

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

October 6, 2009

CHANGE NOTICE NO. 1
 TO
 CONTRACT NO. 071B9200088
 between
 THE STATE OF MICHIGAN
 and

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|--|---|
| NAME & ADDRESS OF CONTRACTOR Centurion 2825 S. Moorland Road New Berlin, WI 53131 Email: fstone@centonline.com | TELEPHONE Fred Stone (262) 784-6411 |
| | CONTRACTOR NUMBER/MAIL CODE |
| | BUYER/CA (517) 241-0239 Jacque Kuch |
| CONTRACT COMPLIANCE INSPECTOR: Patty Bogard RESTART DIT/DHS CDC IVR Project | |
| CONTRACT PERIOD: From: November 18, 2008 To: November 18, 2010 | |
| TERMS N/A | SHIPMENT N/A |
| F.O.B. N/A | SHIPPED FROM N/A |
| MINIMUM DELIVERY REQUIREMENTS N/A | |

NATURE OF CHANGE(S):

Effective immediately, this contract is hereby **EXTENDED** to November 18, 2010 and **INCREASED** by \$50,299.00. Per Executive Directive 2009-3, vendor offers a 10% rate reduction upon execution of this option year. This results in a savings of \$5,511.00. All other terms and conditions remain the same.

AUTHORITY/REASON(S):

Per vendor and agency agreement and the approval of the State Administrative Board on 9/30/2009.

INCREASE: \$50,299.00

SAVINGS: \$5,511.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$105,299.00

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

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

November 17, 2008

**NOTICE
 OF
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 between
 THE STATE OF MICHIGAN
 and**

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| NAME & ADDRESS OF CONTRACTOR Centurion 2825 S. Moorland Road New Berlin, WI 53131 Email: fstone@centonline.com | TELEPHONE Fred Stone (262) 784-6411 |
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| MINIMUM DELIVERY REQUIREMENTS N/A | |

The terms and conditions of this Contract are those of ITB #Click to type ITB #, this Contract Agreement, and the vendor's quote dated Click to type date. In the event of any conflicts between the specifications and terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

TOTAL ESTIMATED CONTRACT VALUE: \$55,000.00



SECTION I GENERAL INFORMATION

I-A PURPOSE

The State of Michigan, through the Department of Management & Budget (DMB), with assistance of the Department of Information Technology (DIT) and the Department of Human Services (DHS), has issued this contract to obtain proposals from qualified firms to enhance and/or replace currently deployed systems for the MDHS Child Development and Care (CDC) Program. The CDC Program system utilizes two distinct technologies: an Interactive Voice Response (IVR) system that allows providers to enter information and perform inquiries through a telephone; and a web-based interface that also enables providers to enter data and perform inquiries. Both the IVR and web systems utilize an Oracle Database that must remain in place for this project.

This contract is for the CDC Attendance Certification project and will include business requirements, system design, system development, implementation and testing, training, documentation, maintenance and support, knowledge transfer/transition and reserve bank of hours for future enhancements. Implementation services will include a system trial period as well as facilitated business requirements gathering sessions for future releases.

The State seeks to have services begin upon execution of the contract with full implementation of the system to be completed by April 2009. Upon execution of the contract the State plans to have User Acceptance Testing (UAT) begin in March 2009, followed by implementation in April 2009.

The contract period will be from approximately November 16, 2008 to November 15, 2009, with two one-year options. The State does not commit to procuring services in the quantities estimated or in any other amounts. Renewal of the contract will be at the sole discretion of the State and based upon the acceptable performance of the selected Contractor as determined by the State.

I-B ISSUING OFFICE

This contract is issued by Purchasing Operations, State of Michigan, Department of Management and Budget (DMB), hereafter known as Purchasing Operations, for the Department of Information Technology (DIT) and DHS. Where actions are a combination of those of Purchasing Operations, DIT, and DHS, the authority will be known as the State.

Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the services described herein. Purchasing Operations is the only office authorized to change, modify, amend, alter, clarify, or otherwise alter the specifications, terms, and conditions of this contract. All communications concerning this procurement must be addressed to:

Jacque Kuch, Buyer
DMB, Purchasing Operations
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
kuchj@michigan.gov

I-C PROJECT MANAGER and CONTRACT ADMINISTRATOR

DIT and DHS have assigned a Project Manager and a Contract Administrator who have been authorized by Purchasing Operations to administer the resulting Contract(s) on a day-to-day basis during the term of the Contract. However, administration of any Contract implies no authority to change, modify, clarify, amend, or otherwise alter the terms, conditions, and specifications of such contract. That authority is retained by Purchasing Operations.

The MDIT - Project Manager for this contract is:

Sheila Mowery, DHS Agency Services
PO Box 30037
235 S. Grand Ave., Suite 605
Lansing, MI 48909
MoweryS@michigan.gov

The DHS - Program Manager for this contract is:

Lisa Brewer Walraven
Director, Office of Early Education and Care Federal Liaison/Policy Advisor
brewer-walravenl@michigan.gov

The Contract Administrator for this contract is:

Patty Bogard, Contract Administrator
MDIT, Bureau of Strategic Policy, Office of Contracts
Constitution Hall, 1st Floor, North Tower
525 West Allegan Street
Lansing, MI 48913
BogardP@michigan.gov

I-D INCURRING COSTS AND LEGISLATIVE APPROPRIATIONS

The State of Michigan is not liable for any costs incurred by any bidder prior to signing of a contract by all parties and delivery of services under the contract. Any costs to be paid by the State are limited to those authorized by the terms and conditions of any resulting Contract.

The State fiscal year is October 1st through September 30th. The prospective contractor is advised that payments in any given fiscal year are contingent upon enactment of legislative appropriations.

I-E PROPOSALS

RESERVED

I-F ACCEPTANCE OF ITB and PROPOSAL CONTENT

RESERVED

I-G CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities offered in this contract, whether or not the Contractor performs them. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated contract. Contractor must make timely payment to staff performing services for the State.

Note: If any personnel contracted through this RFP are not your employees, but that of another company, you must include a list of those companies (subcontractors), including firm name and address, contact person, complete description of skill sets to be subcontracted, and descriptive information concerning subcontractor's organizational abilities in your response. The State reserves the right to approve subcontractors for this work and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract. Failure to identify companies providing personnel for your use in Contracts will be cause for cancellation of your Contract and possible removal from the RE:START program.

I-H NEWS RELEASES

News releases pertaining to this contract or the services, study, data, or project to which it relates will not be made without prior written State approval, and then only in accordance with explicit written instructions from the State. No results of the project are to be released without prior approval of the State and then only to persons designated.

I-I SELECTION CRITERIA

RESERVED

I-J INDEPENDENT PRICE DETERMINATION
RESERVED

I-K SEALED BID RECEIPT (SEE ALSO PARAGRAPH IV-G)
RESERVED

I-L DISCLOSURE

All information in a contractor's proposal and any Contract resulting from this ITB is subject to disclosure under the provisions of the "Freedom of Information Act.", 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

I-M AWARD
RESERVED

I-N MODIFICATIONS, REVISIONS, CONSENTS AND APPROVALS

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

Additional services which are outside the Scope of Services of this Contract shall not be performed by the Contractor without the prior, written approval of the State. Additional services, when authorized by an executed contract, change order, or an amendment to this Contract, shall be compensated by a fee mutually agreed upon between the State and the Contractor.

I-O CONTRACT DOCUMENTS

The following constitute the complete and exclusive statement of the agreement between the parties as it relates to this transaction:

1. State's ITB and any Addenda thereto;
2. Contractor's response to the State's ITB and Addenda; and
3. All amendments and change orders as written and properly approved.

and by reference:

3. State's Pre-qualification RFI and any Addenda thereto;
4. Contractor's response to the State's Pre-qualification RFI and Addenda

All responses, representations, and assurances contained in the Proposal are incorporated into and are enforceable provisions of this Contract. In the event of any conflict between the provisions of the ITB, and the Contractor's response to the ITB, the terms of the ITB and any Contract amendments shall prevail.

