glossary of Terms.
- **Preliminary Project Training Plan** – This document includes sections: Processes Affected by Project, Training Audience, and Curriculum.
- **Preliminary Project Teaming Plan** – This document includes sections: Development Technologies Required, Staffing Matrix, and Project Teaming Full Time Equivalents.
- **Preliminary Project Schedule** – This document provides the initial project scheduling/timing information to be used during the next phases of the project.
- **Preliminary Project Business Case Document** – This document includes sections: Project Overview, Project Phase Timeline, Project Estimated Cost, Project Estimated Benefits, (soft and quantifiable), Alternatives Examined, and Alternative Chosen.
- **Preliminary Project Transition Document** – This document includes the Business Processes needing to be transitioned and Project Transition Plan template for standard transition steps. The Project Transition details the steps and actions needed to transition the project from the initiation phase into the execution phase.
- **Preliminary Production Transition Plan** – This document includes a Production Transition Plan Template with standard transition steps. This document details the steps and actions needed to transition the current business processes from the current system procedures to the new processes and new system procedures.
- **Preliminary Production Staffing Plan** – This document includes sections: Technologies to Support, Staffing Matrix, Documentation needed, and Documentation Location.
- **Preliminary System Retirement Plan** – This document includes the steps and action needed to archive the current system components if an existing system is being replaced with a new one.

### 3. Business Design

The business Design phase will allow for further refinement of the Facilitated Requirements Gathering and Project analysis documents created in Section 1.104.3. Project Initiation Phase and a smooth transition into the Technical Design and Development states of the State's SEM. Building on previously completed states, the Contractor's team will use the approved deliverables as a base for working with additional subject-matter experts (SME's to capture and document additional details, resulting in a Business Design Package to include use cases defining event flows, triggers, business rules, and actors. Based upon the business considerations package and alternative analysis documentation, the contractor will conduct pre-session meetings to identify the appropriate participants for one or more Business Design Requirements Gathering Sessions to align detailed use cases with various areas of business. The contractor will determine if working sessions may be needed for each of the user groups, for one or more of the business processes identified in earlier states. The complexity of the overall

solution may dictate an iterative approach to provide for integration between business units and system functionality.

**a. Collect business requirements and develop detailed business design**

The table below (exemplary, not prescriptive or limiting) outlines tasks that are representative (but not inclusive) of the work to be performed by the contractor during detailed business design for project types A, B and C. MDOT/MDIT recommends the following roles for this process:

- Application designer/architect
- Facilitator
- Analyst
- Database modeler/analyst

**Purview:**

Task	Deliverable
Read and understand business requirements.  Prepare and participate in a pre-session meeting with the senior project manager, business owners, and IT project team to identify related business units, system functionality, and technologies related to the defined project. This team will identify the needed SMEs to participate in the facilitated working sessions to define the use cases and other elements to support the development of the Business Design Package.	Pre-Session Meeting Agenda Project information intended for session participants
Prepare and provide facilitated session materials,	Facilitated session materials, to include preliminary communication templates, agenda, reference process maps, business design requirement session agenda, facilitated session attendance list
Attend/facilitate one or more business design requirements gathering sessions to gather information supporting the development of use cases, and functional specification. Although sessions may involve one-on-one discussions, specific to intricate points of interface or integration, scenario exploration should result in consensus regarding expectations for the system.	<ul style="list-style-type: none"> <li>▪ Facilitate one or more sessions</li> <li>▪ Requirements Session Agenda</li> <li>▪ Session Attendance List</li> <li>▪ Session Feedback</li> </ul>
Create detailed business design requirements document	Detailed business design requirements document
Attend initial business design requirements document review session	Review Session Notes Facilitated Session Attendance List
Complete analysis of session-gathered information and create business use cases	Business use cases Assumptions and constraints
Review business design requirements document	Review Session Notes
Create requirements package, to include: <ul style="list-style-type: none"> <li>▪ Detailed business design requirements document</li> <li>▪ Technical assumptions and constraints</li> <li>▪ Business use cases</li> <li>▪ Security requirements</li> <li>▪ ADA/usability requirements</li> <li>▪ Preliminary requirements traceability matrix</li> </ul>	Business design requirements package Revised Project Risk Management Plan
Review and approve requirements package	QA standards checklist and sign-off

Task	Deliverable
Create preliminary configuration management plan	Configuration management plan
Create preliminary quality assurance plan	Quality assurance plan
Create preliminary application test plan	Application test plan
Create preliminary data conversion plan	Data conversion plan
Create preliminary user acceptance test plan	User acceptance test plan
Revise business use case documents (Created in Initiation phase)	Business use case documents
Create logical data model	Logical data model
Create mock-up screens	Screen mock-ups
Update business requirements package (Created in Initiation phase)	Business requirements package
Finalize project scope statement (Created in Initiation phase)	Project scope statement
Refine project cost estimate - technical design through close-out (Created in Initiation phase)	Project cost estimate
Revise work breakdown structure (Created in Initiation phase)	Work breakdown structure
Revise project schedule (Created in Initiation phase)	Project schedule
Review business design package, which includes: <ul style="list-style-type: none"> <li>▪ Scope statement</li> <li>▪ Business use cases</li> <li>▪ Logical data model</li> <li>▪ Screen mock-ups</li> </ul> This review can be an iterative process to confirm details of critical interfaces with external systems, existing data models, or complex business rules prior to additional information gathering and documentation in related, dependent areas.	Refined scoping and estimating deliverables to decrease the margin to within plus or minus 10 percent  Deliverable acceptance form – signed
Create functional baseline	Functional Baseline

The contractor will review previously approved deliverables to identify the needed SMEs to represent the business specialties related to the solution. To support seamless transition to the project execution phase, the Contractor’s project manager will participate in these initial pre-session meetings and facilitated work sessions as appropriate. Upon confirmation of applicable areas of expertise to be represented, the Contractor’s team will identify specific professionals, to include database modelers and application designers. Contractor will complete communication tasks related to the next steps and expectations for those involved in the phase to better support the success of the facilitated working sessions.

With more complex projects, the Contractor’s team will conduct a review session of the critical points of interaction with a larger audience before completing the detailed design work for the components. At a minimum, the Contractor will conduct a review session of the completed design work and include confirmation of the look and feel of a solution by collaborating with the MDIT Usability Test Team to review screen shot templates.

**b. Work with the project development team to provide transfer of knowledge**

To ensure consistency and continuity, on some projects MDOT/MDIT may wish to have the analyst(s) from the Initiation/Business Design phases remain on the project through Technical Design, the first step of the Execution phase. This is a continuation of the analyst role only from the previous task and will not be required for all projects. At the State’s request, Contractor will additionally provide (an) analyst(s) from the Initiation and Business Design phases to assist during the Technical Design phase. Additionally, Contractor may request technical analysts to provide



subject-matter expertise as needed for specific projects. The Contractor's team will provide these analysts as needed when requested/approved by the State.

### **Facilitated Design – Deliverable Definitions**

- **Pre-session meeting agenda** – This agenda covers who the primary stakeholders for the project are and provides an overview of the Design Phase, instructions on scheduling the session(s), sample text for the session invitation, and a listing of the MDIT/MDOT business owner Responsibilities.
- **Business Design Requirements Session Agenda** – This Agenda for the Business Design Requirements is created in preparation for the facilitated session.
- **Facilitated Session Attendance List** – This document captures the attendees' names, titles, and contact information to be included in the Project Design Documentation. Created for each Facilitated Session.
- **Functional Specification Document** – This document is a collective reference for the functional specifications related to the defined system. Contents include:
  - **Use Cases** – Related documentation that includes the event flows, triggers, business rules, and actors
  - **Assumptions and Constraints** – Documentation of assumptions and constraints arising from the analysis of Business Design Requirements
  - **System Modules** – Related documentation that lists the system modules required for the project
  - **Related Information** – Documentation of other source information to consider, such as earlier project deliverables and other MDOT documentation that is relevant to the business requirements.
- **Review Session Notes** – This document provides notes created from individual and group review of the Business Design Requirements Package.
- **Screen Mock-ups** – This deliverable provides a visual reference for the user interface using MDOT-provided templates and displaying gathered data fields in a visual format. These mock-ups will not be functional but will provide development teams with a format and layout that they can use during future design and development phases.
- **Logical Data Model** – This document identifies the high-level logical data entities, the relationships between the entities, and any attribute information as captured in the session or derived from supporting documentation that is analyzed.
- **Business Design Requirements Package** – This deliverable will include the following components: Detailed Business Design Requirements document, Technical Assumptions and Constraints, Business Use Cases, Security Requirements, ADA/Usability Requirements, Preliminary Requirements Traceability Matrix
- **QA Standards Checklist** – This deliverable is a checklist documenting adherence to QA standard processes and criteria
- **Deliverable Acceptance Form** – This is the signed form indicating acceptance of the Business Design Requirements Package by the designated stakeholders.
- **Preliminary Configuration Management Plan** – This deliverable will identify standard procedures for handling change requests during project implementation. This document describes the preliminary procedures for the deposit and recording of change requests, for the evaluation of costs and impacts, and, finally, for the acceptance, modification, or rejection of those requests. This plan describes the procedures on how the change requests are converted into a tangible solution.



- **Preliminary Quality Assurance Plan** – This document defines the techniques, procedures, and methodologies that the contractor’s team will use to provide quality delivery of the software that meets specified requirements within project budget.
- **Preliminary Data Conversion Plan** – This document describes the preliminary plan to convert any required data from previously existing systems. Concepts addressed include a review of the data requirements for the application for completeness of the target schemas logical and physical design document and development of a plan for the logical data architecture, applicable gap analysis, and preliminary data conversion mechanism.
- **Preliminary User Acceptance Plan** – This document is to be used for final approval of the system by stakeholders before deploying the application to users. Concepts addressed include the purpose and scope of a particular set of testing; the team to perform the testing and their responsibilities; and specific test scenarios, environment, and conditions.
- **Revised Project Complete Schedule** – This is the project schedule revised based on additional understanding developed during the Business Design process.
- **Revised Project Risk Management Plan** – The contractor’s team will update the Risk Management Plan throughout the course of the project with the current status and mitigation actions that have been taken on the risk to date. The Risk Management Plan includes the identified risk, the person with primary responsibility, the rank or likelihood of the risk to occur, and what the mitigation plan for the risk is should it occur.
- **Revised Project Scope Statement** – The contractor’s team will update this document during the Design phase including Project Objectives, Business Benefits, Project Description, and Modules In Scope with the details of the work efforts required for each module, the major project deliverables, and a listing of items that were denoted as being out of scope.
- **Revised Project Work Breakdown Structure** – This document includes the project milestones and activities within the WBS that are updated and revised throughout the design phase of the project, as necessary.
- **Functional Baseline** – This deliverable is the Package of Design Documents checked into change control system, documenting the approved project design.

## 1.2 Roles and Responsibilities

### 1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

#### Contractor Skills

Project Managers are required to be available throughout the entire life cycle of the project.

The Contractor’s staff supporting the MDOT/MDIT PMO will be available for normal working hours, Monday through Friday, 8 a.m. to 5 p.m., E.S.T. However, portions of this contract prescribe fixed-priced, deliverable-based efforts. the contractor’s staff members are required to work outside normal hours, arrangements must be made with designated DIT/MDOT personnel to ensure mandated state supervision required for building access. Contractor is committed to schedule flexibility for providing proper coverage with experienced staff that will meet or exceed the expectations of the State. Contractor will provide competent staff for the State to interview within five days of notification and will remove any employee the State deems as unsatisfactory within five working days of notification. The Contractor will provide parking for all employees supporting MDIT/MDOT at no expense to the State.

The Contractor’s team, at a minimum will attend quarterly meetings between MDIT, MDOT, Contractor, and Contractor’s partner vendor(s) management to review feedback forms, templates, processes, and staff in order to identify changing needs.



As project needs change over time, the Contractor will make timely adjustments to the process model and deliverables to support continued enhancement of the quality and integrity of State's IT project cycle methodologies (including but not limited to: maintenance projects, migrations, new developments, and enhancements to existing systems) along with advancement towards a CMMI delivery model. The Change Management process specified in Section 1.403 will apply.

All candidates proposed for any position supporting this contract will meet the specific requirements of that position and will be interviewed by MDIT/MDOT staff. The MDIT Project Management Office Manager will retain approval authority for all staffing decisions.

## PROGRAM/PROJECT MANAGEMENT SUPPORT

### Senior Project Manager

#### Fixed Hourly Rate – As Needed

1. Current member of organization which is within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 certification or equivalent.
2. Seven years documented experience **leading** and **managing** technical IT projects.
3. Seven years experience coordinating activities between vendors and multiple client areas.
4. Seven years experience working with diverse group, consensus building, and team building.
5. Seven years experience developing IT technical documentation including technical specifications, work proposals, systems development documentation, etc.
6. Five years experience working with geographically dispersed teams and remote project management activities.
7. Three years experience working with a Call for IT Projects process or a process that helps prioritize projects and create an annual program (please describe the prioritization process and the program management efforts)
8. Three years experience with portfolio management at the enterprise level.
9. Three years experience with program status reporting using Red/Yellow/Green status concepts. (e.g., Niku reporting tools)
10. Three years experience compiling and reporting financial information for a program across the enterprise.
11. Three years experience working with DBA's to develop database design documents (including logical and physical data models and entity relationship diagrams) and data backup, recovery, and archive procedures,
12. Three years experience working with system architects to create functional and design specifications, including use case scenarios. **(Please note that PM's are not required to create these deliverables. They are required to ensure that the deliverables are created and meet all DIT standards)**
13. Knowledge of the Project Management Body of Knowledge (PMBOK) is required.
14. Knowledge and familiarity of highway infrastructure transportation related business and enterprise operations preferred.
15. Three years experience working with highway infrastructure transportation related IT systems or projects/project management offices preferred.
16. PMP certification is preferred.

### Junior Project Manager

#### Fixed Hourly Rate – As Needed

1. Two years documented experience **leading** and **managing** technical IT projects.
2. Two years experience coordinating activities between vendors and multiple client areas.
3. Two years experience working with diverse group, consensus building, and team building.
4. Two years experience developing IT technical documentation including technical specifications, work proposals, systems development documentation, etc.
5. Two years experience with program status reporting using Red/Yellow/Green status concepts. (e.g., Niku reporting tools)



6. Two years experience with creating reports required for portfolio management at the enterprise level.
7. Two years experience compiling and reporting financial information for a program across the enterprise.
8. One year of experience working with DBA's to develop database design documents (including logical and physical data models and entity relationship diagrams) and data backup, recovery, and archive procedures.
9. One year of experience working with system architects to create functional and design specifications, including use case scenarios.
10. Knowledge and familiarity of highway infrastructure transportation related business and enterprise operations preferred.
11. One year of experience working with highway infrastructure transportation related IT systems or projects/project management offices preferred.
12. Knowledge of the Project Management Body of Knowledge (PMBOK).
13. PMP certification is preferred.

### **Senior Analyst**

#### **Fixed Hourly Rate – As Needed**

1. Three years experience participating in technical IT information gathering session(s) to capture business requirements, business process, and technical design issues and requirements related to the designated project.
2. Three years experience participating in review session(s) to discuss the draft document and determine the appropriate revisions.
3. Three years experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
4. Three years experience participating in a Quality Assurance process.
5. Three years experience developing and producing Business Case and/or Cost/Benefit Analysis documents.
6. Three years experience developing and producing design documents.
7. One year of experience working for an organization which was within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 or above certification or equivalent.
8. One year of experience coordinating activities between vendors and multiple client areas.
9. One year of experience working with diverse group, consensus building, and team building.
10. Experience working with highway infrastructure transportation related IT systems or projects preferred.

### **Junior Analyst**

#### **Fixed Hourly Rate – As Needed**

1. One year of experience participating in technical IT information gathering session(s) to capture business requirements, business process, and technical design issues and requirements related to the designated project.
2. One year of experience participating in review session(s) to discuss the draft document and determine the appropriate revisions.
3. One year of experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
4. One year of experience participating in a Quality Assurance process.
5. One year of experience developing and producing Business Case and/or Cost/Benefit Analysis documents.
6. One year of experience developing and producing design documents.
7. One year of experience working with diverse group, consensus building, and team building.

### **Application Designer/Architect**

#### **Fixed Hourly Rate – As Needed**

1. Knowledge of SDLC
2. Five years experience identifying technical solutions for supporting business functional requirements, performance cost, security scalability, maintain ability and reliability for the agency.
3. Five years experience conducting sessions to assess application architectural needs with agency specialists such as database analysts and administrators, technical leads, business owners, configuration managers, and infrastructure support.
4. Five years experience producing application architectural assessment documents
5. Five years experience designing common components and services.
6. Five years experience identifying and designing solutions for shared use of business processes and common technical solutions for those processes.
7. Five years experience creating application architecture definition and documentation.
8. Five years experience improving system performance and reliability through robust, efficient coding techniques and mentoring.
9. Five years experience fine-tuning applications to improve performance
10. Seven or more years of experience in systems analysis and design working with a wide range of operating systems, databases and development tools.
11. Skilled in MS Project, MS Excel, MS Word, MS PowerPoint, macros charting
12. Five years experience working with project management tool such as MS Project or NIKU

**Database Modeler/Analyst Fixed Hourly Rate – As Needed**

1. Knowledge of SDLC
2. Five years experience designing and coordinating database development.
3. Five years experience Develops Logical and Physical data models describing data elements
4. Five years experience applying knowledge of relational database design standards and database management.
5. Five years experience conducting database design reviews.
6. Five years experience reviewing project requirements and identifying entities, attributes and relationships.
7. Five years experience applying normalization and de-normalization concepts to databases.
8. Five years experience writing SQL scripts.
9. Five years experience participating in requirement gathering sessions to determine scope and limitations of project.
10. Five years experience conferring with coworkers to determine impact of data base changes on other systems and staff cost for making changes to data base.
11. Five years experience modifying database programs to increase processing performance, referred to as performance tuning.
12. Five years experience developing and enforcing database standards.
13. Five years experience writing data base descriptions to protect against unauthorized access and accidental destruction according to industry standards and knowledge of data base management.
14. Five years experience modifying data items and data base management systems.
15. Five years experience performing Data Dictionary Administration.
16. Skilled in MS Project, MS Excel, MS Word, MS PowerPoint, macros charting
17. Five years experience working with project management tool such as MS Project or NIKU

**FACILITATED REQUIREMENTS GATHERING AND PROJECT ANALYSIS**

**Number of Positions to be determined by Contractor**

**Fixed Price by Project Type – As Needed**

**Facilitator**

1. Five years experience facilitating information gathering session(s) to capture business requirements and, business process related to the designated project.
2. Five years experience facilitating technical design sessions to translate business process and business requirements information into technical design requirements.



3. Five years experience facilitating review session(s) to discuss the draft document and determine the appropriate revisions.
4. Five years experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
5. Five years experience participating in a with Quality Assurance process.
6. Five years experience developing and producing Business Case and/or Cost/Benefit Analysis documents
7. Five years experience translating business requirement documentation into technical documentation
8. Three years experience working with diverse group, consensus building, and team building.
9. Three years experience coordinating activities between vendors and multiple client areas.
10. Three years experience working for an organization which was within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 or above certification or equivalent.
11. Three years experience working with DBA's to develop database design documents (including logical and physical data models and entity relationship diagrams) and data backup, recovery, and archive procedures.
12. Three years experience working with system architects to create functional and design specifications, including use case scenarios.
13. Experience working with highway infrastructure transportation related IT systems or projects preferred.

### **Analyst**

1. Three years experience participating in technical IT information gathering session(s) to capture business requirements, business process, and technical design issues and requirements related to the designated project.
2. Three years experience participating in review session(s) to discuss the draft document and determine the appropriate revisions.
3. Three years experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
4. Three years experience participating in a Quality Assurance process.
5. Three years experience developing and producing Business Case and/or Cost/Benefit Analysis documents.
6. Three years experience developing and producing design documents.
7. One year of experience working for an organization which was within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 or above certification or equivalent.
8. One year of experience coordinating activities between vendors and multiple client areas.
9. One year of experience working with diverse group, consensus building, and team building.
10. Experience working with highway infrastructure transportation related IT systems or projects preferred.

### **BUSINESS DESIGN**

**Number of Positions to be determined by Contractor**

**Fixed Price by Project Type – As Needed**

### **Application Designer/Architect**

1. Knowledge of SDLC
2. Five years experience identifying technical solutions for supporting business functional requirements, performance cost, security scalability, maintain ability and reliability for the agency.
3. Five years experience conducting sessions to assess application architectural needs with agency specialists such as database analysts and administrators, technical leads, business owners, configuration managers, and infrastructure support.
4. Five years experience producing application architectural assessment documents
5. Five years experience designing common components and services.
6. Five years experience identifying and designing solutions for shared use of business processes and common technical solutions for those processes.
7. Five years experience creating application architecture definition and documentation.
8. Five years experience improving system performance and reliability through robust, efficient coding techniques and mentoring.



9. Five years experience fine-tuning applications to improve performance
10. Seven or more years of experience in systems analysis and design working with a wide range of operating systems, databases and development tools.
11. Skilled in MS Project, MS Excel, MS Word, MS PowerPoint, macros charting
12. Five years experience working with project management tool such as MS Project or NIKU

### **Database Modeler/Analyst**

1. Knowledge of SDLC
2. Five years experience designing and coordinating database development.
3. Five years experience Develops Logical and Physical data models describing data elements
4. Five years experience applying knowledge of relational database design standards and database management.
5. Five years experience conducting database design reviews.
6. Five years experience reviewing project requirements and identifying entities, attributes and relationships.
7. Five years experience applying normalization and de-normalization concepts to databases.
8. Five years experience writing SQL scripts.
9. Five years experience participating in requirement gathering sessions to determine scope and limitations of project.
10. Five years experience conferring with coworkers to determine impact of data base changes on other systems and staff cost for making changes to data base.
11. Five years experience modifying database programs to increase processing performance, referred to as performance tuning.
12. Five years experience developing and enforcing database standards.
13. Five years experience writing data base descriptions to protect against unauthorized access and accidental destruction according to industry standards and knowledge of data base management.
14. Five years experience modifying data items and data base management systems.
15. Five years experience performing Data Dictionary Administration.
16. Skilled in MS Project, MS Excel, MS Word, MS PowerPoint, macros charting
17. Five years experience working with project management tool such as MS Project or NIKU

### **Analyst**

1. Three years experience participating in technical IT information gathering session(s) to capture business requirements, business process, and technical design issues and requirements related to the designated project.
2. Three years experience participating in review session(s) to discuss the draft document and determine the appropriate revisions.
3. Three years experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
4. Three years experience participating in a Quality Assurance process.
5. Three years experience developing and producing Business Case and/or Cost/Benefit Analysis documents.
6. Three years experience developing and producing design documents.
7. One year of experience working for an organization which was within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 or above certification or equivalent.
8. One year of experience coordinating activities between vendors and multiple client areas.
9. One year of experience working with diverse group, consensus building, and team building.
10. Experience working with highway infrastructure transportation related IT systems or projects preferred.

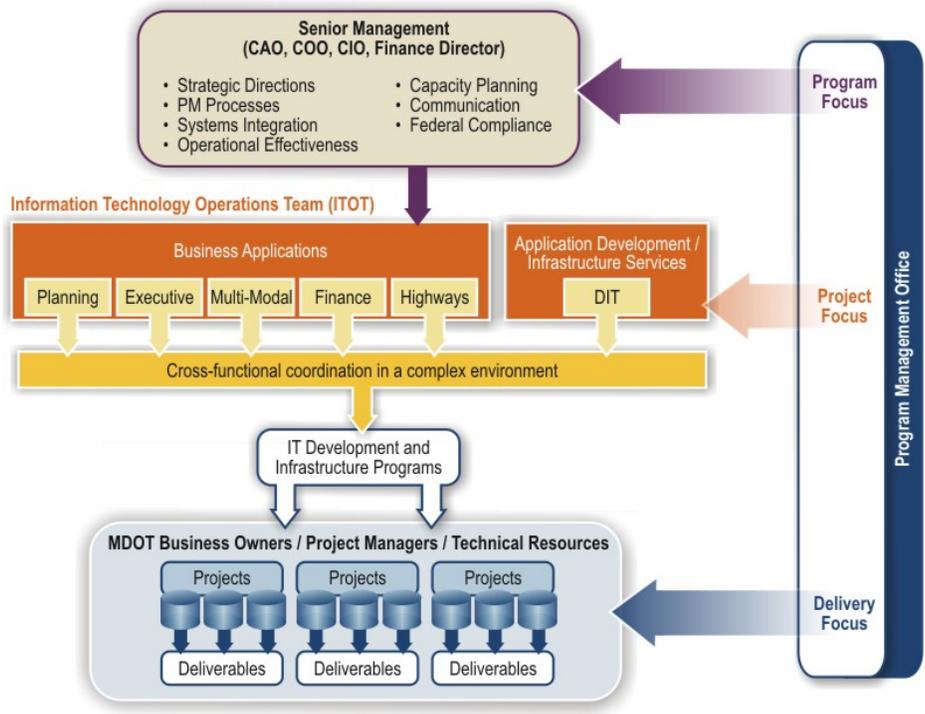
### **Facilitator**

1. Five years experience facilitating information gathering session(s) to capture business requirements and, business process related to the designated project.
2. Five years experience facilitating technical design sessions to translate business process and business requirements information into technical design requirements.

3. Five years experience facilitating review session(s) to discuss the draft document and determine the appropriate revisions.
4. Five years experience preparing documents for the design of solution components that meet user/system requirements, including the selection of alternative approaches.
5. Five years experience participating in a with Quality Assurance process.
6. Five years experience developing and producing Business Case and/or Cost/Benefit Analysis documents
7. Five years experience translating business requirement documentation into technical documentation
8. Three years experience working with diverse group, consensus building, and team building.
9. Three years experience coordinating activities between vendors and multiple client areas.
10. Three years experience working for an organization which was within the scope of a formal CBA-IPI or SCAMPI assessment resulting in CMM or CMMI Level 3 or above certification or equivalent.
11. Three years experience working with DBA's to develop database design documents (including logical and physical data models and entity relationship diagrams) and data backup, recovery, and archive procedures.
12. Three years experience working with system architects to create functional and design specifications, including use case scenarios.
13. Experience working with highway infrastructure transportation related IT systems or projects preferred.

**1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**

The following diagram captures the general processes that MDOT/MDIT uses to manage their IT environment:



The MDOT/MDIT Managers, or designees, will be available to coordinate activities and to provide technical input and approvals as needed. The contractor(s) will report to the Project Management Office Manager.

The entire program of projects, both development and infrastructure types, are subject to review, approval, and prioritization by the Information Technology Operations Team (ITOT) and the Executive Review (ER) meeting.



ITOT consists of MDOT Automation Managers (designated MDOT representatives to the IT community), and MDIT IT Managers. Their role within the Project Management process is to ensure alignment of projects with the Strategic Plans and policies of both MDOT and MDIT.

ER consists of three MDOT executives and one MDIT executive. The MDOT executives represent the areas of Operations, Administration, and Finance. The MDIT executive is the Information Officer for MDOT's IT operations. The role of ER within the Project Management process is to provide final approval of finances and resources to proposed and ongoing projects.

All issues that may arise within the project management area including any that may involve this contract are subject to the review and approval of both ITOT and ER.

### 1.203 OTHER ROLES AND RESPONSIBILITIES

- MDOT will provide office space.
- MDIT will provide computer hardware/software, telephones, duplicating services and facsimile equipment as deemed necessary by MDIT to perform tasks identified in this contract.. Any phone calls, photocopies, and facsimiles not related to the MDIT/MDOT projects will be the responsibility of the Contractor.
- MDOT/MDIT will provide business area staff as needed.

## 1.3 Project Plan

### 1.301 PROJECT PLAN MANAGEMENT

The contractor will provide three plans outlining and detailing the activities associated with the following:

#### **1)Project Plan for Facilitated Requirements Gathering Sessions, Project Analysis and Business Design**

The contractor will provide a plan that includes (but is not limited to) activities associated with facilitated sessions for the Initiation Phase well as the Business Design phase.

#### **2)Project Plan for managing individual projects (Types a, b and c)**

The contractor's project management tasks will be provided in accordance with the PMI's Project Management Body of Knowledge® (PMBOK), MDOT's business processes, the State's Project Management Methodology (PMM) and System Development Life Cycle (SDLC) processes as well as MDIT/MDOT's Systems Engineering Methodology (SEM) is available at [www.michigan.gov/projectmanagement](http://www.michigan.gov/projectmanagement)

Projects will be managed using a project schedule to deliver specific measurable business and technical outcomes. The Contractor will solicit input from MDIT/MDOT stakeholders to create a comprehensive project schedule for each project and to confirm that the project schedule is complete and accurate.

Project schedules will be based primarily on the tasks, associated deliverables, and schedule constraints provided in the SOW. The Contractor's project managers will construct the project schedule by working with the state to estimate the work for each activity, task, and deliverable, based on the project type (A, B, or C). Before executing the plan, the Contractor's project managers will ensure that MDIT/MDOT approves the project schedule. The project schedule will include, but is not limited to:

- Identification of each step of the work process. The schedule provides the period of time required for each task and subtask, distinguishes deliverables, and is communicated in calendar days.
- Milestones – The project schedule clearly illustrates significant milestones. The schedule establishes dependencies and linkages to these milestones and identifies review and sign-off points.



- Resource allocation – Obtain needed support to accomplish the work in the project schedule. Identification and timing required of MDOT personnel, tasks, and dependencies.

Throughout the entire life cycle of the project, the Contractor will provide project management coaching and mentoring to MDIT/MDOT business owners to see that their projects progress efficiently through the process. The Contractor will work with MDIT/MDOT business owners to establish a plan for project success and may additionally provide coaching on how to present to ITOT and Executive Review, how to put necessary presentation material together, and how to follow the processes and methodologies required for CMMI Level 3 compliance.

The Contractor will use an automated tool (such as Clarity, formerly Niku, or an equivalent electronic tool specified by the State) for planning, monitoring, and tracking project progress and the level of effort spent by any Contractor personnel performing Services under the Contract. In addition, the Contractor shall use automated project management tools, as reasonably necessary, in order to perform the cited Services, which shall include, through the end of the Contract, the capability to produce:

- Graphs showing critical events, dependencies and decision points. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard described in the Statement of Work.
- Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) calendar days, updated semi-monthly). Updates must include actual time spent on each task and a revised estimate to complete.
- Projects managed and operated at standards that are equivalent to Capability Maturity Model® (CMM), at <http://www.sei.cmu.edu/sei-home.html>, level three (3) or higher. The intent is to deliver the highest quality solution by deploying and maintaining best practices, methodologies, tools, and knowledge capital using the CMM framework or equivalent; a defined engineering approach to the development and management of computer software projects through adherence to established and tested practices.

### **3)Project Plan for PMO management support**

Contractor will also produce:

- **Project plan outlining activities required for PMO support**  
Listing all activities, deliverables, and critical decision points for the support of the PMO
- **Staffing and Resource Plan**  
Including staffing tables with names of personnel assigned to Contract tasks and a plan that clearly shows how the contractor will retain and attract the proposed staff through the life of the contract.

## **1.302 REPORTS**

Reporting formats need to be submitted to the State for approval within twenty (20) 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. The contractor shall submit weekly reports using the agreed upon format. Additionally, within twenty (20) business days after the effective date of this contract, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Contractor. Contractor shall prepare and circulate an agenda prior to the meeting(s).

1. The Contractor must submit written weekly summaries or progress reports that outline work accomplished during the reporting period, work to be accomplished during the subsequent reporting period, if known; problems, real or anticipated, which should be brought to the attention of the MDOT/MDIT Project Manager and notification of any significant deviation from the previously agreed upon work plans. All areas of decision making that pertain to this contract must be reviewed in detail with the MDOT/MDIT Project Manager prior to any final decision.

2. The Contractor will maintain progress and resource schedules for all tasks under this contract. This documentation will include, as appropriate, progress Gantt charts, resource schedule reports, and earned value charts showing budgeted work completed and budgeted work scheduled. The Contractor is responsible for tracking hours expended on each task.
3. A detailed report shall also be provided in support of all invoices. This report shall describe the work performed during the invoice period for each task identified in the Work Statement as well as the time spent on each task.

**Communication Plan**

The Contractor’s project manager will ascertain the information and communication needs of the MDOT project stakeholders.

A documented communication plan will define the information needs of MDOT/DIT, stakeholders, partners, and the entire project team and addresses the following:

- Types of communication
- Timing or frequency of communications
- Formats of reports
- List of recipients
- Tools to support communications.

**Status Meeting**

Contractor will agree on a standard meeting format that covers required project areas with the State within the first 20 business days after the effective date of the contract. Contractor project managers will continue to facilitate status meetings for MDOT projects as identified in the IT Development Program report. Contractor will prepare an agenda and send it to the meeting participants before the actual meeting takes place.

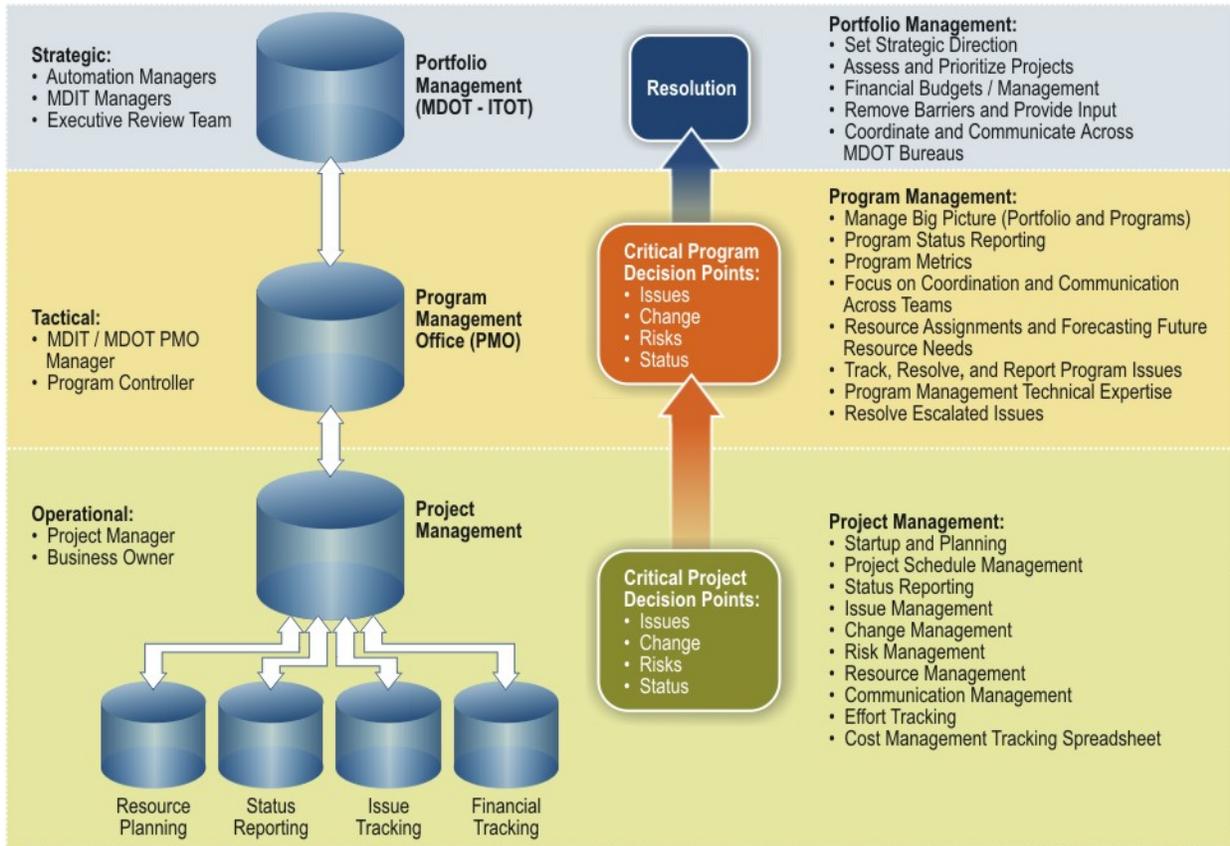
**Status Reporting**

Project managers will communicate specific project information in a required weekly status or progress report. The MDOT weekly status report will detail key information such as work accomplished during the reporting period, work to be accomplished during the subsequent period, relevant milestones, and progress toward those dates, current issues, real and anticipated risks, issue progress, change controls, and next project steps.

These reports also will contain progress and resource schedules, including Gantt and Earned Value Charts showing budgeted work completed and budgeted work scheduled. Currently, Contractor project managers complete these reports for each of their projects using the Niku tool, or a State-specified alternative. The Contractor program control manager will consolidate and validate the weekly status reports with the relevant metric reports and the business status report. The Contractor program control manager will then submit executive-level status updates and escalate any significant deviations or critical items to the MDIT/MDOT PMO Manager.

**1.4 Project Management**

Strategic direction is set for the IT Portfolio by MDOT/ITOT. The Program execution and performance metrics and monitoring are the responsibility of the MDIT/MDOT PMO manager assisted by the program controller. All projects are managed by complying with defined methodologies and processes to produce the expected results. An overview of activities and process steps is depicted in the following diagram:



**1.401 ISSUE MANAGEMENT**

MDIT/MDOT has a mature governance process for management of issues as they arise within and between projects.

Contractor will use an issue management tool to identify, escalate, and prioritize issues in order to assist MDOT in determining the impact of the issue on both project scope and project cost.

Issue logs must be maintained for projects. The issue management log must be communicated to the State’s project manager, which could include weekly email notifications and updates, as well as be electronically accessible at all times. The issue log must be updated weekly and must have the following 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)
- Resolution date
- Resolution description

Problems are expected occurrences during the course of any project. An “issue” is any problem that has potential to affect progress or project outcome and can be any point of controversy, debate, or concern that could adversely affect success. Issue management captures, surfaces, escalates, and resolves these unplanned events to eliminate or minimize impact on the attainment of project milestones. Issue resolution is the responsibility of the project manager.

The contractor’s project managers will capture issues in a tool, evaluate them, and assign them for resolution. The Contractor’s methodology will incorporate continual issues documentation, tracking, and resolution through use of an issues and enhancement tracking log. This document provides a

framework for gathering the data necessary to evaluate areas of concern and to resolve those areas. The contractor’s project manager is responsible for maintaining the issue log by performing the following:

- Enters a unique ID number
- Assigns each issue a priority: High, Medium or Low. The priority is mutually agreed upon by the State and the project manager.
- Notes the open date of the issue resolution process
- Records the individual or team initiating the process
- Assigns responsibility for resolution
- Provides a short description of the issue for reference in subsequent documentation, including status reports
- Enters an estimated resolution date, targeting the closure date for the issue
- Enters a detailed description of the resolution
- Tracks progress by showing issue status as Open, Incomplete, Resolved, or Canceled
- Enters comments to provide ongoing status of the item

Whenever the contractor’s project manager enters an issue, he or she evaluates the issue to determine any immediate impact to scope or schedule. The project team will review each issue and determine its owner. The contractor’s project manager continues to track the issue until it has been resolved. If the resolution involves a change in either scope or schedule, the project team will follow the change management procedure. Project managers escalate issues to MDOT governance either when resolution requires their level of authority or when an issue is not resolved in a timely fashion at a lower level.

**Escalation Process:**

The contractor’s project managers assign unresolved issues an escalation level that follows the MDOT governance process. The PMO uses a combination of formalized processes and sound professional judgment to direct data-driven evaluations to appropriate decision-makers. Issues identified at any level of the organization, including Senior Management, ITOT, or Program Office, will be resolved at the lowest organizational level possible. Issues that cannot be resolved at any particular level of the organization must be escalated by the Contractor’s project manager to make sure the issue is brought to the attention of appropriate parties and resolved.

When necessary, the Contractor will escalate issues for resolution to the PMO, ITOT, or senior management. Even when issues can be resolved by the project team, the team may escalate those issues when visibility to senior management is appropriate.

The Contractor will use their best professional judgment to ensure appropriate communication and issue resolution, regardless of the issue categorization, according to the following guidelines for issue escalation:

Escalation Category	Escalation Response
<b>General</b>	
Aged (more than two weeks late)	Issue is escalated to immediate manager. Issue will not be escalated further unless it fulfills one of the subsequent requirements.
Cross-organizational issue cannot be resolved	Issue is escalated to the management level immediately above the roadblock.
<b>Schedule Implications</b>	
Major milestone is threatened	Issue is escalated to the Project Office.
Release is threatened	Issue is escalated to ITOT and Senior Management.
<b>Scope Implications</b>	
One or more minor functions within major deliverable are threatened	Issue is escalated to business owner.



Escalation Category	Escalation Response
One or more significant functions within major deliverable are threatened	Issue is escalated to the Project Office.
One or more major deliverables are threatened	Issue is escalated to ITOT and Senior Management.
<b>Budgetary Implications</b>	
Minor budgetary impact (+/- 10%)	Issue is escalated to ITOT.
Major budgetary impact	Issue is escalated to ITOT and Senior Management.

**1.402 RISK MANAGEMENT**

MDIT/MDOT includes Risk Management assessments for every project regardless of the size, complexity, urgency or other factors of a project. The Risk Management assessments consist of identifying potential risks to the project, as well as their respective probability of occurrence, and potential impact to the project. The potential risks are ranked in order based on the combination of the factors of probability and impact. Those with high probability and high impact are ranked first, followed by a graduated scale of combinations of high, medium, or low probabilities and impacts until the risks with low probability and low impact are recorded. The amount of effort expended for Risk Management is the only thing that may change from project to project. A standard amount of time for the project management effort is defined for large projects. The amount of effort expended for smaller projects is proportionally less as the size, complexity, urgency or other factors diminish.

In addition to identifying the potential risk with its respective probability of occurrence and impact, other factors are also identified. For example a Risk Manager and a brief description of the options that are available if that risk should occur such as acceptance of the potential risk, avoidance of the potential risk, and/or any mitigation of the potential risk if possible. The identified Risk Manager along with the Project Manager is responsible for the development of a risk plan for each potential risk identified.

A risk management plan must be updated weekly. Risk management plans will be developed in accordance with the State’s PMM methodology and the PMBOK® (Project Management Institute).

Project managers will work with MDOT’s proven methodology to identify risks throughout the project life cycle and to minimize the overall effect of the risk. Contractor’s project managers will provide the focal point for identification and communication of risk.

The Contractor’s team will apply a proactive risk management approach to identify project risks and the actions to mitigate or eliminate those risks. Risk management will start during the development of a Statement of Work and be carried through to project completion. As outlined below, risk planning, assessment, analysis, handling and reporting will be key elements in the Contractor’s team risk management process that is repeated throughout each project.

**Risk Planning** – The Contractor will assess project risk factors by identifying and documenting them. The Contractor’s team and other stakeholders will identify initial risks and assumptions during the facilitated sessions. Key players will be identified and invited to the business requirements session to elicit concerns and assumptions that might jeopardize project success. Issues will be captured as risks and documented for further analysis, forming the initial risk management plan. As the project moves through design sessions, the Contractor’s team will identify and document additional risks in a process that continues throughout the project life cycle.

**Risk Assessment** – The Contractor’s team, the MDIT/MDOT business owner, and the subject-matter experts will assess the documented risks for ranking from high to low. The ranking will be the result of multiplying the impact rating times the probability rating. The risk value will rank individual risks in priority from 1 to 99 with 1 being the lowest rating. The higher the risk value, the higher the probability for managing the risk. This evaluation will consider project attributes including size, effort, cost,



structure, and technology. The Contractor's risk manager will enter the risks into the Risk Management Plan for tracking and status updates.

The risk manager and project manager will determine whether the risk should be accepted, mitigated, or avoided, and develop a risk management plan, as appropriate. The project manager can assist the risk manager by suggesting and helping to assess alternative mitigation strategies.