I-P SPECIAL TERMS AND CONDITIONS

1. Normal State work hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.
2. All work will be performed at the site identified in Section III of this contract, unless otherwise agreed to by both parties.
3. The Contractor must permit representatives of the Michigan Department of Information Technology (DIT), and the agency, and other authorized public agencies interested in the services requested in this ITB to have full access to the services requested showing the Contractor's performance, during normal business hours.
4. The Contractor, during the performance of services detailed in this contract, will be responsible for any loss or damage to original documents, belonging to the State when they are in the Contractor's possession. Restoration of lost or damaged original documents shall be at the Contractor's expense.
5. All questions, which may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, the interpretation of designs and specifications, and as to the



satisfactory and acceptable fulfillment of the terms of this agreement shall be decided by DIT and the State agencies involved.

6. The Contractor shall agree that it will not volunteer, offer, or sell its services to any litigant against the State its agencies, employees and officials, with respect to any services that it has agreed to perform for the State, provided that this provision shall not apply either when the Contractor is issued a valid subpoena to testify in a judicial or administrative proceeding or when the enforcement of this provision would cause the Contractor to be in violation of any Michigan or Federal law.
7. All work prepared by the Contractor during the execution of this contract shall be considered works made by hire and shall belong exclusively to the State and its designees, unless specifically provided otherwise by mutual agreement of the authorized representatives of the Contractor and the State. This includes, but is not limited to, all new business processes created, all planning and design work performed, all technology developed, the source and object code of all software programs and systems, any business objects or databases created, all related documentation (written or automated), and all documents and reports.

If by operation of law any of the work, including all related intellectual property rights is not owned in its entirety by the State automatically upon creation thereof, the Contractor agrees to assign, and hereby assigns to the State and its designees the ownership of such work, including all related intellectual property rights. The Contractor agrees to provide, at no additional charge, any assistance and to execute any action reasonably required for the State to perfect its intellectual property rights with respect to the aforementioned work. If the Contractor uses any subcontractors to perform and prepare any of the work, the Contractor shall insure through agreement with the subcontractors that all intellectual property rights in any of the work shall belong exclusively to the State. Failure of the Contractor to insure such rights may be considered by the State to be a material breach of this contract.

8. The Contractor shall agree that they will not furnish or disclose any items owned by the State to a third party without the written permission of the State. This includes both items created as part of this contract and items owned by the State that are incidental to the contract. The Contractor shall also agree not to use items owned by the State for other purposes without the prior written permission of the State.
9. Individuals assigned by the Contractor are employees of the Contractor, and are not, under any circumstances or conditions, employees of the State.

The State will retain the right to release outright or request the replacement of any person who is working at an inferior level of performance. The Contractor will be given 24 hours advance notice of this action.

12. The Contractor's name, logo, or other company identifier may not appear on documentation delivered to the State without written authorization from the Contract Administrator. An exception to this will be transmittal of cover letters showing delivery of said documents.
13. The Contractor will certify in writing that it is in conformance with all applicable federal and state civil rights and practices equal employment opportunity for all persons regardless of race, creed, color, religion, national origin, gender or handicap; it is also in conformance with the requirements of the Americans with Disabilities Act. Failure to comply with the aforementioned laws may result in termination of the contract.
14. The Contractor shall use all software in accordance with the State's license agreements and any further restrictions imposed by the State. The Contractor shall not make any unauthorized copies of any software under any circumstances. Contractors found copying or knowingly using copyrighted software other than for backup purposes are subject to progressive disciplinary action. Contractors shall not provide software to any outsiders including consultants, local governmental units, and others when this would be a violation of law or copyright agreements.



15. Contractors are responsible for maintaining the confidentiality of their passwords and are liable for any harm resulting from disclosing or allowing disclosure of any password. Any conduct that restricts or inhibits the legitimate business use of State systems or network is prohibited. Each person must use State systems and networks only for lawful purposes. Specifically prohibited is any use of State systems or disclosure of any data which would constitute a criminal offense, give rise to civil liability, violate any State of Michigan policy, or otherwise violate any applicable local, state, or federal law. This also applies to any computer systems or networks that are accessed from State computer systems or networks.
16. The DIT and the [agency] have developed, and will continue to develop during the course of this effort, a growing number of information technology standards. The selected Contractor must follow any and all standards adopted by DIT and the [agency]. Where standards do not exist, the final acceptance of a new technique, technology, or design will rest with the Project Manager, following consultation and review with DIT.