**Risk Analysis** – Although all risks are part of the risk management plan, those risks that have a high- or medium-level of risk exposure will require documented project risk action and contingency plans. The risk action plan will describe the actions the Contractor's team will take to eliminate or minimize the impact. The contingency plan will outline the plan of action to be taken if the risk cannot be prevented or minimized.

Low-ranked risks receive regular review with project owners to maintain the low rating. Contractor will refer significant risks; those that have the most immediate and ultimate impact on the project, to the project decision-makers to determine the appropriate action.

**Risk Handling** – Handling risk involves creating the actual risk mitigation plan for each of the identified risks. The process of risk handling requires the following steps:

- Identify actions that the Contractor team can take to avoid or mitigate each risk
- Determine which actions we should incorporate into the project plan
- Assign a risk manager and target dates for reduction in risk likelihood or impact
- Monitor risk status and mitigation actions identified on the risk mitigation plan by using the risk identification and project risk mitigation and contingency documents.

Once a risk has occurred, the risk manager and project manager must determine the corrective action that the Contractor's team needs to take to minimize the impact to the project. The project manager can assist the risk manager by providing alternatives and the effect on the project by implementing these alternatives.

**Risk Reporting** – The Contractor's team will develop a risk reporting approach in accordance with the State's PMM methodology and the PMBOK to provide visibility into known project risks and to provide status on the mitigation progress. As risks are identified, assessed, and accepted, they will become part of the Risk Identification Log that documents each risk, priority, impact, and exposure. When risks with an exposure level of medium or high are identified, the risk manager will enter those into the project risk mitigation and contingency plan. This plan documents the risk identification number, mitigation action, measurement, planning, tracking, and contingency actions. Once a risk no longer has the potential to impact project performance or the key measures (probability, impact, time, or proximity), the risk owner will communicate the resolution to the project team and affected groups, and the risk manager will close that risk on the Risk Identification Log.

At the end of each project, the Contractor's team will analyze identified risks to assess their final impacts and to capture lessons learned for application to future projects.

### 1.403 CHANGE MANAGEMENT

MDIT/MDOT has a well-defined change management process for changes within and between projects. The Change Management process involves approvals of changes to a project-only if it falls within a +/- 10% of the original estimate for the factor that is subject to change. All changes that are submitted through the Change Management process are subject to the approval of ITOT and/or ER as described in 1.401 Issue Management.

In addition, if changes to a project are proposed that are greater than 10% of the original estimate for the factor that is subject to change, then a Program Change review is required to assess the impact that the change will have on other projects within the Project Management Program. This Program Change review follows that same process as described in 1.401 Issue Management but requires approval of ER before any changes to the project may proceed.



Change Request forms are provided by the Project Management Office that identify all of the necessary information required by ITOT and ER to be presented for the change request approval.

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

- A Project Change Request (PCR) will be the basis for communicating change. The PCR must describe the change; the rationale for the change and the effect the change will have on the project.
- The designated Project Manager of the requesting party will review the proposed change and determine whether to submit the request to the other party.
- The contractor's Project Manager and the State will review the proposed change and approve it for further investigation or reject it. Contractor will specify any charges for such investigation. If the investigation is authorized, the State and the contractor will sign the PCR, which will constitute approval for the investigation charges. (The timing of signature by the State Project Manager will be in accordance with the State's Administrative Board or other applicable approval process). Contractor will invoice the State for any such charges. The investigation will determine the effect that the implementation of the PCR will have on price, schedule and other terms and conditions of the Agreement..

A written Change Authorization and/or Project Change Request (PCR) must be signed by both parties to authorize implementation of the investigated changes. Change Authorizations and/or Project Changes Request (PCR) that amend the contract (BPO) and/or increase the contract (BPO) value will be processed through the State's Purchasing Operations Office.

Change management and handling of change controls will be integral components of project management provided by the Contractor's team. The Contractor will classify changes to determine the effect on the project ranging from critical to low and will help MDOT continue to enhance the change management process.

Scope control, including a structured change management process, will be accomplished by incorporating only approved changes, changes that are documented and approved through the change control process. This is an iterative process, triggered by formal change requests. The Contractor's team will include the following work elements in this process:

- Identify project changes and accept change requests
- Evaluate impact of change requests
- Review change requests
- Revise project plans and work products
- Communicate status of changes
- Review change control process.

Contractor will follow the MDIT/MDOT change management process that uses a change management control tool to capture and classify changes and to evaluate the impact of the change. The change management process and approvals will be based on the size of the change in relationship to the total project.

Change controls will be evaluated based on the following set of criteria:

- Impact on any release or project delivery date
- Potential changes to the project requirements
- Effects on the project resource plan
- Introduction of medium- or high-risk activities into the project.

Priority will also play a role in the change management process. Example priority classifications follow:

- **Critical** – The change is unavoidable. The impact can only be minimized, unless action is taken.
- **High** – The change is necessary to support the business requirements.
- **Medium** – The change can be deferred but offers significant business and technical advantage.
- **Low** – The change easily can be deferred and offers little business and technical advantage.

The following table lists the key steps of the change management process.

Step	Action	Responsibility / Agent
1	Identify and Document Change Requests	Change-Request Initiator
2	Validate Change Requests – The project manager performs a key function such that requests are evaluated as the manager enters them and are signaled by e-mail notification.	Project Manager
3	Assign Change Request Owner – The project manager makes sure that the initial information is correct, makes an assignment for evaluation, and can initiate additional communication depending upon the urgency and criticality of the change control.	Project Manager
4	Collect Change Request Details – The owner of the request follows a tailored process to make sure that all affected parties submit any estimates and impacts of the change control.	Change-Request Owner
5	Request Change Control Board (CCB) Review meeting.	Change-Request Owner
6	Convene CCB Review meeting.	Project Manager
7	If the cost of the change or combination of changes results in additional project costs of 10% or more of the original project cost, the change must receive approval of ITOT and the Executive Review Committee.	MDIT/MDOT Business Owner Project Manager
8	Once the project manager receives change approval, he/she must complete a program change request and obtain approval for any change that increases total project cost.	MDIT/MDOT Business Owner Project Manager
9	Communicate CCB Decision and Closure – In addition to the benefit of controlling scope and accommodating change in a controlled fashion, a key aspect of change control is the communications value it brings. The release owner is responsible for issuing a listing of approved change controls and unapproved change controls.	Project Manager
10	Close Change Request – The project manager closes the change control in the Excel tracking tool that captures user identification, date, and time stamp.	Project Manager

1.5 Acceptance

**1.501 CRITERIA**

**Program/Project Management Support**

The following criteria will be used by the State to determine acceptance of the services/deliverables provided under this contract:

Each project requires MDIT/MDOT approval through a defined project management process. Each resource providing services in the execution of this contract is expected and required to adhere to the processes and procedures identified in the Program/Project Management tasks as well as any other defined project management processes that exist within MDIT/MDOT.

Furthermore, it is expected that the Project Manager is responsible for consistently keeping his/her projects within +/-10% of the original time and cost estimates. Project Managers are expected to maintain a pattern of consistently acceptable projects and project criteria and to identify problems as they arise so that ITOT and ER can mitigate problems in a timely manner.

The establishment of a consistent performance shall require demonstrable efforts by the Project Manager and other resources on a minimum of two projects that may or may not be performed sequentially. MDIT/MDOT shall not be unreasonable in its expectations of consistent performance by considering mitigating circumstances that may be presented by the resources on a case-by-case basis.



A monthly review of the Work Authorization Request (WAR) performance by the MDIT/MDOT Project Managers will determine acceptance. Mutually agreed upon delivery dates for specific tasks, reports, and other output will be added to the project schedule. Contractor's Project Manager will be held accountable to these deliverables in a similar manner as a Development and Implementation contractor, State staff, and others are held accountable for their project schedule tasks.

### **Facilitated Requirements Gathering and Project Analysis; Business Design**

The format, structure, and content of the technical documents will be evaluated by an MDOT Subject Matter Expert (SME) and a MDIT IT Analyst for acceptance. Since the technical documents are the results of the facilitated sessions they will also serve as a measure of the facilitator's and the analyst's performance during those sessions. The documents will require a sign off from the MDOT business owner and the MDIT Project Management Office manager.

A monthly review of Work Authorization Requests (WAR) performance by the MDIT/MDOT Project Managers will determine acceptance. Mutually agreed upon delivery dates for specific tasks, reports, and other output will be added to the project schedule. Contractor's Project Manager will be held accountable to these deliverables in a similar manner as a Development and Implementation Contractor, State staff, and others are held accountable for their project schedule tasks.

On a monthly basis, Contractor will review with MDIT/MDOT deliverables that are due, review project schedules, review all open issues and action items that may have a potential impact to active projects. While this review will be an ongoing process, Contractor will work with the State to establish a formal monthly checkpoint to verify that all MDIT/MDOT expectations are being addressed. Understanding the Contractor's project managers will be responsible for managing specific project schedules, Contractor will be committed to ongoing and timely communication with the State regarding issues that may be perceived to be outside of the PM's span of control. These communications will assist in the development of mitigation plans and allow for issue escalation when required.

MDIT/MDOT will require a sign-off from the MDIT/MDOT business owner and the MDIT/MDOT PMO manager on technical documents produced during facilitated sessions. The format, structure, and content of the technical documents will be evaluated by an MDOT SME and an MDIT IT analyst for acceptance.

## **1.502 FINAL ACCEPTANCE**

All deliverables require MDIT/MDOT approval. MDIT/MDOT will have a 10 day acceptance period to provide the contractor with its formal acceptance or rejection of the deliverable. A rejection must be in writing and must set forth the specific reasons that MDIT/MDOT believes make the deliverable unacceptable. If the contractor receives no response from MDIT/MDOT regarding the acceptability of a deliverable within the accepted time frame following its delivery, then MDIT/MDOT's acceptance will be deemed to have occurred.

If the contractor does receive comments on a deliverable within the allotted acceptance period, then the contractor will use its best efforts to revise the deliverable in accordance with those comments for MDIT/MDOT acceptance, after which any further feedback will be limited to references to prior feedback that the contractor failed to incorporate correctly. MDIT/MDOT's acceptance shall not be unreasonably withheld.

## **1.6 Compensation and Payment**

### **1.601 COMPENSATION AND PAYMENT**

The contract is a combination firm fixed price for deliverables with time and materials as needed. All prices/rates quoted in contractor's response to this contract are firm for the duration of the Contract. No price increases will be permitted.



The State shall pay the Contractor an amount not to exceed **\$13,823,709.00** for the performance of all activities necessary for or incidental to the performance of work as set forth in this contract. See Article 1, Attachment A for the pricing of the Facilitated Requirements Gathering Sessions, Business Design Sessions and Time and Material Rate Card Pricing.

The State will not pay for travel and expenses.

The Contractor will verify that all invoices will have the associated PO number. Contractor will also include the role description (classification) on the invoice for billed resources. Hours will be entered into Niku/Clarity for the fixed-price portion of the work in order to assist MDIT/MDOT with estimating future projects. Hours and rates will not be provided on the invoice for the fixed-price portion of this contract. Fixed-price billing will be distinguished from time-and-materials billing by means of either separate invoices or by separate clearly-labeled sections of a combined invoice, as directed by MDOT/MDOT.

**Program/Project Management Support Rate Card for Time & Material Work Includes:**

Services for this contract will be paid on a time and material basis and will not exceed the amount set forth in the Contractor's approved proposal. Invoices will be submitted monthly for actual hours worked. Invoices must include the following information: project name, contract number, purchase order number, resource name, rate, hours, and time frame. In addition, each invoice must have an attached timesheet, which has been reviewed and signed off by the MDOT/MDIT Project Manager. The Rate Card will include Work Authorization Requests (WARS). Up to 28,000 hours per year (a total of 84,000 for 3 years) can be utilized, although the State may choose not to use any.

**Facilitated Requirements Gathering and Project Analysis**

Payment for Facilitated Requirements Gathering and Project Analysis will be paid based on a firm fixed price per project type and will not exceed the amount set forth in the Contractor's approved proposal. The State will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. Invoices must include the following information: project name, deliverable(s), contract number, purchase order number, resource(s) name, and time frame. In addition, each invoice must have an attached detailed timesheet, which has been reviewed and signed off by the MDOT/MDIT Project Manager.

**Business Design**

Payment for Business Design will be based on a firm fixed price per project type and will not exceed the amount set forth in the Contractor's approved proposal. The State will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. Invoices must include the following information: project name, deliverable(s), contract number, purchase order number, resource(s) name, and time frame. In addition, each invoice must have an attached timesheet, which has been reviewed and signed off by the MDOT/MDIT Project Manager.

**1.7 Additional Terms and Conditions Specific to this SOW**

**1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW**

**FHWA Adherence**

The following clauses only apply when issued contracts are funded, partially or fully, by the Federal Highway Administration (FHWA). Contractors' proposals will be rejected if the Contractor will not accept Contracts funded by the FHWA.

1. The Contractor's signature on this contract constitutes the Contractor's certification of "status" under penalty of perjury under the laws of the United States in respect to 49 C.F.R. Part 29 pursuant to Executive Order 12549.



The certification which is included as a part of this Contract as Attachment "A", is Appendix A of 49 CFR part 29, and applies to the Contractor (referred to in Appendix A as 'the prospective primary participant').

The Contractor is responsible for obtaining the same certification from all subcontractors under this Contract by inserting the following paragraph in all subcontracts:

"The subcontractor's signature on the Contract constitutes the subcontractor's certification of 'status' under penalty of perjury under the laws of the United States in respect to 49 CFR part 29 pursuant to Executive Order 12549. The certification, which is included as a part of this Contract as Attachment 'B' is Appendix B of 49 CFR Part 29."

This certification is required of all subcontractors, testing laboratories and other lower tier participants that the contractor enters into a written arrangement for the procurement of goods or services provided for in a contract.

2. For Contracts in excess of One Hundred Thousand Dollars (\$100,000):
  - The Contractor stipulates that any facility to be utilized in the performance of this Contract, unless such Contract is exempt under the Clean Air Act, as amended (42 U.S.C. 7401 et seq., as amended including Pub L. 101-549), and under the Clean Water Act, as amended (33 U.S.C. 1251 et seq., as amended, including Pub. L. 100-4), Executive Order 11738, and regulations in implementation thereof (40 CFR Part 15), is not listed, on; the date of contract award, on the U.S. Environmental Protection Agency (EPA) List of Violating Facilities Pursuant to 40 CFR 15.20.
  - The Contractor agrees to comply with all the requirements of the Clean Air Act and the Clean Water Act and all regulations and guidelines listed there under related to Contractor and Services under this contract.
  - The Contractor shall promptly notify the Department and the U.S. EPA Assistant Administrator for Enforcement of the receipt of any communication from the Director, Office of Federal Activities, EPA, indicating that a facility to be utilized for this Contract is under consideration to be listed on the EPA List of Violating Facilities.
  - Contractor agrees to include or cause to be included the requirements if the preceding three paragraphs (a), (b), and (c), in every nonexempt subcontract.
3. The Contractor shall agree that no otherwise qualified handicapped individual in the United States, as defined in Section 1630.2 Americans with Disabilities Act, Title 42, USC 1201, shall solely by reason of their handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving benefits under this Agreement.

**Article 1, Attachment A  
Pricing**

**Program/Project Management Support Time & Materials Rate Card**

Based upon the State’s request to have flexibility in the type of resources that may be required for miscellaneous needs, Contractor will be flexible and responsive to the State’s resource needs and will supply the appropriate mix of skill sets.

**HOURLY RATES ARE FIXED FOR DURATION OF 3-YEAR CONTRACT**

STAFFING CATEGORY	HOURLY RATE
Sr. Project Manager	\$110
Jr. Project Manager	\$80
Jr. Business Analyst	\$73
Sr. Business Analyst	\$85
Data Modeler	\$135
Systems Architect	\$135

The rate card will be utilized in conjunction with an approved Work Authorization Request (WARS). Up to 28,000 hours per year (a total of 84,000 for 3 years) can be utilized, although the State may choose not to use.

Time-and-materials rates will be utilized to supplement, not replace, the fixed price deliverables of this contract.

**Facilitated Requirements Gathering Sessions and Project Analysis**

Estimated Projects Per Year	Project Price	1-Year Total Cost	3-Year Total Cost
Type A –10 projects	\$22,950	\$229,500	\$688,500
Type B – 10 projects	\$37,020	\$370,200	\$1,110,600
Type C – 6 projects	\$52,938	\$317,628	\$952,884

**Business Design Sessions**

Estimated Projects Per Year	Project Price	1-Year Total Cost	3-Year Total Cost
Type A –10 projects	\$15,475	\$154,750	\$464,250
Type B – 10 projects	\$40,897	\$408,970	\$1,226,910
Type C – 5 projects	\$61,371	\$306,855	\$920,565

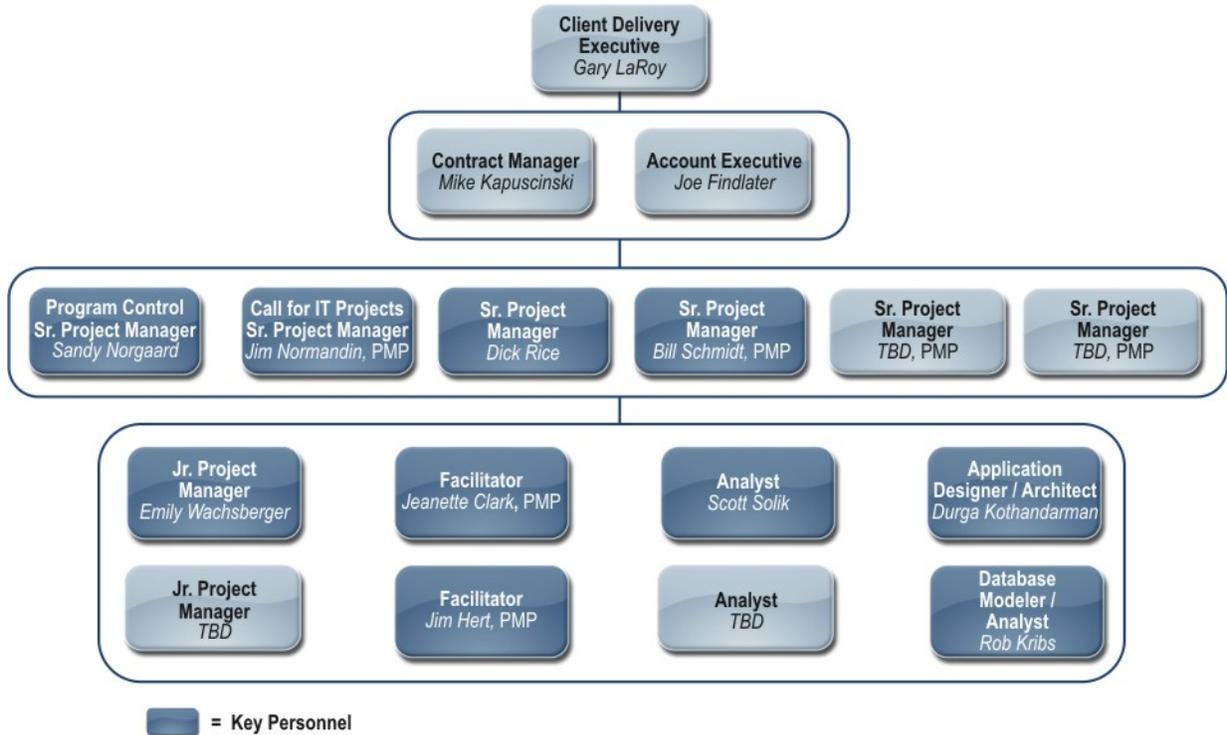
**GRAND TOTAL - PROGRAM/PROJECT MANAGEMENT SUPPORT TIME AND MATERIALS, FACILITATED REQUIREMENTS GATHERING SESSIONS, AND BUSINESS DESIGN**

1-Year Total Cost	3-Year Total Cost
\$4,607,903	\$13,823,709

Please note that the projects provided above are estimates only. The State does not commit to procuring services in the quantities estimated or in any other amounts.

**Article 1, Attachment B – Organization Chart**

The Contractor’s Team will assign the key and representative personnel shown in the following organization chart to support the Michigan Department of Transportation (MDOT).



**Figure 1B-1, Organizational Chart**

**Article 1, Attachment E**  
**Project Plan**

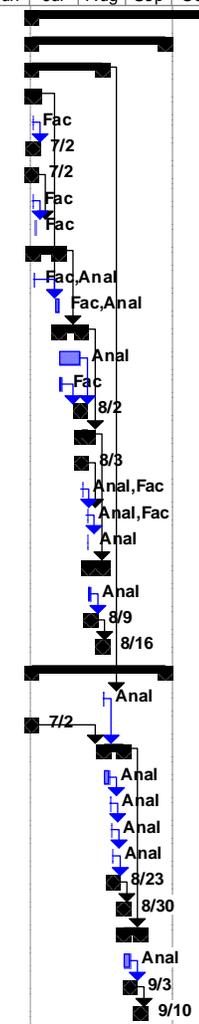
**Article 1, Attachment E – Project Plan**

**Initiation and Design Project Schedule Example**

On the following pages is a project plan for proposed Facilitated Requirements Gathering Sessions, Project Analysis, and Business Design.



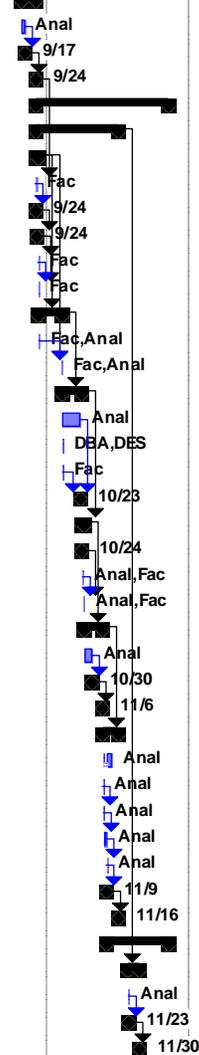
ID	Task Name	Start	Finish	2007		Qtr 3, 2007			Qtr 4, 2007			Qtr 1, 2008		
				May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
1	<b>SAMPLE MDOT PROJECT SCHEDULE- Initiation and Business Design</b>	<b>Mon 7/2/07</b>	<b>Wed 12/19/07</b>											
2	<b>Initiation Phase</b>	<b>Mon 7/2/07</b>	<b>Wed 9/26/07</b>											
3	<b>Facilitated Requirements Gathering Session</b>	<b>Mon 7/2/07</b>	<b>Thu 8/16/07</b>											
4	<b>Pre-Session Meeting</b>	<b>Mon 7/2/07</b>	<b>Tue 7/3/07</b>											
5	Review /Finalize Agenda	Mon 7/2/07	Mon 7/2/07											
6	Deliver Agenda to PM	Mon 7/2/07	Mon 7/2/07											
7	Receive Meeting Notice from PM	Mon 7/2/07	Mon 7/2/07											
8	Prepare for Pre-Session Meeting	Mon 7/2/07	Mon 7/2/07											
9	Attend Meeting	Tue 7/3/07	Tue 7/3/07											
10	<b>Session</b>	<b>Mon 7/2/07</b>	<b>Thu 7/19/07</b>											
11	Prepare for Session	Mon 7/2/07	Tue 7/3/07											
12	Conduct Session	Tue 7/17/07	Thu 7/19/07											
13	<b>Draft Business Considerations Document</b>	<b>Thu 7/19/07</b>	<b>Fri 8/3/07</b>											
14	Create Draft Business Considerations Document	Thu 7/19/07	Thu 8/2/07											
15	QA, Review of Document	Thu 7/19/07	Fri 7/20/07											
16	Deliver Draft Document to PM	Thu 8/2/07	Fri 8/3/07											
17	<b>Business Considerations Document Review Session</b>	<b>Fri 8/3/07</b>	<b>Tue 8/7/07</b>											
18	Receive Meeting Notice from PM	Fri 8/3/07	Mon 8/6/07											
19	Prepare for Review Meeting	Fri 8/3/07	Fri 8/3/07											
20	Attend Review Meeting	Mon 8/6/07	Mon 8/6/07											
21	Document Ranked/Prioritized Requirements	Mon 8/6/07	Tue 8/7/07											
22	<b>Finalize Business Considerations Document</b>	<b>Tue 8/7/07</b>	<b>Thu 8/16/07</b>											
23	Update Documented Based on Review Session	Tue 8/7/07	Thu 8/9/07											
24	Deliver Final Document to PM	Thu 8/9/07	Thu 8/9/07											
25	Final Document Acceptance	Thu 8/16/07	Thu 8/16/07											
26	<b>Project Analysis</b>	<b>Mon 7/2/07</b>	<b>Wed 9/26/07</b>											
27	Determine Alternatives	Thu 8/16/07	Fri 8/17/07											
28	Receive Review Criteria from PM	Mon 7/2/07	Mon 7/2/07											
29	<b>Determine Solution</b>	<b>Fri 8/17/07</b>	<b>Thu 8/30/07</b>											
30	Evaluate Alternatives	Fri 8/17/07	Tue 8/21/07											
31	Document Evaluation Findings	Tue 8/21/07	Tue 8/21/07											
32	Documented Selected Solution	Tue 8/21/07	Wed 8/22/07											
33	Complete Standard Checklist for Solution	Wed 8/22/07	Thu 8/23/07											
34	Deliver Final Solution Document to PM	Thu 8/23/07	Thu 8/23/07											
35	Solution Document Acceptance	Thu 8/30/07	Thu 8/30/07											
36	<b>Scope Solution</b>	<b>Thu 8/30/07</b>	<b>Mon 9/10/07</b>											
37	Document Preliminary Scope Document	Thu 8/30/07	Mon 9/3/07											
38	Deliver Preliminary Scope Solution to PM	Mon 9/3/07	Mon 9/3/07											
39	Preliminary Scope Solution Acceptance	Mon 9/10/07	Mon 9/10/07											





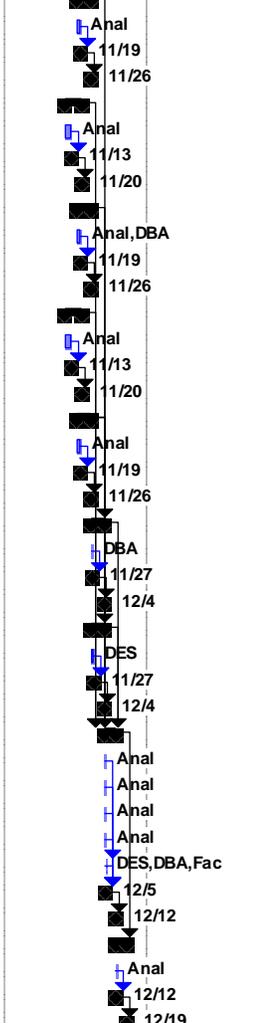


ID	Task Name	Start	Finish	2007		Qtr 3, 2007		Qtr 4, 2007			Qtr 1, 2008		
				May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
84	<b>System Retirement Plan</b>	<b>Fri 9/14/07</b>	<b>Mon 9/24/07</b>										
85	Document Preliminary System Retirement Plan	Fri 9/14/07	Mon 9/17/07										
86	Deliver Preliminary System Retirement Plan	Mon 9/17/07	Mon 9/17/07										
87	Preliminary System Retirement Plan Acceptance	Mon 9/24/07	Mon 9/24/07										
88	<b>Business Design Phase</b>	<b>Mon 9/24/07</b>	<b>Wed 12/19/07</b>										
89	<b>Detailed Business Design Requirements</b>	<b>Mon 9/24/07</b>	<b>Fri 11/16/07</b>										
90	<b>Pre-Session Meeting</b>	<b>Mon 9/24/07</b>	<b>Tue 9/25/07</b>										
91	Review /Finalize Agenda	Mon 9/24/07	Mon 9/24/07										
92	Deliver Agenda to PM	Mon 9/24/07	Mon 9/24/07										
93	Receive Meeting Notice from PM	Mon 9/24/07	Tue 9/25/07										
94	Prepare for Pre-Session Meeting	Tue 9/25/07	Tue 9/25/07										
95	Attend Meeting	Tue 9/25/07	Tue 9/25/07										
96	<b>Session</b>	<b>Wed 9/26/07</b>	<b>Thu 10/11/07</b>										
97	Prepare for Session	Wed 9/26/07	Wed 9/26/07										
98	Attend Session	Wed 10/10/07	Thu 10/11/07										
99	<b>Draft Detailed Business Design Requirements Document</b>	<b>Thu 10/11/07</b>	<b>Tue 10/23/07</b>										
100	Create Draft Detailed Business Design Requirements Document	Thu 10/11/07	Mon 10/22/07										
101	Tech Support for Document	Thu 10/11/07	Fri 10/12/07										
102	QA, Review of Document	Thu 10/11/07	Thu 10/11/07										
103	Deliver Draft Document to PM	Tue 10/23/07	Tue 10/23/07										
104	<b>Detailed Business Design Requirements Document Review</b>	<b>Wed 10/24/07</b>	<b>Thu 10/25/07</b>										
105	Receive Meeting Notice from PM	Wed 10/24/07	Wed 10/24/07										
106	Prepare for Review Meeting	Wed 10/24/07	Wed 10/24/07										
107	Attend Review Meeting	Thu 10/25/07	Thu 10/25/07										
108	<b>Business Use Cases</b>	<b>Thu 10/25/07</b>	<b>Tue 11/6/07</b>										
109	Document Business Use Cases	Thu 10/25/07	Tue 10/30/07										
110	Deliver Business Use Cases to PM	Tue 10/30/07	Tue 10/30/07										
111	Business Use Cases Acceptance	Tue 11/6/07	Tue 11/6/07										
112	<b>Requirements Package</b>	<b>Tue 11/6/07</b>	<b>Fri 11/16/07</b>										
113	Revise Detailed Business Design Requirements Document	Tue 11/6/07	Mon 11/12/07										
114	Document Security Requirements	Tue 11/6/07	Tue 11/6/07										
115	Document ADA/Usability Requirements	Tue 11/6/07	Wed 11/7/07										
116	Document RTM	Wed 11/7/07	Fri 11/9/07										
117	Document QA Standards and Checklist	Fri 11/9/07	Fri 11/9/07										
118	Deliver Requirements Package to PM	Fri 11/9/07	Fri 11/9/07										
119	Requirements Package Acceptance	Fri 11/16/07	Fri 11/16/07										
120	<b>Analysis</b>	<b>Fri 11/9/07</b>	<b>Wed 12/19/07</b>										
121	<b>Configuration Management Plan</b>	<b>Fri 11/23/07</b>	<b>Fri 11/30/07</b>										
122	Document Preliminary Configuration Management Plan	Fri 11/23/07	Fri 11/23/07										
123	Deliver Preliminary Configuration Management Plan to PM	Fri 11/23/07	Fri 11/23/07										
124	Preliminary Configuration Management Plan Acceptance	Fri 11/30/07	Fri 11/30/07										





ID	Task Name	Start	Finish	2007		Qtr 3, 2007		Qtr 4, 2007			Qtr 1, 2008		
				May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
125	<b>Quality Assurance Plan</b>	Fri 11/16/07	Mon 11/26/07										
126	Document Preliminary Quality Assurance	Fri 11/16/07	Mon 11/19/07										
127	Deliver Preliminary Quality Assurance Plan to PM	Mon 11/19/07	Mon 11/19/07										
128	Preliminary Quality Assurance Plan Acceptance	Mon 11/26/07	Mon 11/26/07										
129	<b>Application Test Plan</b>	Fri 11/9/07	Tue 11/20/07										
130	Document Preliminary Application Test Plan	Fri 11/9/07	Tue 11/13/07										
131	Deliver Preliminary Application Test Plan to PM	Tue 11/13/07	Tue 11/13/07										
132	Preliminary Application Test Plan Acceptance	Tue 11/20/07	Tue 11/20/07										
133	<b>Data Conversion Plan</b>	Fri 11/16/07	Mon 11/26/07										
134	Document Preliminary Data Conversion	Fri 11/16/07	Mon 11/19/07										
135	Deliver Preliminary Data Conversion Plan to PM	Mon 11/19/07	Mon 11/19/07										
136	Preliminary Data Conversion Plan Acceptance	Mon 11/26/07	Mon 11/26/07										
137	<b>User Acceptance Test Plan</b>	Fri 11/9/07	Tue 11/20/07										
138	Document Preliminary User Acceptance Test Plan	Fri 11/9/07	Tue 11/13/07										
139	Deliver Preliminary User Acceptance Test Plan to PM	Tue 11/13/07	Tue 11/13/07										
140	Preliminary User Acceptance Test Plan Acceptance	Tue 11/20/07	Tue 11/20/07										
141	<b>Business Use Case Documents</b>	Fri 11/16/07	Mon 11/26/07										
142	Revise Business Use Case Documents	Fri 11/16/07	Mon 11/19/07										
143	Deliver Revised Business Use Case Documents to PM	Mon 11/19/07	Mon 11/19/07										
144	Preliminary Business Use Case Documents Acceptance	Mon 11/26/07	Mon 11/26/07										
145	<b>Logical Data Model</b>	Mon 11/26/07	Tue 12/4/07										
146	Document Logical Data Model	Mon 11/26/07	Tue 11/27/07										
147	Deliver Logical Data Model to PM	Tue 11/27/07	Tue 11/27/07										
148	Logical Data Model Acceptance	Tue 12/4/07	Tue 12/4/07										
149	<b>Screen Mock Ups</b>	Mon 11/26/07	Tue 12/4/07										
150	Create Screen Mock Ups	Mon 11/26/07	Tue 11/27/07										
151	Deliver Screen Mock Ups to PM	Tue 11/27/07	Tue 11/27/07										
152	Screen Mock Ups Acceptance	Tue 12/4/07	Tue 12/4/07										
153	<b>Business Requirements Package</b>	Tue 12/4/07	Wed 12/12/07										
154	Update Project Scope Document	Tue 12/4/07	Wed 12/5/07										
155	Update Project Scope Estimate	Tue 12/4/07	Wed 12/5/07										
156	Update WBS	Tue 12/4/07	Wed 12/5/07										
157	Update Project Schedule	Tue 12/4/07	Wed 12/5/07										
158	Tech Support for Updates	Wed 12/5/07	Wed 12/5/07										
159	Deliver Updated Business Requirements Package to PM	Wed 12/5/07	Wed 12/5/07										
160	Updated Business Requirements Package Acceptance	Wed 12/12/07	Wed 12/12/07										
161	<b>Functional Baseline</b>	Wed 12/12/07	Wed 12/19/07										
162	Create Functional Baseline	Wed 12/12/07	Wed 12/12/07										
163	Deliver Functional Baseline to PM	Wed 12/12/07	Wed 12/12/07										
164	Functional Baseline Acceptance	Wed 12/19/07	Wed 12/19/07										



**Initiation and Design Project Schedule Example**

On the following pages is a proposed project plan for managing individual projects (Types A, B, and C). The contractor will modify this project schedule for each project based on the assigned project size.



ID	Task Name	Start	2006																																		
			Half 1, 2007							Half 2, 2007							Half 1, 2008							Half 2, 2008							Half 1, 2009						
			S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M		
1	<b>SAMPLE MDOT PROJECT SCHEDULE</b>	<b>Tue 11/7/06</b>	[Gantt chart showing project schedule from 2006 to 2009 with task bars and dependencies]																																		
2	<b>Call for IT Projects</b>	<b>Tue 11/7/06</b>	[Task bar for Call for IT Projects]																																		
3	Review Call Lessons at ITOT	Tue 11/7/06	[Task bar for Review Call Lessons at ITOT]																																		
4	Schedule Development and Infrastructure Meetings	Thu 12/21/06	[Task bar for Schedule Development and Infrastructure Meetings]																																		
5	Determine IT Priorities	Fri 1/5/07	[Task bar for Determine IT Priorities]																																		
6	Prepare Priority Memo	Mon 1/8/07	[Task bar for Prepare Priority Memo]																																		
7	Review Priorities with ITOT	Mon 1/15/07	[Task bar for Review Priorities with ITOT]																																		
8	Approve Priority Memo	Tue 1/16/07	[Task bar for Approve Priority Memo]																																		
9	Distribute Priority Memo to MDOT Agency	Fri 1/19/07	[Task bar for Distribute Priority Memo to MDOT Agency]																																		
10	Solicit Management Feedback (ITOT) on Call Questionnaire	Tue 2/13/07	[Task bar for Solicit Management Feedback (ITOT) on Call Questionnaire]																																		
11	Approve Call Questionnaire Updates (ITOT)	Fri 2/23/07	[Task bar for Approve Call Questionnaire Updates (ITOT)]																																		
12	Complete Call Planning	Mon 2/26/07	[Task bar for Complete Call Planning]																																		
13	<b>Initiate the Call for IT Projects</b>	<b>Tue 2/27/07</b>	[Task bar for Initiate the Call for IT Projects]																																		
14	Prepare Call Memo	Tue 2/27/07	[Task bar for Prepare Call Memo]																																		
15	Finalize Call Memo	Wed 2/28/07	[Task bar for Finalize Call Memo]																																		
16	Approve Call Memo	Thu 3/1/07	[Task bar for Approve Call Memo]																																		
17	Distribute Call Memo and Questionnaire to MDOT	Thu 3/8/07	[Task bar for Distribute Call Memo and Questionnaire to MDOT]																																		
18	Update Call Questionnaire Template in PMO Website	Thu 3/8/07	[Task bar for Update Call Questionnaire Template in PMO Website]																																		
19	<b>ITOT Status Update</b>	<b>Tue 3/13/07</b>	[Task bar for ITOT Status Update]																																		
35	<b>Obtain Draft Questionnaires</b>	<b>Thu 3/8/07</b>	[Task bar for Obtain Draft Questionnaires]																																		
36	Receive Draft Call Questionnaires	Thu 3/8/07	[Task bar for Receive Draft Call Questionnaires]																																		
37	Validate Questionnaire Content	Wed 3/14/07	[Task bar for Validate Questionnaire Content]																																		
38	Provide Feedback to Requestors	Fri 3/16/07	[Task bar for Provide Feedback to Requestors]																																		
39	<b>Obtain Final Questionnaires</b>	<b>Wed 4/18/07</b>	[Task bar for Obtain Final Questionnaires]																																		
40	Validate all feedback changes made	Wed 4/18/07	[Task bar for Validate all feedback changes made]																																		
41	Receive Final Questionnaires	Wed 4/18/07	[Task bar for Receive Final Questionnaires]																																		
42	Document AM and Sponsor Acceptance	Wed 4/18/07	[Task bar for Document AM and Sponsor Acceptance]																																		
43	Create books for AM's	Wed 4/18/07	[Task bar for Create books for AM's]																																		
44	Distribute Books to AM's	Fri 5/4/07	[Task bar for Distribute Books to AM's]																																		
45	<b>Prepare Initiative Review Materials</b>	<b>Thu 5/3/07</b>	[Task bar for Prepare Initiative Review Materials]																																		
46	Update Draft Development Program Spreadsheet	Thu 5/3/07	[Task bar for Update Draft Development Program Spreadsheet]																																		
47	Send Draft Development Program Spreadsheet to AMs Plus	Thu 5/10/07	[Task bar for Send Draft Development Program Spreadsheet to AMs Plus]																																		
48	Business Owners Present Projects to AMs - session 1	Mon 5/14/07	[Task bar for Business Owners Present Projects to AMs - session 1]																																		
49	Business Owners Present Projects to AMs - session 2	Thu 5/17/07	[Task bar for Business Owners Present Projects to AMs - session 2]																																		
50	Review Draft Development Program with ITOT	Fri 5/18/07	[Task bar for Review Draft Development Program with ITOT]																																		
51	Send Draft Development Program Spreadsheet to Executives	Tue 5/22/07	[Task bar for Send Draft Development Program Spreadsheet to Executives]																																		
52	Review Draft Development Program at Executive Review	Thu 5/31/07	[Task bar for Review Draft Development Program at Executive Review]																																		
53	<b>Review Initiatives</b>	<b>Fri 6/1/07</b>	[Task bar for Review Initiatives]																																		
54	Determine MDOT IT Priorities #1	Fri 6/1/07	[Task bar for Determine MDOT IT Priorities #1]																																		
55	Determine MDOT IT Priorities #2	Mon 6/4/07	[Task bar for Determine MDOT IT Priorities #2]																																		
56	Funding Initiatives Mtg #1	Tue 6/5/07	[Task bar for Funding Initiatives Mtg #1]																																		
57	Funding Initiatives Mtg #2	Wed 6/6/07	[Task bar for Funding Initiatives Mtg #2]																																		
58	Review Draft Development Program with ITOT	Thu 6/7/07	[Task bar for Review Draft Development Program with ITOT]																																		















## Article 2 – General Terms and Conditions

### 2.010 Contract Structure and Administration

#### 2.011 Definitions

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) “Days” means calendar days unless otherwise specified.
- (b) “24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) “Additional Service” means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. “Additional Service” does not include New Work.
- (d) “Amendment Labor Rates” means the schedule of fully loaded hourly labor rates attached as **Article 1, Attachment C**.
- (e) “Audit Period” has the meaning given in **Section 2.111**.
- (f) “Business Day,” whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (g) “Incident” means any interruption in Services.
- (h) “Business Critical” means any function identified in any Statement of Work as Business Critical.
- (l) “Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work.
- (j) “Key Personnel” means any Personnel designated in **Article 1, Section 1.201 and/or Attachment B**, as Key Personnel.
- (k) “New Work” means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. “New Work” does not include Additional Service.
- (l) “Services” means any function performed for the benefit of the State.
- (m) “State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (n) “Subcontractor” means a company Contractor delegate’s performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
- (o) “Work in Process” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.



## 2.012 Attachments and Exhibits

All Attachments and/or Exhibits attached to any and all Statement(s) of Work, attached to, or referencing this Contract, are incorporated in their entirety into, and form part of, this Contract.

## 2.013 Statements of Work

- (a) The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract, or an amendment to this Contract (see 2.106). Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.
- (b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:
- A description of the Services to be performed by Contractor under the Statement of Work;
  - A project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
  - A price/rate schedule for any additional positions.
  - A specification of Contractor's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
  - A listing of any Key Personnel of Contractor and/or its Subcontractors for that Statement of Work and any future Statements of Work;
  - Any other information or provisions the parties agree to include.
- (c) Reserved.
- (d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.

## 2.014 Issuing Office

This Contract is issued by the Department of Management and Budget, Purchasing Operations and **MDIT/ Treasury** (collectively, including all other relevant State of Michigan departments and agencies, the "State"). PURCHASING OPERATIONS is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **PURCHASING OPERATIONS is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contractor Administrator within Purchasing Operations for this Contract is:

**Joann M. Klasko**  
**Purchasing Operations**  
**Department of Management and Budget**  
**Mason Bldg, 2nd Floor**  
**PO Box 30026**  
**Lansing, MI 48909**  
**KlaskoJ@michigan.gov**  
**(517) 241-7233**

**2.015 Contract Compliance Inspector**

Upon receipt at Treasury of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with Treasury, will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

Cindy Turben  
 Department of Information Technology  
 Constitution Hall, Atrium South Tower  
 525 W Allegan St.  
 Lansing, MI 48913  
 turbenc@michigan.gov  
 517-335-6069

**2.016 Project Manager**

The following individual will oversee the project:

Viji Jayaraman  
 Michigan Department of Information Technology  
 425 W. Ottawa, P.O. Box 30050  
 Lansing, MI 48909  
 Email: JayaramanV@michigan.gov  
 Phone: (517) 241-5792

**2.020 Contract Objectives/Scope/Background**

**2.021 Background**

See Article 1, Section 1.002

**2.022 Purpose**

See Article 1, Section 1.001

**2.023 Objectives and Scope**

See Article, Section 1.101

**2.024 Interpretation**

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

**2.025 Form, Function and Utility**

If the Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

**2.030 Legal Effect and Term**

**2.031 Legal Effect**



Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

### 2.032 Contract Term

This Contract is for a period of three (3) years commencing on the date that the last signature required to make the Contract enforceable is obtained. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

### 2.033 Renewal(s)

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. The Contract may be renewed for up to **two (2)** additional one-year periods. Successful completion of negotiations surrounding the terms of the extension will be a pre-requisite for the exercise of any option year.