I-Q DEPARTMENT AND CONTRACTOR RESPONSIBILITIES

Department Responsibilities:

1. Provide office space within the Departments for temporary employees selected to work on these projects. NOTE: Access to office space during non-working hours must be approved.
2. Provide conference room space when sufficient notice is given and space is available.
3. Provide telephones for calls originating from within the Department of Information Technology, Agency Services, Departments of State and Treasury, Department of State Division that are project-related.
4. Provide copying services that are project-related.
5. Provide access to Facsimile equipment for items that are project-related.
6. Provide computer hardware and software, as deemed necessary, for all temporary staff/personnel working within the Department.

Contractor Responsibilities:

1. Provide temporary professional services Monday through Friday, during the same work hours as those worked by State employees working at the identified facility.
2. Provide those services requested based on staff having the qualifications identified in this contract.
3. Provide services on an as needed, if needed, basis. The exact timing and scheduling of the services shall be between the State and the contractor at the time of need.
4. All personnel provided by the Contractor shall be subject to the rules, regulations, and policies of the DIT, agency/division and the State.
5. The Contractor shall replace all personnel whose work was found to be unsatisfactory within 24 hours of notification. Replacement of discontinued staff will be at the State's sole discretion; the State is not obligated to replace terminated or withdrawn individuals.

In the event an individual has been terminated or has voluntarily withdrawn from an assignment, the State will advise the Contractor which of the following three options will be employed:

- The State can request the same Contractor replace the individual with an individual of equal or greater qualifications.
- The State can choose from the other candidates submitted in response to the ITB, if they are still available and the proposed rates are still valid.
- The State can re-issue the ITB and obtain a new list of candidates and rates from eligible Contractors.



6. Contractor shall ensure that staff proposed for assignment are fully trained and meet the skill set requirements of the job position being filled.
7. The State and/or its agencies make changes to their technical architectures from time to time. If a contract individual is assigned to a State project or support area and the technology associated with their assignment changes, the Contractor is responsible for training in the new or changed technology (e.g., Contractor personnel needs training in a particular CASE tool in order to perform their State assignment).

The cost of the course, including any travel expenses, will be the responsibility of the Contractor and the training hours will not be billable to the State). This responsibility includes all fees associated with the actual training course, travel expenses, and also the hours the individual spends in training. The maximum liability to the Contractor firm for training hours for any individual will be two weeks per year.

8. Provide parking when working on-site.
9. Phone calls not related to the project are not to be charged to the State.
10. The Contractor recognizes its responsibility for all tasks and deliverables contained therein, warrants that it has fully informed itself of all relevant factors affecting accomplishment of the tasks and deliverables and agrees to be fully accountable for the performance thereof. In addition, the Contractor assumes full responsibility for the acts of all subcontractors. Contractor shall have sole responsibility for the supervision, daily direction and control, payment of salary (including withholding of income taxes and social security), worker’s compensation, disability benefits and the like for its personnel.

Contractor's management responsibilities include, but are not limited to, the following:

- Ensure personnel understand the work to be performed to which they are assigned.
- Ensure personnel know their management chain and adhere to Contractor policies and exhibit professional conduct to perform in the best interest of the State.
- Ensure personnel adhere to applicable laws, regulations, and Contract conditions governing Contractor performance and relationships with the State.
- Regularly assess personnel performance and provide feedback to improve overall task performance.
- Ensure high quality results are achieved through task performance.
- Provide training.

I-R USE OF AGENCY STANDARD INFORMATION TECHNOLOGY ENVIRONMENT

Unless otherwise stated in this ITB, all items produced by the Contractor must run on and be compatible with the information technology environment described in Section III.B. of this ITB.