### 2.040 Contractor Personnel

### 2.041 Contractor Personnel

(a) **Personnel Qualifications.** All persons assigned by Contractor to the performance of Services under this Contract shall be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Subcontractor) and shall be fully qualified to perform the work assigned to them. Contractor shall include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role shall be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.

### (b) Key Personnel

(i) In discharging its obligations under this Contract, Contractor shall provide the named Key Personnel on the terms indicated. **Article 1, Attachment B** provides an organization chart showing the roles of certain Key Personnel, if any.

The following contractor's staffs are key personnel and cannot be replaced without the State's approval:

Sandy Norgaard  
 Jim Normandin  
 Dick Rice  
 Bill Schmidt

(ii) Key Personnel shall be dedicated as defined in **Article 1, Attachment B** to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(iii) The State will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, will introduce the individual to the appropriate State representatives, and will provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a



proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

- (iv) Contractor shall not remove any Key Personnel from their assigned roles or the Contract without the prior written consent of the State. If the Contractor does remove Key Personnel without the prior written consent of the State, it shall be considered an unauthorized removal ("Unauthorized Removal"). It shall not be considered an Unauthorized Removal if Key Personnel must be replaced for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause termination of the Key Personnel's employment. It shall not be considered an Unauthorized Removal if Key Personnel must be replaced because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides thirty (30) days of shadowing unless parties agree to a different time period. The Contractor with the State shall review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its rights under **Section 2.210**.
- (v) It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.210**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount shall be \$25,000.00 per individual provided Contractor identifies a replacement approved by the State pursuant to **Section 2.041** and assigns the replacement to the Project to shadow the Key Personnel s/he is replacing for a period of at least thirty (30) days prior to such Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least thirty (30) days, in addition to the \$25,000.00 liquidated damages for an Unauthorized Removal, Contractor shall pay the amount of \$833.33 per day for each day of the thirty (30) day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide thirty (30) days of shadowing shall not exceed \$50,000.00 per individual.

- (c) **Re-assignment of non-Key Personnel.** Prior to re-deploying to other projects, at the completion of their assigned tasks on the Project, teams of its non-Key Personnel who are performing Services on-site at State facilities or who are otherwise dedicated primarily to the Project, Contractor will give the State at least ten (10) Business Days notice of the proposed re-deployment to give the State an opportunity to object to the re-deployment if the State reasonably believes such team's Contract responsibilities are not likely to be completed and approved by the State prior to the proposed date of re-deployment.
- (d) **Re-assignment of Personnel at the State's Request.** The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons



for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement personnel for the removed person shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with removed personnel results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA's for the affected Service will not be counted in **Section 2.076** for a time as agreed to by the parties.

(e) **Staffing Levels.**

- (i) All staff requirements not specified in the applicable Statement of Work or State-approved project plan as State personnel will be supplied by Contractor. This includes secretarial, clerical and Contract administration support staff necessary for Contractor to perform its obligations hereunder.
- (ii) Contractor shall provide sufficient personnel resources for the completion of Contract tasks indicated in Contractor's project plan approved by the State. If the level of personnel resources is insufficient to complete any Contractor Contract tasks in accordance with the Contract time schedule as demonstrated by Contractor's failure to meet mutually agreed to time schedules, Contractor shall promptly add additional qualified personnel resources to the performance of the affected tasks, at no additional charge to the State, in an amount sufficient to complete performance of Contractor's tasks in accordance with the Contract time schedule.

- (f) **Personnel Turnover.** The Parties agree that it is in their best interests to keep the turnover rate of employees of Contractor and its Subcontractors who are performing the Services to a reasonable minimum. Accordingly, if the State determines that the turnover rate of such employees is excessive and so notifies Contractor, Contractor will meet with the State to discuss the reasons for the turnover rate and otherwise use commercially reasonable efforts to minimize such turnover rate. If requested to do so by the State, Contractor will submit to the State its proposals for reducing the turnover rate to an acceptable level. In any event, notwithstanding the turnover of personnel, Contractor remains obligated to perform the Services without degradation and in accordance with the State-approved Contract schedule.

- (g) **Location.** All staff assigned by Contractor to work on the Contract will perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel will, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

#### **2.042 Contractor Identification**

Contractor employees shall be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

#### **2.043 Cooperation with Third Parties**

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel, and, as reasonably requested by the State, to provide to the State's agents and other contractors with reasonable access to Contractor's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Contractor receives reasonable prior written notice of such request. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily

or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with such requests for access.

**2.044 Subcontracting by Contractor**

- (a) Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.
- (b) Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA's for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.
- (c) The management of any Subcontractor will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor.  
 Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit A** is a list of the Subcontractors, if any, approved by the State as of the execution of this Contract. The Contractor is totally accountable for the performance of any subcontractor(s) it may utilize under this Contract.
- (d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Subcontractors.
- (e) 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.

**2.045 Contractor Responsibility for Personnel**

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services.

*2.050 State Standards*

**2.051 Existing Technology Standards**

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at [http://www.michigan.gov/dit/0,1607,7-139-30639\\_30655---,00.html](http://www.michigan.gov/dit/0,1607,7-139-30639_30655---,00.html).

**2.052 PM Methodology Standards**

The State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. See the State’s PMM website at <http://www.michigan.gov/projectmanagement>.

The Contractor shall use the State’s PPM to manage this Contract. If the Contractor requires training on the PMM, those costs shall be the responsibility of the Contractor, unless otherwise stated.

**2.053 Adherence to Portal Technology Tools**

The State has adopted the following tools for its Portal Technology development efforts:

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

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

Contractors that are compelled to use alternate tools must have received an exception from MDIT, Enterprise Application Services Office, e-Michigan Web Development team, before this Contract is effective.

**2.054 Acceptable Use Policy**

To the extent that Contractor has access to the State computer system, Contractor must comply with the State’s Acceptable Use Policy, see <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--,00.html>. All Contractor employees must be required, in writing, to agree to the State’s Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor’s access to the State system if a violation occurs.

*2.060 Deliverables*

**2.061 Ordering**

- (a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order’s accompanying Statement of Work.
- (b) MDIT will continue to oversee the use of this Contract by End Users. MDIT may, in writing, delegate to agencies the authority to submit requests for certain services directly to the Contractor. MDIT may also designate, in writing, some services as non-delegated and require MDIT review and approval before agency acquisition. MDIT will use Contractor provided management reports and periodic random agency audits to monitor and administer contract usage for delegated services.

**2.062 RESERVE**

**2.063 RESERVE**

**2.064 RESERVE**

2.070 Performance

**2.071 Performance, In General**

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract.

**2.072 Time of Performance**

- (a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.
- (b) Without limiting the generality of **Section 2.072(a)**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and, in such event, shall inform the State of the projected actual delivery date.
- (c) If Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations in accordance with specified Contract time periods, Contractor shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such Contract time periods notwithstanding the State’s failure. Contractor will not be in default for a delay in performance to the extent such delay is caused by the State.

**2.073 RESERVED**

**2.074 Bankruptcy**

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within thirty (30) days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the “Work in Process” and finish such Works in Process by whatever appropriate method the State may deem expedient. Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

To secure the State’s progress payments before the delivery of any services or materials required for the execution of Contractor’s obligations hereunder, and any work which Contractor may subcontract in the support of the performance of its obligations hereunder, title shall vest in the State to the extent the State has made progress payments hereunder.

**2.075 RESERVE**

**2.076 RESERVE**

2.080 Delivery and Acceptance of Deliverables

**2.081 RESERVE**

**2.082 Delivery of Deliverables / Services**

- (a) Where applicable, the Statements of Work/POs contain lists of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document (“Written Deliverable”), a good (“Physical Deliverable”) or a Service. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of the Contract.

**2.083 RESERVE**

**2.084 Approval of Deliverables, In General**

Reserved

**2.085 Process for Approval of Written Deliverables**

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State’s election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor’s correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

**2.086 Process for Approval of Services**

The State Review Period for approval of Services is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) Business Days for Services). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Service is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Services (or at the State’s election, subsequent to approval of the Service). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Service in a form that shows all revisions made to the original version delivered to the State. Contractor’s correction efforts will be made at no additional charge. Upon implementation of a corrected Service from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Service for conformity and that the identified deficiencies have been corrected.

**2.087 Process for Approval of Physical Deliverables**

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State’s election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the

described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor’s correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

**2.088 Final Acceptance**

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. Upon acceptance of a Service, the State will pay for all Services provided during the State Review Period that conformed to the acceptance criteria.

2.090 Financial

**2.091 Pricing**

(a) **Fixed Prices for Services/Deliverables**

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services shall be provided at the Amendment Labor Rates (**Article 1, Attachment A and Attachment C**). The State 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.

(b) **Adjustments for Reductions in Scope of Services/Deliverables**

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor’s charges under such Statement of Work commensurate with the reduction in scope, using the rates in **Article 1, Attachment** unless specifically identified in an applicable Statement of Work.

(c) **Services/Deliverables Covered**

For all Services/Deliverables to be provided by Contractor (and its Subcontractors, if any) under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.

(d) **Labor Rates**

All time and material charges will be at the rates specified in **Article 1, Attachment C**.

**2.092 Invoicing and Payment Procedures and Terms**

(a) Invoicing and Payment – In General

(i) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State’s accounting and charge-back requirements. The charges for Services billed on a time and materials basis shall be determined based on the actual number of hours of Services performed, at the applicable Labor Rates specified in **Article 1, Attachment A**



**and Attachment C.** Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 2.094**.

- (iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.
- (b) **Taxes** (See Section 2.305 and Article 3, Section 3.022-3.024 for additional)  
The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Contractor, if requested.
- (c) **Out-of-Pocket Expenses**  
**Contractor acknowledges that the out-of-pocket expenses that Contractor expects to incur in performing the Services/ providing the Deliverables (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in Contractor's fixed price for each Statement of Work.** Accordingly, Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates. See [http://www.mi.gov/dmb/0,1607,7-150-9141\\_13132---,00.html](http://www.mi.gov/dmb/0,1607,7-150-9141_13132---,00.html) for current rates.
- (d) **Pro-ration**  
To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.
- (e) **Antitrust Assignment**  
The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.
- (f) **Final Payment**  
The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

### 2.093 State Funding Obligation

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

### 2.094 Holdback

Reserved

### 2.095 Electronic Payment Availability



Electronic transfer of funds is available to State contractors. Contractor is required to register with the State electronically at <http://www.cpexpress.state.mi.us>. Public Act 533 of 2004 requires all payments be transitioned over to EFT by October, 2005.

### 2.100 Contract Management

#### **2.101 Contract Management Responsibility**

- (a) Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with **Article 1, Attachment E** (Project Plan) is likely to delay the timely achievement of any Contract tasks.
- (b) The Services/Deliverables will be provided by the Contractor either directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

#### **2.102 Problem and Contract Management Procedures**

Problem Management and Contract Management procedures will be governed by the Contract and the applicable Statements of Work.

#### **2.103 Reports and Meetings**

##### (a) **Reports.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of periodic reports to be issued by Contractor to the State. Such reports may include:

- (i) Separately address Contractor's performance in each area of the Services;
- (ii) For each area of the Services, assess the degree to which Contractor has attained or failed to attain the pertinent objectives in that area, including on-time completion and delivery of Deliverables;
- (iii) Explain the reasons for any failure to achieve on-time completion and delivery of Deliverables and include a plan for corrective action where appropriate;
- (iv) Describe any circumstances that Contractor anticipates will impair or prevent on-time completion and delivery of Deliverables in upcoming reporting periods;
- (v) Include plans for corrective action or risk mitigation where appropriate and describe the status of ongoing problem resolution efforts;
- (vi) Provide reports setting forth a comparison of actual hours spent by Contractor (including its augmented personnel and Subcontractors) in performing the Project versus hours budgeted by Contractor.
- (vii) Set forth a record of the material personnel changes that pertain to the Services and describe planned changes during the upcoming month that may affect the Services.
- (viii) Include such documentation and other information may be mutually agreed to verify compliance with, and meeting the objectives of, this Contract.
- (ix) Set forth an updated schedule that provides information on the status of upcoming Deliverables, expected dates of delivery (or redelivery) of such Deliverables and estimates on timing for completion of the Project.

##### (b) **Meetings.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Contractor. Contractor shall



prepare and circulate an agenda sufficiently in advance of each such meeting to give participants an opportunity to prepare for the meeting. Contractor shall incorporate into such agenda items that the State desires to discuss. At the State's request, Contractor shall prepare and circulate minutes promptly after a meeting.

#### **2.104 System Changes**

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the State. Any changes Contractor makes to State systems with the State's approval shall be done in accordance with applicable State procedures, including security, access and configuration management procedures.

#### **2.105 Reserved**

#### **2.106 Change Requests**

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before notice is given by the Contractor shall be conclusively considered to be in-scope Services/Deliverables, not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such services or providing such deliverables, the Contractor shall notify the State in writing that it considers the services or deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable. If the Contractor does so notify the State, then such a service or deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

- (a) Change Requests
  - (i) State Requests
    - If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").
  - (ii) Contractor Recommendations
    - Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.
  - (iii) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule



and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

- (iv) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice shall be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").
- (iv) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Office of Purchasing Operations.
- (vi) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Contractor fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Contractor, and Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Contractor commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Contractor must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.

## 2.107 Management Tools

Contractor will use an automated tool for planning, monitoring and tracking the Contract's progress. In addition, Contractor shall use automated project management tools as reasonably necessary to perform the Services, which tools shall include the capability to produce through the end of the Contract: (i) staffing tables with names of personnel assigned to Contract tasks, (ii) project plans showing tasks, subtasks, Deliverables and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) days, updated semi-monthly) and (iii) graphs showing critical events, dependencies and decision points during the course of the Contract. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard to the extent such information is described with reasonable detail in the Statements of Work and to the extent the related work is of sufficient project complexity and duration to warrant such reporting.

### 2.110 Records and Inspections

#### 2.111a Records and Inspections

##### (a) **Inspection of Work Performed.**

The State's authorized representatives shall at all reasonable times and with ten (10) days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and shall have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon ten (10) Days prior written notice and at all reasonable times, the State's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that such access will not reasonably



interfere or jeopardize the safety or operation of the systems or facilities. Contractor must provide all reasonable facilities and assistance for the State's representatives.

(b) **Examination of Records.**

Contractor agrees that the State, including its duly authorized representatives, until the expiration of seven (7) years following the creation of the material (collectively, the "Audit Period"), shall, upon twenty (20) days prior written notice, have access to and the right to examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the Contract and with applicable laws and rules, including the State's procurement rules, regulations and procedures, and actual performance of the Contract for the purpose of conducting an audit, examination, excerpt and/or transcription but the State shall not have access to any information deemed confidential to Contractor to the extent such access would require such confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.

(c) **Retention of Records.**

Contractor shall maintain at least until the end of the Audit Period all pertinent financial and accounting records (including time sheets and payroll records, and information pertaining to the Contract and to the Services, equipment, and commodities provided under the Contract) pertaining to the Contract in accordance with generally accepted accounting principles and other procedures specified in this Section. Financial and accounting records shall be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records must be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

(d) **Audit Resolution.**

If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor will respond to each audit report in writing within thirty (30) days from receipt of such report, unless a shorter response time is specified in such report. The Contractor and the State shall develop, agree upon and monitor an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in such audit report.

## 2.112 Errors

- (a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.
- (b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Contractor shall pay all of the reasonable costs of the audit.

### 2.120 State Responsibilities

## 2.121 State Performance Obligations

- (a) **Equipment and Other Resources.** To facilitate Contractor's performance of the Services/Deliverables, the State shall provide to Contractor such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.
- (b) **Facilities.** The State shall designate space as long as it is available and as provided in the Statement of Work, to house Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). Contractor shall



have reasonable access to, and unless agreed otherwise by the parties in writing shall observe and comply with all rules and regulations relating to, each of the State Facilities (including hours of operation) used by Contractor in the course of providing the Services. Contractor agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for Contractor's use, or to which Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

- (c) Return. Contractor shall be responsible for returning to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.
- (d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities as set forth in this Contract shall not be deemed to be grounds for termination by Contractor. However, Contractor will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the State's obligations under this Contract, provided Contractor provides the State with reasonable written notice of such nonperformance and Contractor uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the State's nonperformance of its responsibilities under this Contract materially increases the time required for Contractor's performance or Contractor's cost of performance, Contractor shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

### 2.130 Security

#### **2.131 Background Checks**

The Contractor shall authorize the investigation of its personnel proposed to have access to State facilities and systems on a case by case basis. The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--00.html>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

### 2.140 Reserved

### 2.150 Confidentiality

#### **2.151 Freedom of Information**

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

#### **2.152 Confidentiality**

Contractor and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor shall mean all non-public proprietary information of Contractor (other than Confidential Information



of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State shall mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State pursuant to applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State pursuant to its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. In the case of information of either Contractor or the State "Confidential Information" shall exclude any information (including this Contract) that is publicly available pursuant to the Michigan FOIA.

### **2.153 Protection of Confidential Information**

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (I) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

### **2.154 Exclusions**

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Contractor can demonstrate (I) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose such Confidential Information, provided that the receiving party (I) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of such disclosure as reasonably requested by the furnishing party.

### **2.155 No Implied Rights**

Nothing contained in this Section shall be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

### **2.156 Remedies**

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

### **2.157 Security Breach Notification**

In the event of a breach of this Section, Contractor shall take (I) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and



state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

#### **2.158 Survival**

The parties' respective obligations under this Section shall survive the termination or expiration of this Contract for any reason.

#### **2.159 Destruction of Confidential Information**

Promptly upon termination or cancellation of the Contract for any reason, Contractor shall certify to the State that Contractor has destroyed all State Confidential Information.

#### *2.160 Proprietary Rights*

#### **2.161 Reserved**

#### **2.162 Reserved**

#### **2.163 Rights in Data**

- (a) The State will be and remain the owner of all data made available by the State to Contractor or its agents, Subcontractors or representatives pursuant to the Contract. Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of Contractor, nor will any employee of Contractor other than those on a strictly need to know basis have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, Contractor shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Contractor shall comply at all times with all laws and regulations applicable to such personally identifiable information.
- (b) The State is and shall remain the owner of all State-specific data pursuant to the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

#### **2.164 Ownership of Materials**

State and Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

#### **2.165 Reserved**

#### **2.166 Reserved**

#### **2.167 General Skills**



Notwithstanding anything to the contrary in this Section, each party, its Subcontractors and their personnel shall be free to use and employ its and their general skills, know-how and expertise, and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing the Services, so long as it or they acquire and apply the foregoing without disclosure of any confidential or proprietary information of the other party.

### 2.170 Warranties And Representations

#### **2.171 Warranties and Representations**

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It 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 licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) 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 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.
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
- (f) It is qualified and registered to transact business in all locations where required.
- (g) 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.
- (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor shall not attempt to influence any State employee by the direct or indirect offer of anything of value.
- (i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or such Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.
- (j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.
- (k) 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 change in the business, properties, financial condition, or results of operations of Contractor.

- (m) 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.
- (n) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

**2.172 Reserved**

**2.173 Reserved**

**2.174 Reserved**

**2.175a DISCLAIMER**

THE FOREGOING EXPRESS WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**2.175b Standard Warranties**

RESERVED

**2.176 Consequences for Breach**

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, such breach may be considered as a default in the performance of a material obligation of this Contract.

**2.180 Insurance**

**2.181 Liability Insurance**

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

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

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

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

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

See [http://www.mi.gov/cis/0,1607,7-154-10555\\_22535---,00.html](http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html).

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

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

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

- 1. Commercial General Liability with the following minimum coverage:  
 \$2,000,000 General Aggregate Limit other than Products/Completed Operations  
 \$2,000,000 Products/Completed Operations Aggregate Limit  
 \$1,000,000 Personal & Advertising Injury Limit  
 \$1,000,000 Each Occurrence Limit  
 \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED(S) on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

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

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

- 3. Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the Contractor's



domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

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

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

- 4. Employers liability insurance with the following minimum limits:  
\$100,000 each accident  
\$100,000 each employee by disease  
\$500,000 aggregate disease
- 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).
- 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.
- 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.
- 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of such office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Contractor. Such policy shall cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State shall be endorsed on the policy as a loss payee as its interests appear.

(b) **Subcontractors**

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

(c) **Certificates of Insurance and Other Requirements**

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration



date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer’s attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

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

2.190 Indemnification

**2.191 Indemnification**

(a) **General Indemnification**

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys’ fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

(b) **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.

(c) **Employee Indemnification**

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, 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 benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, 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 provisions.

(d) **Patent/Copyright Infringement Indemnification**

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys’ fees 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 patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or 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 to the State's satisfaction 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.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

#### **2.192 Continuation of Indemnification Obligations**

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.

#### **2.193 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 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.

### 2.200 Limits of Liability and Excusable Failure

#### **2.201 Limits of Liability**

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000 (for low risk contracts – Select a higher amount for moderate to high risk contracts) which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

#### **2.202 Excusable Failure**

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; 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 to the extent that disaster recovery is included within Contractor's scope of work.

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 commercially reasonable efforts to recommence performance or observance whenever and to whatever extent



possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business 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/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

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/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and 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.

## 2.203 Disaster Recovery

### RESERVED

#### 2.210 Termination/Cancellation by the State

Except as otherwise specified below, the State may terminate 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:

#### 2.211 Termination for Cause

- (a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), 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 (such time period not to be less than thirty (30) days), 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 termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.
- (b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.
- (c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.



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

### **2.212 Termination for Convenience**

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be 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 Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

### **2.213 Non-Appropriation**

- (a) 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 Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff).
- (b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon thirty (30) days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.
- (c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

### **2.214 Criminal Conviction**

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including 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 Contractor's business integrity.