It is recognized that technology changes rapidly. The staff may request a change in the standard environment using the process identified by DIT. Any changes must be approved, in writing by DIT, 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, software development tools may not be used unless request is made, in writing, and approved by DIT, in writing.



SECTION II CONTRACTUAL SERVICES TERMS AND CONDITIONS

II-A CONTRACT PAYMENT

The State shall not be liable to pay the Contractor for any work performed prior to the Contractor's receipt of a fully executed Blanket Purchase Order (BPO).

The services shall be provided and invoiced on a monthly basis, as used. After the services have been rendered, the Contractor shall invoice the State in accordance with the payment provisions of the Contract. Invoices must list the project, agency, contract number and monthly rate. All invoices MUST include copies of timesheets signed by the project manager verifying hours were worked and that services were acceptably performed.

The State shall not be liable to pay the Contractor for any hours worked in excess of the rate stated in the BPO. The State will not pay the Contractor for overtime, holiday or other premium charges or other benefits.

The Contractor shall not receive payment for Services the State finds unsatisfactory or which were performed in violation of federal, state or local law, ordinance, rule or regulation.

II-B ACCOUNTING RECORDS

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

II-C INDEMNIFICATION

1. For Purposes of Indemnification as set forth in this section, State means the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents.
2. General Indemnification
The Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs, and all related costs and expenses (including reasonable attorneys; and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any claim, demand, action, citation or legal proceeding against the State arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable provided that the Contractor is notified within 30 days from the time that the State has knowledge of such claims. This indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused by the conduct of the State.
3. Patent/Copyright Infringement Indemnification
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 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.

4. Continuation of Indemnification Obligation

The duty to indemnify will continue 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.

II-D LIMITATION OF LIABILITY

The Contractor's liability for damages to the State for any cause whatsoever, and regardless of the form of action, whether in contract or tort, shall be limited the value of the Contract or \$200,000 which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright or trade secrets; to claims for death or bodily injury or damage to any real or tangible personal property caused by the negligence or fault of the Contractor; to claims related to the Contractor's unauthorized release of confidential information; to claims covered by other specific provisions of this Contract, if any, calling for liquidated damages; to the Contractor's indemnification obligations under Section II-C; and to the receipt of court costs or attorney's fees that might be awarded by a court in addition to damages after litigation based on this Contract.

Neither the Contractor nor the State shall be liable to the other for indirect or consequential damages even, if such party has been advised of the possibility of such damages. This limitation as to indirect or consequential damages does not apply to claims for infringement of United States patent, copyright or trade secrets; to claims related to the Contractor's unauthorized release of confidential information; to other specific provisions of this Contract, if any, calling for liquidated damages; or to the receipt of court costs or attorney's fees that might be awarded by a court in addition to damages after litigation based on this Contract.

II-E CONTRACTOR'S LIABILITY INSURANCE

BEFORE STARTING WORK THE CONTRACTOR MUST FURNISH TO THE DIRECTOR OF PURCHASING OPERATIONS, CERTIFICATE(S) OF INSURANCE VERIFYING LIABILITY COVERAGE. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. These Certificates shall contain a provision that coverage's afforded under the policies will not be canceled until at least fifteen days prior written notice bearing the Contract Number or Purchase Order Number has been given to the Director of Purchasing Operations.

The Contractor shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of or result from the Contractor's operations under the Contract (Purchase Order), whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

1. Claims under workers' disability compensation, disability benefit and other similar employee benefit act. A non-resident Contractor shall have insurance for benefits payable under Michigan's Workers' Disability Compensation Law for any employee resident of and hired in Michigan; and as respects any other employee protected by workers' disability compensation laws of any other state the Contractor shall have insurance or participate in a mandatory state fund to cover the benefits payable to any such employee.
2. Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.
3. Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees, subject to limits of liability of not less than \$100,000 each occurrence and, when



applicable \$300,000 annual aggregate, for non-automobile hazards and as required by law for automobile hazards.

4. Claims for damages because of injury to or destruction of tangible property, including loss of use resulting, subject to a limit of liability of not less than \$50,000 each occurrence for non-automobile hazards and as required by law for automobile hazards.
5. Insurance for Subparagraphs (3) and (4) non-automobile hazards on a combined single limit of liability basis shall not be less than \$100,000 each occurrence and when applicable, \$300,000 annual aggregate.

The insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater, and shall include contractual liability insurance as applicable to the Contractor's obligations under the Indemnification clause of the BPO.

II-F CANCELLATION

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

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

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

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

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

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not 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 Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.
3. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds



for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.

4. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. In the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, section 5, and Civil Service Rule 4-6. Cancellation may be in whole or in part and may be immediate as of the date of the written notice to the Contractor or may be effective as of the date stated in such written notice.

II-G ASSIGNMENT

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

II-H DELEGATION

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

II-I NON-DISCRIMINATION CLAUSE

In the performance of any Contract or purchase order resulting herefrom, the bidder agrees not to discriminate against any employee or applicant for employment, with respect to their 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 unrelated to the individual's ability to perform the duties of the particular job or position. The bidder further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2101, et seq, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, et seq, and any breach thereof may be regarded as a material breach of the Contract or purchase order.

II-J UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, 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 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the



Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

II-K SURVIVOR

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

II-L GOVERNING LAW

This Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

II-M NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of a Contract resulting from this ITB 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.

II-N 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.

II-O HEADINGS

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

II-P RELATIONSHIP OF THE PARTIES

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

II-Q MISCELLANEOUS

1. The Contractor covenants that it is not, and will not become, in arrears to the State upon any contract, debt, or any other obligation to the State, including real property and personal property taxes.
2. **DAMAGES FOR UNAUTHORIZED PERSONNEL CHANGES**
 - a. The Contractor shall not replace the personnel designated in this Contract without the prior, written approval of the State.
 - b. If the Contractor violates this requirement, it shall pay the State, as liquidated damages and not as a penalty, a sum equal to the amount payable under this Contract.
 - c. The State may recover the amount due from the Contractor under this section by setting off against any amount due under this Contract or other contracts it may have with the Contractor.
3. **AUTHORIZATION & CAPABILITY**
 - a. The Contractor warrants that it has taken all corporate actions necessary for the authorization, execution, delivery and performance of this Contract. It is ready to perform its obligations.
 - b. The Contractor further warrants that the person signing this Contract is authorized to do so on behalf of the Contractor and is empowered to bind the Contractor to this Contract.



SECTION III WORK STATEMENT

A. Brief Description of Work

The State of Michigan, through the Department of Management & Budget (DMB), with assistance of the Department of Information Technology (DIT) and the Department of Human Services (DHS), has issued this contract to obtain proposals from qualified firms to enhance and/or replace currently deployed systems for the MDHS Child Development and Care (CDC) Program. The CDC Program system utilizes two distinct technologies: an Interactive Voice Response (IVR) system that allows providers to enter information and perform inquiries through a telephone; and a web-based interface that also enables providers to enter data and perform inquiries. Both the IVR and web systems utilize an Oracle Database that must remain in place for this project.

This contract is for the CDC Attendance Certification project and will include business requirements, system design, system development, implementation and testing, training, documentation, maintenance and support, knowledge transfer/transition and reserve bank of hours for future enhancements. Implementation services will include a system trial period as well as facilitated business requirements gathering sessions for future releases.

B. Background on the work requested

Currently, in order for a childcare provider to be paid for their services, the provider is responsible for reporting the total number of hours per pay period for child in their care. Information can be entered using either the IVR system or an I-Billing system. While the State's rules stipulate that the provider must keep a concise and detailed attendance record of the children within their care, a recent Office of Internal Audit report showed that very few providers (16.9%) complied with this requirement.

C. Objectives

The goal of this Attendance Certification project is to improve the financial integrity of the CDC program and to reduce the risk for improper payments. Providers can no longer be the only source of billing information for this system: the CDC program will now require that clients report and verify the amount of time that their children are cared for in order to provide verification of care and to help validate the provider's reported care hours. A client will be required to report not only their daily need hours per pay period, but also the total hours of childcare needed per pay period. The Attendance Certification System will provide MDHS staff with the inquiry and reporting tools to validate the input from both providers and clients to identify discrepancies and make payments.