### **2.215 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, § 5, and Civil Service Rule 7-1. 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.

### **2.216 Rights and Obligations upon Termination**

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

### **2.217 Reservation of Rights**

Any termination of this 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.

### **2.218 Contractor Transition Responsibilities**

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, 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 this 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 **Six (6) months**. These efforts shall include, but are not limited to, the following:



- (a) 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 this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, 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 or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.
- (b) Information - The Contractor agrees to provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.
- (c) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This shall include any documentation being used by the Contractor to perform the Services under this 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. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.
- (d) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of this 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) at the rates specified by **Article 1, Attachment C**. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

### 2.219 State Transition Responsibilities

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:

- (a) Reconciling all accounts between the State and the Contractor;
- (b) Completing any pending post-project reviews.

### 2.220 Termination by Contractor

### 2.221 Termination by Contractor

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

### 2.230 Stop Work

### 2.231 Stop Work Orders



The State may, at any time, by written stop work order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to ninety (90) calendar days after the stop work order is delivered to 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 2.230**. Upon receipt of the stop work order, 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) terminate the work covered by the stop work order as provided in **Section 2.210**.

### **2.232 Cancellation or Expiration of Stop Work Order**

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. The parties shall agree upon 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 Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within thirty (30) calendar 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 Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.106**.

### **2.233 Allowance of Contractor Costs**

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.230**.

### 2.240 Reserved

### 2.250 Dispute Resolution

### **2.251 In General**

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work shall be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor shall submit a letter executed by Contractor's Contract Administrator or his designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.

### **2.252 Informal Dispute Resolution**

- (a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:
  - (l) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.



- (ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.
  - (iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.
  - (iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.
- (b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.
- (c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

### **2.253 Injunctive Relief**

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

### **2.254 Continued Performance**

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

### **2.260 Federal and State Contract Requirements**

#### **2.261 Nondiscrimination**

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

#### **2.262 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

#### **2.263 Workplace Safety and Discriminatory Harassment**

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.270 Litigation

**2.271 Disclosure of Litigation**

- (a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.
- (b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:
  - (i) the ability of Contractor (or a Subcontractor hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
  - (ii) whether Contractor (or a Subcontractor hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:
    - (A) Contractor and/or its Subcontractors hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and
    - (B) Contractor and/or its Subcontractors hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.
- (c) Contractor shall make the following notifications in writing:
  - (1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations
  - (2) Contractor shall also notify the Office of Purchasing Operations within thirty (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.
  - (3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.

Provision to the State of EDS' annual and quarterly reports, as filed with the Securities and Exchange Commission ("SEC") will satisfy the requirements of this Section.

**2.272 Governing Law**

The Contract shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

**2.273 Compliance with Laws**

Contractor shall comply with all applicable state, federal, and local laws and ordinances (“Applicable Laws”) in providing the Services/Deliverables.

**2.274 Jurisdiction**

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

*2.280 Environmental Provision*

**2.281 RESERVED**

*2.290 General*

**2.291 Amendments**

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

**2.292 Assignment**

- (a) Neither party shall have the right to assign the Contract, or to assign 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 other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State’s likelihood of receiving performance on the Contract or the State’s ability to recover damages.
- (b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

**2.293 Entire Contract; Order of Precedence**

- (a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.
- (b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections**



**2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

## **2.294 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 the Contract.

## **2.295 Relationship of the Parties (Independent Contractor Relationship)**

The relationship between the State and Contractor is that of client and independent Contractor. No agent, employee, or servant of 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. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

## **2.296 Notices**

- (a) Any notice given to a party under the Contract 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.

**State of Michigan  
Purchasing Operations  
Attention: Joann M. Klasko  
PO Box 30026  
530 West Allegan  
Lansing, Michigan 48909**

With copies to:  
Attention: Cindy Turben  
Constitution Hall, 1<sup>st</sup> Floor, North  
525 W Allegan St  
Lansing, Michigan 48909

Contractor(s):  
Gary LaRoy  
Electronic Data Systems  
930 West Holmes Road MS 1014  
Lansing, MI 48910

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

- (b) **Binding Commitments**  
Representatives of Contractor shall have the authority to make binding commitments on Contractor's behalf within the bounds set forth in such table. Contractor may change such representatives from time to time upon written notice.

## **2.297 Media Releases and Contract Distribution**

- (a) **Media Releases**  
Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party.



In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

(b) **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.

### **2.298 Reformation and 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.

### **2.299 Consents and Approvals**

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

### **2.300 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.

### **2.301 Survival**

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

### **2.302 Covenant of Good Faith**

Each party agrees that, in its dealings with the other party or in connection with the Contract, it shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties will not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

### **2.303 Permits**

Contractor shall obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

### **2.304 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.

### **2.305 Taxes**

Vendors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Vendor who has failed to pay any applicable State taxes. The State may refuse to accept Vendor's bid, if Vendor has any outstanding debt with the State. Prior to any award, the State will verify whether Vendor has any outstanding debt with the State.

**2.306 Prevailing Wage  
Reserved**

**2.307 Reserved**

**2.308 Future Bidding Preclusion**

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP, it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a leading edge on the competitive RFP.

*2.310 Reserved*

*2.320 Extended Purchasing*

**2.321 Reserved**

**2.322 Reserved**

*2.330 Federal Grant Requirements*

**2.331 Reserved**

## Attachment 1: Project Types

### Project Type Determination

For the Project Initiation and Business Design services, the Contractor will use the following guidelines in defining the project size and complexity for each of the three State-requested project types.

#### Project Type A -- Overview

This project type will include projects with an estimated number of development hours (as identified by the Call Questionnaire and completed work from earlier project phases) of 0 to 999 hours, development costs anticipated to be less than \$60,000, a project team of less than three people, and less than four months in duration.

Some projects that fall into this category may include stand-alone applications (with no link to other systems), well-known technologies, or technology that already exists within the organization.

#### Project Type B -- Overview

This project type will include projects with an estimated number of development hours (as identified by the Call Questionnaire and completed work from earlier project phases) of 1,000 to 3,999 hours, development costs anticipated to be from \$60,000 to \$199,999, a project team of three to six people, and four to eight months in duration.

Some projects that fall into this category may include enhancements or upgrades, require links to other systems or databases, require some data conversion because of new software versions, or may involve new technology.

#### Project Type C -- Overview

This project type will include projects with an estimated number of development hours (as identified by the Call Questionnaire and completed work from earlier project phases) of 4,000 to 15,000 hours, development costs anticipated to be between \$200,000 or greater, a project team of more than five people, and a time frame of between eight to twelve months in duration.

Some projects that fall into this category may include complex applications, projects that require new or multiple links to other applications, or projects that probably involve new technology and will require data conversion.

### Project Type Criteria

The following criteria will be used to assist in scoping and alignment of the project to the Project Types identified by the State to provide the most cost-effective solution to address the requirements. If exceptions develop at any time during the planning or execution of Project Initiation and Business Design services, the Contractor’s team will work with the State through the change control process to define and agree upon any impact to the scope, cost, and timing of services.

Work efforts for these services are related to the number of business processes defined in Requirements. For each, an expected number of use cases and supporting details are predicted as necessary to complete the required deliverables. Use cases have been categorized into one of three complexities based on these details.

If the following criteria are not met or exceeded for a project, the Contractor’s team will create a change notice to reclassify the Project Type or identify additional effort and costs associated with the delivery of the requirements prior to work beginning.

State-Identified Project Type	Number of Sessions Provided	Maximum Length of Session (in days)	Number of Participating Attendees Allowed in Session	Number of Impacted Business Processes
Type A	1	0-1	1-5	1
Type B	1	0-2	1-10	1-2
Type C	1	0-3	1-15	1-4

Elements that Define the Use Case Complexity



Use Case Complexity	Number of Data Inputs	Number of Validations/ Business Rules	Number of Data Outputs	Maximum Number of Screen Shots
Low	0-4	0-4	0-4	1
Medium	5-9	5-9	5-9	3
High	10-20	10-20	10-20	5

Uses Cases by Project Type

Number of Uses Cases for Complexity	Project Type A	Project Type B	Project Type C
Low Complexity	1	2	4
Medium Complexity	0	2	3
High Complexity	0	0	1

The Application Test Plan consists of the high-level elements and sequence to test for system and integration test phases. Data selection, setup, data-specific expected results, and variants are not included.

The User Acceptance Test (UAT) Plan consists of the high-level elements and sequence to execute UAT. Data selection, setup, data-specific expected results, and variants not included.

**All Project Types**

The Contractor’s team will work with the State through the change control process to define and agree upon any impact to the scope, cost, and timing of services that occurs during the planning or execution of Project Initiation and Business Design services.

Project Initiation and Business Design tasks and deliverables are required for all types of projects regardless of the size. The effort and duration estimates the Contractor provides may be closer across all project types than the differences in overall development effort among them. The Contractor will make every effort to minimize documentation required for smaller projects to reduce the State’s overall cost and may complete this work with a Change Notice, if required.

The Contractor’s team will provide on-going and consistent review and potential changes to processes, including those in support of the estimating process which have been in place for 5 years. At the beginning of this engagement, the Contractor’s team will review concerns of the existing estimating process with MDIT/MDOT for consideration in adapting the estimating templates and approach. Some of the criteria used will include historical data from MDOT/MDIT experience, the new program requirements, and the incorporation of business design functions to develop this new process. The updated templates and process to be utilized will be provided to MDOT/MDIT at the beginning of the contract award.



## **Attachment 2 – Systems Engineering Methodology**

The Systems Management Process (SEM) is the methodology used at MDOT when developing, maintaining, and modifying computer systems.

SEM begins with the annual Call for IT Projects and encompasses all phases from initiation through design, development, quality assurance, release, maintenance, and eventually system retirement.

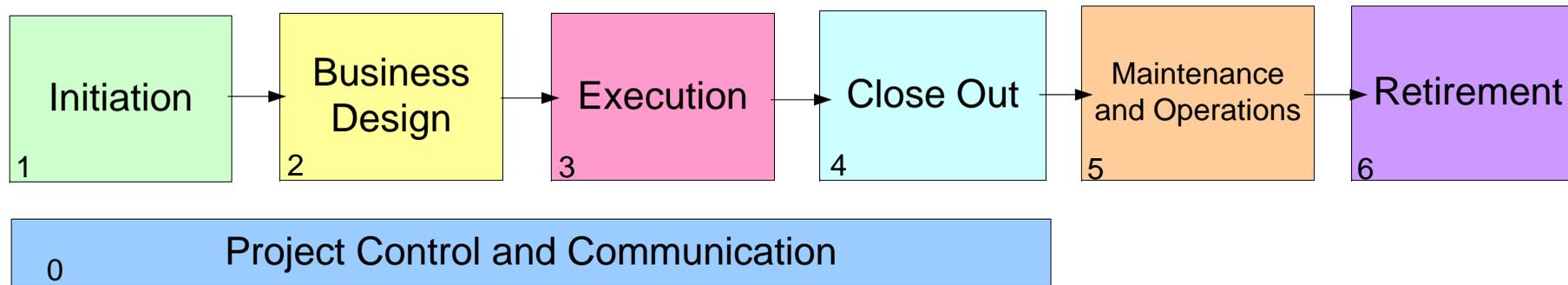
This attachment begins with a high level overview diagram of SEM on the following page. Beyond that, a diagram is provided for each phase of SMP. Individual steps are outlined in tables that follow each phase diagram.

This attachment is intended only to provide vendors with information about the IT development and maintenance processes at MDOT.

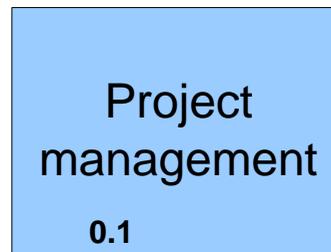
SMP is still in draft form. Not all tasks are represented; the material that is provided is subject to change.

Note: Each SEM task has associated participants and identifies the role responsible for completion of the work. In this document, the roles that are included in this contract are highlighted.

# MDOT IT Project Management System Management Process High Level Overview



# MDOT IT Project Management System Management Process Project Control and Communication Overview

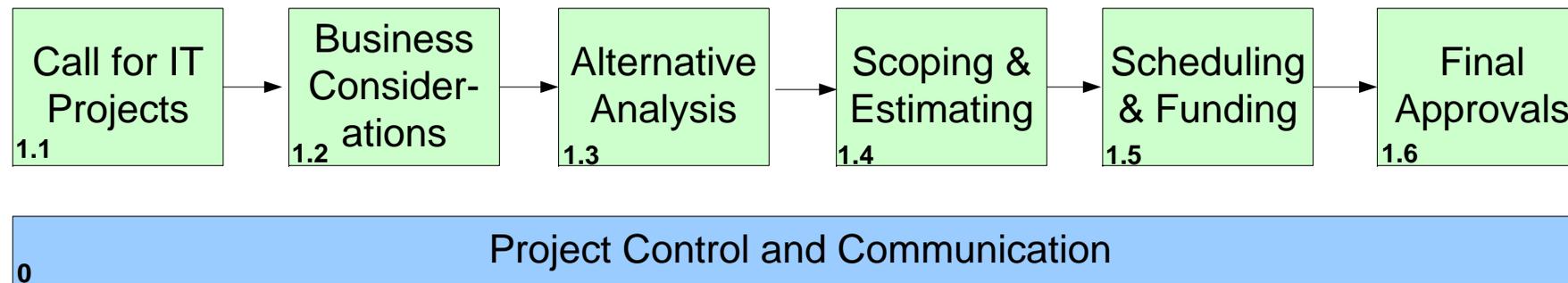




**0. Project Control and Communication Phase**  
**0.1 Project Management**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
0.1.1	Establish/revise project team <ul style="list-style-type: none"> <li>▪ Complete RE:START process if necessary</li> <li>▪ Complete Mi Project process if necessary</li> </ul>		Project manager	
0.1.2	Create and maintain project schedule	WBS	Project manager	
0.1.3	Ensure that team members perform appropriate project duties	Roles and responsibilities document Project manager checklist	Project manager	Project team members
0.1.4	Perform status reporting	Project status report	Project manager	
0.1.5	Track issues as necessary	Issue tracking report	Project manager	
0.1.6	Create and maintain project communication plan		Project manager	
0.1.7	Track and document project risks		Project manager	
0.1.8	Submit project change requests as necessary	Project change request form	Project manager	
0.1.9	Submit program change requests as necessary	Program change request form	Project manager	
0.1.10	Revise staffing plan (Created in step 1.4.4)	Staffing plan	Project manager	Application designer
0.1.11	Revise training plan (Created in step 1.4.5)	Training plan	Project manager	
0.1.12	Document and communicate lessons learned		Project manager	Business owner Team members Business area representatives QA lead CM lead

# MDOT IT Project Management System Management Process Initiation Overview





**1. Initiation**  
**1.2 Business Considerations**

<b>Task #</b>	<b>Task</b>	<b>Deliverables and Supporting Documentation</b>	<b>Responsibility *</b>	<b>Participants</b>
1.2.1	Create project charter	Project charter	Project manager	Automation manager Business owner Sponsor
1.2.2	Determine session participants		Business owner	Project manager Automation manager
1.2.3	Schedule sessions		Business owner	Project manager
1.2.4	Attend pre-session meeting	Pre-meeting agenda  Business Owner Responsibilities checklist	Project manager	Business owner PMO manager Sponsor Facilitator
1.2.5	Attend business considerations gathering session	Business considerations session agenda	Business owner	Project manager PMO manager Sponsor Facilitator Business analyst Business area representatives
1.2.6	Create business considerations document	Business considerations document	Business analyst	Project manager Facilitator
1.2.7	Attend document review session	Considerations review session agenda	Business owner	Project manager PMO manager Facilitator Business analyst Business area representatives
1.2.8	Prioritize identified considerations	Business considerations document – Appendix A	Business owner	Project manager PMO manager Facilitator Business analyst Business area representatives
1.2.9	Update business considerations document		Business analyst	
1.2.10	Approve business considerations document	Deliverable acceptance form	Business owner	Project manager
1.2.11	Post business requirement document on PMO web site		PMO technical writer	Project manager

1.

**Initiation Phase**  
**1.3 Alternatives Analysis**

<b>Task #</b>	<b>Task</b>	<b>Deliverables and Supporting Documentation</b>	<b>Responsibility *</b>	<b>Participants</b>
1.3.1	Determine alternatives using ranked requirements	Alternatives Analysis Checklist  Criteria Rating Table	Business analyst	Business owner Project manager
1.3.2	Evaluate alternatives	Project Alternatives Evaluation  Product Evaluation Questions	Business analyst	Business owner Project manager
1.3.3	Schedule Spotlight Program		Business analyst	Business owner Project manager Vendors
1.3.4	Document alternatives	Alternatives Solution Description	Business analyst	
1.3.5	Submit recommendation to business owner(s)		Business analyst	Project manager Business owner
1.3.6	Select alternatives		Business owner	Project manager
1.3.7	Complete and submit standards checklist for selected alternatives	Standards Checklist	Business analyst	Business owner Project manager
1.3.8	Submit selected alternatives for scoping and estimating		Business owner	Business analyst Project manager



**1. Initiation**  
**1.4 Scoping and Estimating**

Task #	Task	Deliverable and Supporting Documentation	Responsibility *	Participants
<b>Scoping</b>				
1.4.1	Produce scope document	Project scope document	Business analyst	Project manager
1.4.2	Approve scope document	Deliverable acceptance form	Business owner	Project manager
<b>Estimating</b>				
1.4.3	Post approved project scope document on PMO web site		Technical writer	Project manager
1.4.4	Create preliminary staffing plan	Staffing plan	Business analyst	Project manager
1.4.5	Create preliminary training plan	Training plan	Business analyst	Project manager
1.4.6	Create preliminary project cost estimate	Cost estimate	Business analyst	Project manager
1.4.7	Create preliminary communication plan	Communication plan	Business analyst	Project manager
1.4.8	Create preliminary risk plan	Risk plan	Business analyst	Project manager
1.4.9	Create preliminary work breakdown structure (WBS)	WBS	Business analyst	Project manager Facilitator
1.4.10	Create preliminary project schedule	Schedule	Business analyst	Project manager
1.4.11	Create preliminary business use case documents	Use case documents	Business analyst	Project manager Facilitator
1.4.12	Create project transition document	Transition document	Business analyst	Project manager
1.4.13	Create preliminary production transition plan	Transition plan	Business analyst	Project manager
1.4.14	Create preliminary production staffing plan	Staffing plan	Business analyst	Project manager
1.4.15	Create preliminary retirement plan for existing systems	System retirement plan	Business analyst	Project manager
1.4.16	Participate in meeting to review scoping and estimating documents	Sign off document	Project manager	OES Information Security Officer-MDOT MDIT/MDOT managers
1.4.17	Approve project estimate	Deliverable acceptance form	Business owner	Project manager
1.4.18	Post estimate documents on PMO web site		Technical writer	Project manager

**1. Initiation Phase**  
**1.5 Scheduling and Funding**

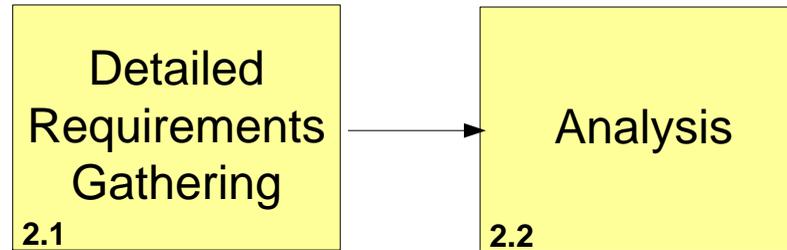
Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
1.5.1	Determine resource type (contract vehicle or DIT FTE)		Project manager	MDIT managers DIT procurement Automation manager
1.5.2	Determine resource availability		Project manager	MDIT Business owner DIT procurement Automation manager
1.5.3	Identify funding source		Business owner	Automation manager <b>Project manager</b> Sponsor



**1. Initiation Phase**  
**1.6 Project Approvals**

<b>Task #</b>	<b>Task Description</b>	<b>Deliverable/Supporting Documentation</b>	<b>Responsibility</b>	<b>Participants</b>
1.6.1	Create Executive Review document	Executive Review document	Business owner	Project manager Automation manager Sponsor
1.6.2	Submit Executive Review document to ITOT		Project manager	Business owner
1.6.3	Present project at ITOT meeting	Executive Review Outline	Business owner	Project manager
1.6.4	Approve project		ITOT	
1.6.5	Submit Executive Review document to Executive Review Committee		Project manager	Business owner
1.6.6	Present project at Executive Review Committee meeting	Executive Review Outline	Business owner	Project manager
1.6.7	Approve project		Executive Review Committee	
1.6.8	Identify funding source(s)	Signed project charter		

# MDOT IT Project Management System Management Process Business Design Overview



0 Project Control and Communication



**2. Business Design Phase**  
**2.1 Detailed Requirements Gathering**

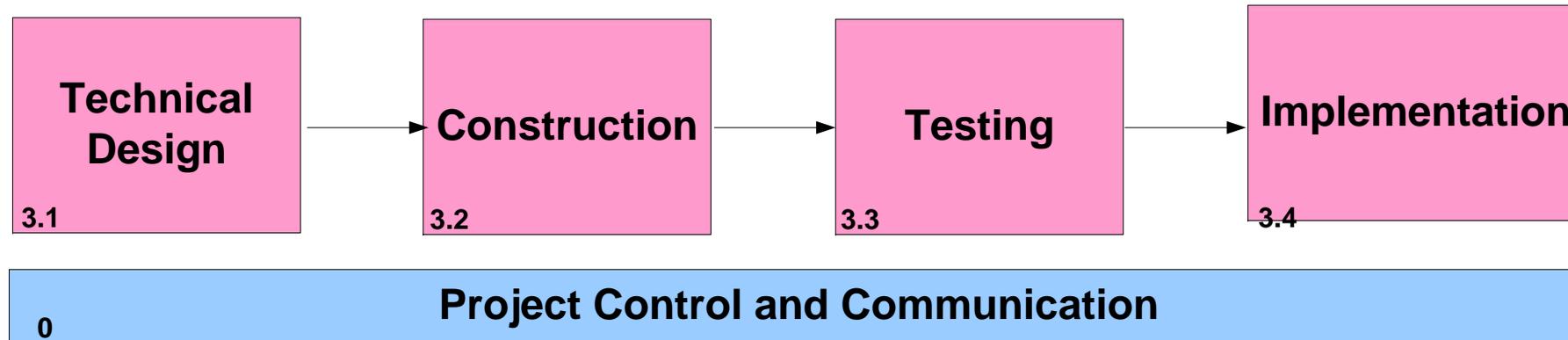
Task #	Task	Deliverable/Supporting Documentation	Responsibility *	Participants
2.1.1	Attend pre-session meeting	Requirements pre-meeting agenda	Project manager	Business owner Business analyst Facilitator Project sponsor
2.1.2	Determine session participants		Business owner	Project manager
2.1.3	Schedule sessions		Business owner	Project manager
2.1.4	Attend business design requirements gathering session	Business design requirement session agenda	Project manager	Business owner Business area representatives Business analyst Facilitator
2.1.5	Create detailed business design requirements document	Detailed business design requirements document	Business analyst	Project manager Facilitator
2.1.6	Attend initial business design requirements document review session		Project manager	Business owner Business area representatives Business analyst Facilitator
<b>Repeat the following two steps as needed to complete the business design requirements document</b>				
2.1.7	Complete analysis of session-gathered information and create business use cases	Business use cases, to include assumptions and constraints	Business analyst	Project manager
2.1.8	Review business design requirements document		Project manager	Business owner Business area representatives Business analyst Facilitator
<b>Repeat the preceding two steps as needed to complete the business design requirements document</b>				
2.1.9	Create requirements package, to include: <ul style="list-style-type: none"> <li>▪ Detailed business design requirements document</li> <li>▪ Technical assumptions and constraints</li> <li>▪ Business use cases</li> <li>▪ Security requirements</li> <li>▪ ADA/usability requirements</li> <li>▪ Preliminary requirements traceability matrix</li> </ul>	Business design requirements package	Business analyst	Project manager
2.1.10	Review and approve requirements package	QA standards checklist and sign-off	QA lead	Business analyst
2.1.11	Approve business design requirements package	Deliverable acceptance form	Business owner	Project manager



**2. Business Design Phase**  
**2.2 Analysis**

Task #	Task	Deliverable/Supporting Documentation	Responsibility *	Participants
2.2.1	Create preliminary configuration management plan	Configuration management plan	CM lead	Project manager Business analyst
2.2.2	Create preliminary quality assurance plan	Quality assurance plan	QA lead	Project manager Business analyst
2.2.3	Create preliminary application test plan	Application test plan	QA lead	Business analyst Business owner
2.2.4	Create preliminary data conversion plan	Data conversion plan	Business analyst	Business owner Data administrator
2.2.5	Create preliminary user acceptance test plan	User acceptance test plan	QA lead	Business analyst Business owner
2.2.6	Revise business use case documents (Created in step 1.4.11)	Business use case documents	Business analyst	Project manager Facilitator
2.2.7	Create logical data model	Logical data model	Business analyst	Data administrator
2.2.8	Create mock-up screens for use during low-fidelity usability testing	Screen mock-ups	Business analyst	Business owner Business area representatives Application designer
2.2.9	Participate as an observer in low-fidelity usability testing		Business analyst	Business owner Business area representatives Application designer
2.2.10	Update business requirements package (Created in step 1.2.6)	Business requirements package	Business analyst	
2.2.11	Finalize project scope statement (Created in step 1.4.1)	Project scope statement	Project manager	Business analyst Business owner
2.2.12	Refine project cost estimate - technical design through close-out (Created in step 1.4.6)	Project cost estimate	Application designer	Business analyst Project manager
2.2.13	Revise WBS (Created in step 1.4.9)	WBS	Project manager	Business analyst Application designer
2.2.14	Revise project schedule (Created in step 1.4.12)	Project schedule	Project manager	Business analyst Application designer
2.2.15	Revise production transition plan (Created in step 1.4.15)	Production transition plan	Project manager	Maintenance and operations lead
2.2.16	Revise production staffing plan (Created in step 1.4.16)	Production staffing plan	Project manager	Maintenance and operations lead
2.2.17	Revise retirement plan for existing system(s) (Created 1.4.17)	System retirement plan	Project manager	Maintenance and operations lead
2.2.18	Approve the following project components: <ul style="list-style-type: none"> <li>▪ Schedule</li> <li>▪ WBS</li> <li>▪ Estimate</li> </ul>	Deliverable acceptance – signed	Business owner	Project manager Sponsor
2.2.19	Complete QA review of business design package	QA standards checklist/sign-off	QA lead	
2.2.20	Review business design package, which includes: <ul style="list-style-type: none"> <li>▪ Scope statement</li> <li>▪ Business use cases</li> <li>▪ Logical data model</li> <li>▪ Screen mock-ups</li> </ul>	Deliverable acceptance form – signed	Business owner	Business analyst Sponsor Application designer Project manager Data administrator
2.2.21	Update ITOT		Business owner	Sponsor ITOT Project manager
2.2.22	Create functional baseline		CM lead	Business analyst

# MDOT IT Project Management System Management Process Execution Overview





**3. Execution Phase**  
**3.1 Technical Design**  
**3.1.1 Technical Design Preparation**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.1.1.1	Determine Execution Phase Kick-off meeting participants		Project Manager	Business Owner Project Sponsor
3.1.1.2	Schedule Execution Phase Kick-off meeting		Project Manager	Business Owner
3.1.1.3	Attend Execution Phase Kick-off meeting	Kick-off Meeting Agenda	Project Manager	Business Owner Project Sponsor Development team
3.1.1.4	Create Work Product Review Process for Technical Design through Implementation for the project.	Work Product Review Process	Application designer	Project manager
	Create Review Checklist to be used in all reviews	Review Checklist	Application Designer	Project Manager
3.1.1.5	Identify and incorporate Work Product naming conventions based on MDOT/MDIT Standards for identified technologies.	Project Development Standards Document	Application designer	
3.1.1.6	Review Detail Business Requirements and Designs created during business design phase  <i>(document created in Detailed Requirements Gathering)</i>	Business Design Document and Detailed Requirements	Developer(s)	

**3. Execution Phase**  
**3.1 Technical Design**  
**3.1.2 Detail Requirements Validation**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.1.2.1	Attend Detail Business Requirements / Designs validation pre-session meeting	Agenda	Project manager	Application designer, Business owner, Business analyst
3.1.2.2	Determine participants for validation sessions		Project manager	Application designer, Business owner
<b>Repeat the following steps as needed to complete the validation of business requirements documentation</b>				
3.1.2.3	Schedule and attend Detail Business Requirements / Designs validation sessions	Agenda	Project manager	Application designer, Business SME, Business analyst, Database developer Developer
3.1.2.4	Validate Detail Business Requirements / Designs Package <i>(document created in 2.1 Detailed Requirements Gathering)</i>	Business Design Document and Detailed Requirements	Developer	Application designer, Business SME, Business analyst
3.1.2.5	Update Logical Data Model Design <i>(model created/updated in 2.2 Analysis)</i>	Logical Data Model	Database developer	
3.1.2.6	Update Detail Business Requirements / Designs Package	Business Design Document and Detailed Requirements	Business analyst	
<b>Repeat the previous steps as needed to complete the validation of business requirements documentation</b>				



**3. Execution Phase**  
**3.1 Technical Design**  
**3.1.3 Create/Update Technical Specifications**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.1.3.1	Create Project Architecture Design	Architecture design	Application designer	
3.1.3.2	Identify/verify tools to support the Architecture environment		Technical lead	Application designer
3.1.3.3	Identify/verify tools to support the Development environment – to include Source Code Management Tool(s)  <i>(Created/updated in step 2.2 Analysis)</i>	Configuration management plan	Technical lead	Configuration manager, Application designer
3.1.3.4	Attend architecture review session	Architecture design	Application designer	Enterprise System architect, Enterprise Configuration manager, Web site administrator
3.1.3.5	Finalize Architecture Design	Architecture design	Application designer	
3.1.3.6	Review and Approve the Architecture Design		Application designer	Enterprise System architect Enterprise Network manager
3.1.3.7	Review and Approve Logical Data Model Design <i>(model created/updated in 2.2 Analysis)</i>	Logical Data Model	Database developer	Enterprise Database administrator, Business SME
3.1.3.8	Create Physical Data Model Design	Physical Data Model	Database developer	Enterprise Database administrator
<b>Repeat the following steps as needed to complete technical designs for all modules</b>				
3.1.3.9	Create Technical Design Package		Developer	
3.1.3.10	Create/update Prototype Visual modules (screens, reports, web pages, etc) for user to validate approach. Create context diagram for Non-Visual modules – integration perspective.		Developer	Business SME, Application designer
3.1.3.11	Create Visual Design for screens, forms, reports, or Web pages	Technical Visual Design Specifications	Developer	
3.1.3.12	Create Non-Visual Design for interfaces, file layout, object, interface, data migration, etc...	Technical Non-Visual Design Specifications	Developer	
3.1.3.13	Identify/update Data Migration Requirements	Data Migration Plan	Developer	Database developer
3.1.3.14	Update Requirements Traceability Matrix (created in 2.1 Detailed Requirements Gathering)	Traceability Matrix	Developer	Application designer
3.1.3.15	Validate/update Physical Data Model Design	Physical Data Model	Database developer	
3.1.3.16	Create Test Cases for Unit testing	Unit Test Plan	Developer	Testing manager
3.1.3.17	Create Test Cases for Integration testing	Integration Test Plan	Developer	Testing manager



Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.1.3.18	Create Test cases for System testing	System Test Plan	Developer	Testing manager
3.1.3.19	Create Test Cases and Use Case Scenarios for User Acceptance Testing	User Acceptance Plan	Developer	Testing manager, Enterprise testing manager, Business SME
3.1.3.20	Refine remaining effort for the development of module(s).		Developer	Application designer Project manager
3.1.3.21	Update Procurement Plan <i>(Created in 1.5 Scheduling and Funding)</i>	Procurement Plan	Project manager	Application designer, Business owner
3.1.3.22	Update Transition Plan <i>(Created in 1.4 Scoping and Estimating)</i>	Transition Plan	Developer	
3.1.3.23	Obtain initial usability testing for Visual design(s)		Testing manager	Enterprise testing manager, Business SME
3.1.3.24	Review technical design package	Technical Design checklist/sign-off	Developer	Application designer, Application systems support, Enterprise Database administrator
<b>Repeat the previous steps as needed to complete technical designs for all modules</b>				
	Meet with Testing Manager to Plan Usability Testing		Project Manager	Testing Manager
	Determine Testers and Observer for Usability Testing		Project Manager	Business Owner
	Schedule Usability Testing		Testing Manager	Project Manager Business Owner
	Provide Application modules to Testing Manager	Screen mock-ups, HTML screens, Use Cases	Project Manager	Testing Manager
	Conduct Usability Testing		Testing Manager	Project Manager Business Owner



**3. Execution Phase**  
**3.1 Technical Design**  
**3.1.4 Finalize Plans and Obtain Approvals**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.1.4.1	Finalize Procurement Plan	Procurement Plan	Technical lead	Project manager
3.1.4.2	Review and approve Procurement Plan		Technical lead	Enterprise System architect, Enterprise Configuration manager, Web site administrator, Business owner, DIT Procurement, Project manager
3.1.4.3	Finalize Security Plan	Security Plan	Enterprise Security administrator	Application designer
3.1.4.4	Review and approve Security Plan		Enterprise Security administrator	Application systems support, Business owner, Enterprise System architect, Web site administrator
3.1.4.5	Finalize Data Migration Plan	Data Migration Plan	Developer	
3.1.4.6	Review and approve Data Migration Plan		Developer	Application designer, Database developer, Enterprise Database administrator, Business owner
3.1.4.7	Review and update User Acceptance Testing	User Acceptance Plan	Application designer	Business SME(s), Enterprise testing manager, Business owner
3.1.4.8	Review Requirements Traceability Matrix <i>(Created/updated in step 2.1 Detailed Requirements Gathering)</i>	Traceability Matrix	Application designer	Business owner, Project manager
3.1.4.9	Review and update Transition Plan <i>(Created in 1.4 Scoping and Estimating)</i>	Transition Plan	Application designer	Application Systems support Application Systems administrator
3.1.4.10	Establish code repository and make appropriate updates to the Configuration Plan <i>(Created in 2.2 Analysis)</i>	Configuration Management Plan	Configuration manager	Enterprise Configuration manager
3.1.4.11	Create allocated baseline (CM Baseline)	CM Baseline Verification	Configuration manager	Developer
3.1.4.12	Refine project cost estimate – produce through close-out. <i>(Created in 1.4 Scoping and Estimating)</i>	Project cost estimate	Project manager	Application designer
3.1.4.13	Review/update Risk Plan	Risk plan	Project manager	Application designer



Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
	<i>(Created in 1.4 Scoping and Estimating)</i>			Business owner
3.1.4.14	Update Project Schedule (Hours and Tasks)	Project Schedule	Project manager	
3.1.4.15	Review/update Staffing Plan <i>(Created in 1.4 Scoping and Estimating)</i>	Staffing plan	Project manager	Application designer
3.1.4.16	Approve updated Project Schedule <i>(Created in 1.4 Scoping and Estimating)</i>	Project Schedule	Project manager	Business owner, Application designer
3.1.4.17	Post revised documents on PMO Web site		Technical writer	Project manager

**3. Execution Phase**  
**3.2 Construction**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.2.1	Review/Update Work Product Review Process and Checklist for Construction	Work Product Review Process Review Checklists	Lead developer	
3.2.2	Identify and incorporate Work Product coding conventions based on Agency standards	Project coding conventions	Lead developer	
3.2.3	Establish/update development server(s)	Architecture design Security Plan	System architect Software architect	Application designer
3.2.4	Establish/update development database(s)	Physical Data Model Security Plan	Agency Data administrator	Project Data administrator
3.2.5	Identify and load code type tables in development database	Physical Data Model Data Migration Plan	Project Data administrator	
3.2.6	Convert and load data into development database from legacy system	Data Conversion Plan	Project Data administrator	
3.2.7	Create Preliminary Release Plan	Release Plan	Lead developer	
3.2.8	Create OES Security Assessment form and send to OES Liaison.	OES Assessment form	Lead developer	QA lead, OES liaison
<b>Repeat the following steps as needed to complete Construction for all modules</b>				
3.2.9	Review Technical Design for module	Technical Visual Design Specifications and/or Technical Non-Visual Design Specifications	Developer	
3.2.10	Identify and build/update objects using the appropriate platform and development tool(s)	Architecture design	Developer	
3.2.11	Update Unit test cases for each object	Unit Test Plan	Developer	
3.2.12	Update Integration test cases	Integration Test Plan	Developer	
3.2.13	Update User Acceptance test cases	User Acceptance Plan	Developer	
3.2.14	Execute Unit test cases for each object	Unit Test Plan	Developer	
3.2.15	Place new/updated objects into Configuration Management Tool	Configuration Management Plan	Developer	
3.2.16	Update Requirements Traceability Matrix for each object	Requirements Traceability Matrix	Developer	
3.2.17	Update Transition Plan	Transition Plan	Developer	
3.2.18	Update Release Plan for each object	Release Plan	Developer	



Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.2.19	Create/update documentation within User guide	User Guide	Developer	
3.2.20	Review created/updated object(s)	Work Product Review Process	Developer	QA lead, Lead developer Project Data administrator
<b>Repeat the above steps as needed to complete Construction for all modules</b>				
3.2.21	Review Integration Test Cases	Work Product Review Process Integration Test Plan	Lead developer	
3.2.22	Update Release Plan for migration of environments	Release Plan	CM lead	Lead developer
3.2.23	Establish resources for User Acceptance Testing	Release Plan User Acceptance Plan	Business owner	Project manager, Lead developer
3.2.24	Reset development environment to facilitate the execution of Release Plan	Release Plan	Project Data administrator, CM lead	
3.2.25	Execute Release Plan in development for Integration Testing	Release Plan	Project Data administrator, CM lead	
3.2.26	Meet with Testing Manager to Plan Usability Testing		Project Manager	Testing Manager
3.2.27	Determine Testers and Observers for Usability Testing		Project Manager	Business Owner
3.2.28	Schedule Usability Testing		Testing Manager	Project Manager Business Owner
3.2.29	Make Application available to Testing Manager		Lead Developer	Testing Manager
3.2.30	Conduct Usability Testing		Testing Manager	Project Manager Business Owner



**3. Execution Phase**  
**3.3 Testing**  
**3.3.1 Integration Testing**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.3.1.1	Review/Update Work Product Review Process and Checklist for Testing	Work Product Review Process Review Checklists	Lead developer	
3.3.1.2	Establish Problem Log tracking tool for Integration Testing		Lead developer	
3.3.1.3	Create/update user documentation	User Guide	Technical writer	Lead developer, Business owner
3.3.1.4	Assign Integration Test areas to team members	Integration Test Plan	Lead developer	Developers
3.3.1.5	Create User's Manual	User's Manual	Tech Writer	Lead Developer
3.3.1.6	Create Training Manual	Training Manual	Tech Writer	Lead Developer
<b>Repeat the following steps as needed to complete Integration Testing (Can include Load and System Testing)</b>				
3.3.1.7	Execute Integration Test Cases	Integration Test Plan	Developer	
3.3.1.8	Document any Problem Log entries into tracking tool		Developer	
3.3.1.9	Assign New Problem Log for resolution		Lead developer	
3.3.1.10	Identify and resolve Problem Log cause.		Developer	
3.3.1.11	Make appropriate modifications to modules and execute the appropriate Unit Test cases	Unit Test Plan	Developer	
3.3.1.12	Update Problem Log with resolution		Developer	
3.3.1.13	Review created/updated object(s)	Work Product Review Process	Developer	
3.3.1.14	Notify tester of modifications being implemented			
<b>Repeat the above steps as needed to complete Integration Testing (Can include Load and System Testing)</b>				
3.3.1.15	Execute Release Plan in QA environment	Release Plan	Agency Data administrator, CM lead	Project Data administrator
<b>Repeat the following steps as needed to complete Regression Testing</b>				
3.3.1.16	Execute Regression Test Cases	Regression Test Plan	Developer	
3.3.1.17	Document any Problem Log entries into tracking tool		Developer	
3.3.1.18	Assign New Problem Log for resolution		Lead developer	
3.3.1.19	Identify and resolve Problem Log cause.		Developer	
3.3.1.20	Make appropriate modifications to modules in Development and execute the appropriate Unit Test cases	Unit Test Plan	Developer	
3.3.1.21	Update Problem Log with resolution		Developer	
3.3.1.22	Review created/updated object(s)	Work Product Review Process	Developer	
3.3.1.23	Migrate updated module(s) to QA environment	Release Plan	Project Data administrator, CM lead	
<b>Repeat above steps as needed to complete Regression Testing</b>				
3.3.1.24	Obtain Standards review for Web solutions		E-MI liaison	QA lead, Lead developer
3.3.1.25	Review user documentation	Work Product Review Process	Technical writer	Lead developer, Business owner
3.3.1.26	Reset QA environment to facilitate the execution of	Release Plan	Agency Data	Project Data



Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
	Release Plan		administrator	administrator, CM lead
3.3.1.27	Execute Release Plan in QA environment in preparation for User Acceptance testing	Release Plan	Agency Data administrator, CM lead	Project Data administrator

**3. Execution Phase**  
**3.3 Testing**  
**3.3.2 User Acceptance Testing**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.3.2.1	Assign User Acceptance Scenarios to testers	User Acceptance Plan	Lead developer	Business representative
3.3.2.2	Review user documentation	User Guide	Business representative(s)	Business owner, Lead developer, QA lead
<b>Repeat the following steps as needed to complete User Acceptance Testing</b>				
3.3.2.3	Execute User Acceptance Scenarios		Business representative	Lead developer, QA lead
3.3.2.4	Document any Problem Log entries into tracking tool		Business representative	QA lead, Lead developer
3.3.2.5	Assign New Problem Log for resolution		Lead developer	
3.3.2.6	Identify and resolve Problem Log cause.		Developer	
3.3.2.7	Make appropriate modifications to modules in Development and execute the appropriate Unit Test cases	Unit Test Plan	Developer	
3.3.2.8	Update Problem Log with resolution		Developer	QA lead, Lead developer
3.3.2.9	Review created/updated object(s)	Work Product Review Process	Developer	
3.3.2.10	Migrate updated module(s) to QA environment	Release Plan	Project Data administrator, CM lead	
<b>Repeat the above steps as needed to complete User Acceptance Testing</b>				
3.3.2.11	Obtain approval to implement release		Business owner	QA lead, Lead developer, CM lead, Project manager
3.3.2.12	Finalize Release Plan	Release Plan	Lead Developer	QA Lead
3.3.2.13	Finalize User Guide	User Guide	Tech Writer	Lead Developer
3.3.2.14	Finalize Transition Plan	Transition Plan	Lead Developer	

**3. Execution Phase**  
**3.4 Implementation**

Task #	Task Description	Deliverable/Supporting Documentation	Responsibility *	Participants
3.4.1	Obtain final security assessment	Security assessment document Sign off form	OES liaison	QA team
3.4.2	Create system documentation	System documentation	Technical Writer	Developer
3.4.3	Pre-implementation meeting	Agenda	Project manager	QA lead, CM lead, DBA lead
3.4.4	Create production baseline		CM lead	Developer
3.4.5	Promote code to production environment		Configuration management team	
3.4.6	Perform deployment testing		Developer	



# MDOT IT Project Management System Management Process Close Out Overview

Close Out  
4.1

Project Control and Communication

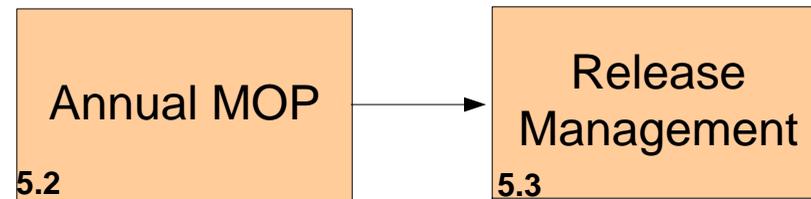


**4. Close Out Phase**  
**4.1 Close Out**

<b>Task #</b>	<b>Task Description</b>	<b>Deliverable/Supporting Documentation</b>	<b>Responsibility *</b>	<b>Participants</b>
4.1.1	Notify PMO that project is complete	E-mail notification message	Project manager	Business owner
4.1.2	Conduct post IT project review meeting	Agenda	Project manager	Business owner QA lead CM lead
4.1.3	Send e-mail to survey participants	Post IT project or phase review survey	DIT procurement liaison	Business owner Project manager Team members Business area representatives QA lead CM lead
4.1.4	Document project summary information	Post IT project or phase review summary	Project manager	Business owner
4.1.5	Tabulate survey results	E-mail message with tabulated survey results	DIT procurement liaison	
4.1.6	Update post IT project or phase review summary document with survey results	Updated post IT project or phase review summary document	Project manager	Business owner
4.1.7	Present project summary document	Final post IT project or phase review summary document	Business owner	Project manager Sponsor PMO manager ITOT ER Committee
4.1.8	Complete post IT project close out checklist	Post IT project close out checklist	Project manager	Business owner
4.1.9	Post final documents on PMO web site		Technical writer	Project manager

# System Management Process

## Maintenance and Operations Overview



Note: Tasks and deliverables for the Maintenance and

still being developed.

Operations Annual MOP phase and the Foundations phase are



**5. Maintenance and Operations Phase  
5.3 Release Management  
5.3.1 Requirements**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.1.1</b>	<b>Elicit Periodic Maintenance Requirements</b>			
	Get current maintenance requirements from Annual MOP	Maintenance requirements tracking tool	Technical Owner	Application Business Administrator
	Collect other urgent or high priority maintenance requirements not documented in the Annual MOP	Enterprise IT Plans	Technical Owner Business Analyst	DB Team Server Team Desktop Services CM Team
	Develop a priority matrix for the maintenance requirements	Requirements Priority matrix	Technical Owner Business Analyst	Application Business Administrator
	Create maintenance requirements documents for proposed version	Maintenance Requirements Document	Technical Owner Business Analyst	
<b>5.3.1.2</b>	<b>Develop Draft Requirements Traceability Matrix</b>			
	Compile Traceability items for each new requirement	A list of requirements to be traced	Business Analyst Developer	Technical owner
	Create draft maintenance requirements matrix	A draft maintenance requirements matrix for the proposed version	Business Analyst Developer	
	Verify the requirements with SMEs	A verified maintenance requirements matrix for the proposed version	Business Analyst Developer	Business Owner SME
	Document the requirements contacts	A verified maintenance requirements matrix for the proposed version with contact information for each requirement	Business Analyst Developer	Technical owner
<b>5.3.1.3</b>	<b>Develop Release Plans Package</b>			
	Create a list of proposed release items for the version	A list of proposed release items	Technical Owner Business Analyst	
	Create configuration section	Configuration section	Business Analyst Developer	CM Team
	Create quality assurance section	Quality assurance section	Business Analyst Developer	QA Team
	Create Risk Management Plan	Risk Management Plan	Business Analyst Technical Owner	Business Owner SME
	Create Communications Plan	Communications Plan	Business Analyst Technical Owner	Business Owner SME
	Create Resource Plan	Resource Plan	Business Analyst Technical Owner	Business owner SME
	Compile Release Plans Package	Preliminary Release Plan	Business Analyst	Technical Owner
<b>5.3.1.4</b>	<b>Develop Draft User Case Docs</b>			
	Review the proposed Maintenance Requirements Document	Proposed Maintenance Requirements Document	Business Analyst	Developer



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Verify the requirements with business SMEs and business owner	A verified Maintenance Requirements document	Business Analyst	SME Business Owner
	Document all actors and their interaction with the current system	A matrix of actors, the functions they perform and the system they work on	Business Analyst	Business Owner SME
	Create draft use case documents	Draft Use Case Documents	Business Analyst	Technical Writer
<b>5.3.1.5</b>	<b>Approve Version Release Plan</b>			
	Review/analyze the proposed version release plans	Preliminary Release Modification List	Technical Owner	Business Analyst Developer
	Develop preliminary resource estimate	Resource Estimate	Business Analyst Developer	Technical Owner
	Conduct resource and staff availability study	Preliminary Staffing Plan	Technical Owner	MDIT Administration
	Create plans to acquire new resources if needed	Final Staffing Plan	Technical Owner	MDIT Administration
	Compile and document draft final version release plan	Draft Version Release Plan	Technical Owner	Business Analyst
	Approve final Version Release Plan	Final Version Release Plan	Application Business Administrator	Technical Owner

**5. Maintenance and Operations Phase**  
**5.3 Release Management**  
**5.3.2 Analysis**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.2.1</b>	<b>Update Business and Data Model</b>			
	Review the Maintenance Requirements Document	Updated business workflow/process documents	Business analyst Developer	Business analyst Developer
	Review the original Business and data model	Reviewed original Business and data model	Business analyst Developer	DBA's SMEs
	Analyze changes required for the maintenance	Updated data models	Business analyst Developer	DBA's
	Conduct alternative analysis	Reports of alternatives analysis	Business analyst Developer	SME
	Update Business and Data Model	Business data dictionary and data format requirements documents	Business analyst SMEs	Business owner SME
<b>5.3.2.2</b>	<b>Create System Impact Statement</b>			
	Review the current system and system documentations	Current system documentation	Business analyst Developer	
	Analyze the interaction of the system to be changed with other systems	System interaction issues added to Impact list	Business analyst Developer	Other system admins
	Analyze the impacts of the change to the current system and business	Impact of the current system and business added to Impact list	Business analyst Developer	Business Owners SMEs



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Analyze the impacts of the other systems and business	Reports on the impact of other interacted system and related business added to Impact list	Business analyst Developer	SMEs
	Compile system impact statement document	System Impact Statement documents	Business analyst Developer	
<b>5.3.2.3</b>	<b>Finalize Period Use Case Documents</b>			
	Review the original use case documents	Original use case documents	Business analyst Developer	
	Modify/update use case documents based on the new maintenance requirements and analysis results	Updated use case documents	Business analyst Developer	
	Verify the use case with business area experts and business owner	Verified use case documents	Business analyst Developer	Business Owners SME
	Approve the modified use case by the project manager and business owner	Finalized use case documents	Business analyst Developer	Business Owners SME
<b>5.3.2.4</b>	<b>Develop Draft Functional Design</b>			
	Review the original functional design documents	Original business functional design documents and review comments	Business analyst	Developer
	Modify the functional design documents based on the new maintenance requirements and analysis results	Updated business functional design documents	Business analyst	Developer
	Verify the functional designs with business area experts and business owner	Verified functional design documents	Business analyst Developer	Business Owners SME
<b>5.3.2.5</b>	<b>Develop Draft Systems Design</b>			
	Review the original system design documents	Original system design documents and review comments	Business analyst	Developer
	Modify the system design documents based on the new maintenance requirements and analysis results	Updated business functional design documents	Business analyst	Developer
	Verify the system designs with business area experts and business owner	Verified technical design documents	Business analyst Developer	Business Owners SME

**5. Maintenance and Operations Phase**

**5.3 Release Management**  
**5.3.3 Design**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.3.1</b>	<b>Finalize Business and Data Models</b>			
	Review original business work flow documents	Reviewed original business workflow/process documents	Business Analyst	Developer
	Review original data model documents	Reviewed original data model documents	Business Analyst	Developer
	Modify/update the business workflow documents based on the new maintenance requirements and analysis results	Updated business workflow/process documents	Business Analyst	SME Developer
	Modify/update the data model based on the new maintenance requirements and analysis results	Updated data models	Business Analyst Developer	DB Team
	Verify the business and data models with business SMEs	Business data dictionary and data format	Business Analyst Developer	Business owner SME



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	and business owner	requirements documents		
	Approve the modified business and data models by the project manager and business owner	Updated and Approved business and data model documents	Business Analyst Technical Owner	Business owner SME
<b>5.3.3.2</b>	<b>Finalize Functional and System Designs</b>			
	Review the original functional and system design documents	Reviewed original functional and system design documents	Business Analyst Developer	SME
	Modify/update the functional and system design documents based on the new maintenance requirements and analysis results	Updated business functional and system design documents	Business Analyst Developer	SME
	Verify the functional and system design with SMEs and Business Owner	Verified functional and system design documents	Business Analyst Developer	Business owner SME
	Approve the modified functional and system designs by the business owner	Updated and approved functional and system design documents	Business Analyst Technical Owner	Business owner SME
<b>5.3.3.3</b>	<b>Develop Program Specifications</b>			
	Review the finalized business and data models	Reviewed final business and data model documents	Business Analyst Developer	SME SME
	Review the finalized functional and system design documents	Reviewed original business workflow/process documents	Business Analyst Developer	
	Develop WBS for the specific maintenance requirements	WBS documents	Business Analyst Developer	
	Document subtasks and activities list	Subtasks and activities list	Business Analyst Developer	
	Modify/Update program specifications	Updated program specification documents	Business Analyst Developer	
	Review and approve the updated program specifications	Updated program specification documents	Business Analyst Technical Owner	Business owner SME
<b>5.3.3.4</b>	<b>Update Plan Packages</b>			
	Update configuration plan information	Updated configuration plan section information in the Version Release Plan Package	Business Analyst Developer	CM Team
	Update quality assurance plan to add test plan, test cases and user acceptance plan information	Updated quality assurance plan	Business Analyst Developer	QA Team
	Create/Update data conversion plan for the Period Release Plan Package	Updated data conversion plan	Business Analyst Developer	Business owner SME
	Update Other information in the Period Release Plan Package	Updated release plan	Business Analyst Technical Owner	Business owner SME
<b>5.3.3.5</b>	<b>Conduct Final Review and Error Check of the Design Documents</b>			
	Review functional design document	Final reviewed functional design documents and comments	Business Analyst Developer	Business owner SME
	Review system design document	Final reviewed system design documents and comments	Business Analyst Developer	Business owner SME
	Document review	Review checklist	Business Analyst Developer	Business owner SME
	Document recommendations	Recommendation document	Business Analyst Developer	Business owner SME
<b>5.3.3.6</b>	<b>Approve Functional and System Designs</b>			



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Review the comments and recommendation documents from the final design review	Recommendation document	Business Analyst Developer	
	Evaluate the strength and weakness of the design documents	Strength analysis document	Business Analyst Developer	
	Make decision whether to approve the finalized design documents	Decision documents	Business Analyst Developer	Business owner SME
	Update functional and system design documents	Approved final design documents	Business Analyst Developer	Process owner Project Manager

**5. Maintenance and Operations Phase**  
**5.3 Release Management**  
**5.3.4 Construction**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.4.1</b>	<b>Finalize Programs Specifications</b>			
	Review and verify the updated program specification documents	Reviewed documents including comments and recommendations	Business Analyst Developer	Business owner SME
	Review and verify the Work Breakdown Structure (WBS)	Reviewed documents including comments and recommendations	Business Analyst Developer	
	Review and verify the subtasks and activities list	Reviewed documents including comments and recommendations	Developer System Analyst	
<b>5.3.4.2</b>	<b>Develop Code</b>			
	Review and analyze the system existing system flowcharts, algorithms and source codes	Reviewed documents including comments and recommendations	Developer System Analyst System Architect	Business Analyst
	Develop code change algorithms	Logic flow documents	Developer	Developer Peer Reviewer
	Modify/update system flowcharts	Updated system flowcharts	Developer	Developer Peer Reviewer
	Modify existing source codes and/or write new codes to meet the maintenance requirements	Updated system source codes	Developer	Developer Peer Reviewer
<b>5.3.4.3</b>	<b>Unit Test Code</b>			
	Develop source code unit test plan	Draft source code unit test plans	Developer Tester	Developer Tester
	Validate the unit test plan by conducting sample tests	Validated source code unit test plans	Developer Tester	Developer Tester
	Conduct unit test	Source code unit test cases documents	Developer Tester	Developer Tester
	Document unit test results	Unit test documents	Developer Tester	Business Analyst
<b>5.3.4.4</b>	<b>Conduct Data Conversion</b>			
	Review current data dictionary, system database schema, data fields and their format in the database.	Reviewed current system data dictionary, system database schema, data fields and their format	Business analyst Developer System Architect	SME
	Develop draft database schema, data table column changes plan	Draft database change plans	Developer System Architect	SME
	Develop data conversion plan	Data conversion plans	Developer System Architect	SME
	Verify the database change plans	Verified database change plans	Developer System Architect	DBA Team
	Conduct data conversions	Converted database	Developer	As per plan



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Test and validate the database change	Database test plans and testing results	Developer Tester	
	Update the database documents and data dictionary	Updated data dictionary, database schema and data fields and their format	Business Analyst Developer	DBA Team
<b>5.3.4.5</b>	<b>Conduct System Test and Peer Reviews</b>			
	Develop draft system test plan.	Draft system test plans	Business Analyst Developer	CM Team
	Conduct the initial system test with the draft test plan.	Initial system test result documents	Developer Tester	Developer Peer Reviewer
	Resolve any problems from the results of the initial system tests.	Resolved issue list	Developer Tester	Others as needed
	Finalize the system test plan.	Finalized system test plan	Business Analyst Developer	
	Conduct system tests with the finalized test plan.	System final test plans	Developer Tester	
	Document the system test results.	Final testing result documents	Developer Tester	Developer Peer Reviewer
	Approve the promotion from development phase to QA phase.	Document for the promotion from development to QA	Business Analyst Developer Tester	Developer Peer Reviewer
<b>5.3.4.6</b>	<b>Configure QA Environment</b>			
	Develop a Quality Assurance (QA) plan	Quality assurance plans	System administrator Developer	QA Team
	Configure the QA servers environment	QA server environment Configuration documents	System administrator Developer	QA Team CM Team
	Test/verify the QA environment	Quality assurance test plans and testing documents	System administrator Developer	CM Team
	Document the QA environment configuration setting and testing results	Final QA configuration documents	System administrator Developer	CM Team
<b>5.3.4.7</b>	<b>Update Plan Packages</b>			
	Update system design plan	Updated system design plan	Business Analyst Developer	
	Update Data Conversion Plan	Updated Data Conversion Plan document in the Version Release Plan Package	Business Analyst Developer	
	Create/Update test plans	Updated test plans	Business Analyst Developer	
	Update other Version Release Plan	Updated Version Release Plan	Business Analyst Developer	
<b>5.3.4.8</b>	<b>Develop/Update Manuals</b>			
	Create/Update user manual	Updated user's manual	Technical Writer Business Analyst	SME
	Create/Update system manual	Updated system's manual	Technical Writer	Business Analyst Developer
	Create/Update administrator manual	Updated administrator's manual	Technical Writer	Business Analyst Developer
	Update other manuals	Other manuals	Technical Writer Business Analyst Developer	Others as needed
<b>5.3.4.9</b>	<b>Finalize System Document</b>			
	Review system documents	Reviewed system documents	Technical Writer Business Analyst Developer	Business owner SME
	Update all documents	Updated documents	Technical Writer Business Analyst Developer	Business owner SME
	Keep the system documents in a proper location.	Documents in designated area or system	Technical Writer Business Analyst Developer	CM Team



**5. Maintenance and Operations Phase  
5.3 Release Management  
5.3.5 Test**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.5.1</b>	<b>Conduct Technical Testing</b>			
	Review technical testing checklist	Technical testing checklist	Application System Administrator	Testing team
	Guide testing team through testing phases		Application System Administrator	QA Team
	Track testing process through the testing phases	Update Technical testing checklist	Application System Administrator	QA Team Testing team
	Resolve any problems from technical testing	Testing issues lists	Testing Team	QA Team
	Document unresolved problems from technical testing	Final testing issues list	Testing Team	QA Team
	Finalize technical testing checklist	Final Technical Testing Checklist	Application System Administrator	QA Team Testing team
<b>5.3.5.2</b>	<b>Conduct Integration Testing</b>			
	Move the application and database to QA environment		Developer	CM Team
	Conduct the Integration Test in QA	Integration Test Checklist	Developer	
	Resolve problems from the Integration Test	Integration testing issues list	Developer	QA Team
	Re-conduct Integration Test Until problems are resolved	Finalize Integration Test Checklist	Developer	
<b>5.3.5.3</b>	<b>Conduct Load Testing</b>			
	Perform Load Testing	Load Testing Requirements Form	QA Team	Developer
	Resolve any problems resulting from Load Testing	Load Testing Issues List	Developer	QA Team
	Perform final Load Testing	Final Load Testing Requirements Form	QA Team	Developer
<b>5.3.5.4</b>	<b>Conduct Usability Testing</b>			
	Review original Usability Review Script	Original Usability Review Script	Business Analyst	QA Team Developer
	Determine any impacts on usability	Update Usability Review Script	Business Analyst	QA Team Developer
	Perform Usability Testing if needed	Document testing results	QA Team	Testers
	Resolve any problems resulting from Usability Testing	Update Usability Review Script	Developer	QA Team
<b>5.3.5.5</b>	<b>Conduct Conversion Testing</b>			
	Conduct Conversion Testing.		Developer	CM Team
	Resolve Conversion Testing problems	Conversion testing issue list	Developer	CM Team
	Complete Conversion Testing		Developer	CM Team
<b>5.3.5.6</b>	<b>Conduct User Acceptance Testing</b>			
	Verify and Update User Acceptance Test (UAT) Plan	User Acceptance Test Plan	UAT Coordinator	QA Team Developer
	Train and coordinate users to perform UAT	UAT Testing Issues List	UAT Coordinator	Testing Team
	Perform User Acceptance Tests	Update UAT Testing Issues List	UAT Coordinator	Testing Team
	Resolve any problems from the results of the initial UAT		Business Analyst Developer	
	Finish and Document UAT Results	Application Issues List	UAT Coordinator	Testing Team
<b>5.3.5.7</b>	<b>Finalize Requirements Traceability Matrix</b>			



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Verify and Update Draft Requirements Traceability Matrix	Updated Requirements Traceability Matrix	Application System Administrator	QA Team Developer
	Finalize Requirements Traceability Matrix	Final Requirements Traceability Matrix	Business Analyst	Business Owner SME
	Conduct a Functional Configuration Audit	Functional Configuration Audit	CM Team	
	Add to issues list	Final Application Issues List	Business Analyst	Business Owner

**5. Maintenance and Operations Phase**  
**5.3 Release Management**  
**5.3.6 Implementation**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.6.1</b>	<b>Configure Production Environment</b>			
	Review Production Plan	Production Plan	CM Team	Developer
	Configure the Production servers environment	Configuration Management Plan	CM Team	Developer
	Test/verify the Production environment		CM Team	Developer
	Document the Production environment configuration settings and test results		CM Team	Developer
<b>5.3.6.2</b>	<b>Execute Version Release Plan</b>			
	Review and finalize Release Plan	Release Plan	Business Analyst	Developer
	Verify all Release items are completed		Technical Owner	Business Owner Business Analyst
	Develop an archival version of system for backup		CM Team	Developer
	Check for organizational readiness		Technical Owner	Business Lead
	Communicate updates to user community		Business Analyst	Business Lead
<b>5.3.6.3</b>	<b>Execute Implementation Plan</b>			
	Review and update Implementation Plan if needed	Implementation Plan	Business Analyst	Business Owner
	Implement any business process changes		Business Owner	Application System Administrator
	Install the system in Production environment		CM Team	Developer
	Perform Implementation Testing		Business Analyst	Business Owner
<b>5.3.6.4</b>	<b>Complete Installation Report</b>			
	Review Installation Checklist Report.	Installation Checklist	Business Analyst Developer	CM Team
	Finalize Checklist		Business Analyst	Developer
<b>5.3.6.5</b>	<b>Train Users</b>			
	Determine training needs	Review documents	Business Analyst	Business Owner
	Complete training curriculum and training materials		SME	Technical Writer
	Schedule training session		Business Owner	Trainer
	Conduct training session		Trainer	Business Owner
<b>5.3.6.6</b>	<b>Deliver Documentation</b>			
	Deliver Updated user manual	User Manual	Technical Owner	Technical Writer



Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
	Deliver Updated system manual	System Manual	Technical Owner	Technical Writer
	Deliver Updated Release Notes	Release Notes	Technical Owner	Technical Writer
	Deliver other manuals and documentation	Other manuals and documentation	Technical Owner	Technical Writer

**5. Maintenance and Operations Phase**  
**5.3 Release Management**  
**5.3.7 Close-Out**

Process	Activity	Deliverable/Supporting Documentation	Responsibility *	Participants
<b>5.3.7.1</b>	<b>Complete Delivery Checklist</b>			
	Create a Draft Delivery Checklist based on the release plans	Draft Delivery Checklist	Business Analyst	Developer CM Team
	Verify the completeness of the delivery items with customers			
	Complete any missing items			
	Update/Finalize the delivery checklist			
<b>5.3.7.2</b>	<b>Complete Client Acceptance Period</b>			
	Establish a customer agreed upon period to collect feedback from business area users			
	Conduct user satisfaction surveys			
	Fix any defects detected during the client acceptance period			
	Document lessons learned and suggestions for future improvements			
<b>5.3.7.3</b>	<b>Update Developer's Repository</b>			
	Update developer environment configuration documents			
	Update Database schema and data source repository documentation			
	Update Source Codes and Executables' repository documentation			
	Finalize version control and build documentation			
<b>5.3.7.4</b>	<b>Freeze Configuration</b>			
	Freeze production environment configuration			
	Freeze data source and system codes			
	Perform a complete system backup to tapes/CDs			
	Limit production access to authorized system support people			
<b>5.3.7.5</b>	<b>Refresh QA with Production</b>			
	Refresh QA configuration from production			
	Refresh QA data source and other objects (system codes, source codes and executables, etc.)			
	Limit QA access to authorized people			