D. Agency technical environment for the work

The CDC Attendance Certification Project is intended to enhance the current CDC Billing System that is comprised of the following:

- An Interactive Voice Response (IVR) System that resides on dual UNIX Avaya UCS1000 Standalone Servers. The application on those servers has been developed for Child Care Providers to submit bi-weekly care hours and costs plus adding client care hours portion and security.
- A web-based application (I-Billing) that resides on a standalone Dell PowerEdge 1650 server. Like the IVR application, the web based application (I-Billing) was developed to provide a more efficient means for providers to submit bi-weekly support hours and costs plus adding client care hours portion and security.
- An Oracle database that serves as the repository for all data submitted by both the IVR and web based (I-Billing) systems.
- Business Objects will be used to create CDC reports.

The CDC Attendance Certification Project will require the Contractor to utilize the current Oracle database. The Project fully intends to leverage its current investments in the IVR servers and the web based (I-Billing) server as well.

This portion of the CDC Attendance Certification Project will utilize a web-based interface (I-Billing) that also enables providers and clients to enter data and perform inquiries. Both the IVR and web systems utilize an



Oracle Database that must remain in place for this project. In addition, new reporting is to be done using Business Objects to retrieve data from the Data Warehouse.

E. Description of the requested work, including deliverables and knowledge transfer

See attached functional requirements and deliverables.

F. Any specific regulations, requirements or expertise applicable, including specific background/security checks required.

N/A

G. Reports required

A bi-weekly progress report must be submitted to the MDIT/MDHS Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

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

H. Location where the work is to be performed

Consultants will work out of a Centurion office, in Wisconsin (TBD by Centurion).

I. Hours

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

No overtime will be permitted without prior written approval.

J. State’s contract/project managers for the work

Sheila Mowery, DHS Agency Services
 PO Box 30037
 235 S. Grand Ave., Suite 605
 Lansing, MI 48909
MoweryS@michigan.gov

Lisa Brewer-Walraven
 PO Box 30037
 235 S. Grand Ave.
 Lansing, MI 48909
brewer-walravenl@michigan.gov

EXPENSES:

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

PAYMENT SCHEDULE:

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

Payment shall be considered timely if made by the MDIT within forty-five (45) days after receipt of approved invoices.

IV-C Cost Proposal



Provider script changes as per documentation on file
Client script changes as per documentation on file

\$35,000.00
\$20,000.00

Total

\$55,000.00

Price includes installation and training



Functional Requirements

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | Vendor Acknowledges This Requirement | | |
|--------------------------|-------------|------------|------------|--------------------------------------|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |

Client Input Via IVR System

| | | | | | | |
|-------------|---|---|--|--|--|--|
| 148 | The IVR System must utilize both voice recognition and the telephone keypad for data entry. | X | | | | |
| 155 | The Client must log on to the IVR System by entering the Recipient ID of the Grantee (if possible) or the Case Number, and a password. | X | | | | |
| 156 | The IVR System must ask the Client to enter a 3-digit Pay period (from the appropriate DHS 425). | X | | | | |
| 157, 158 | If the end date of the 3-digit Pay Period entered is more than 15 months before the current date, the IVR System must send a message to the Client advising the Client to contact the local DHS office; or If the end date of the 3-digit Pay Period occurred prior to the implementation of the Attendance Certification system, the IVR System must send a message to the Client advising that there is no reporting requirement for the selected Pay Period. | X | | | | |
| 159 | If the end date of the 3-digit Pay Period entered is within 15 months of the current date, the IVR system will respond by stating the Start and End dates of the Pay Period and ask the Client to confirm. | X | | | | |
| 160 | If the Client selects a Pay Period that has no Provider authorizations associated with it, the IVR System should say an error message. | X | | | | |
| 161 | If the selected Pay Period has no children authorized, the IVR system must tell the Client that no children have been authorized for the selected Pay Period and request that the Client select another Pay Period. | X | | | | |
| 162 | When the Client confirms the Pay Period is correct, the IVR system must include an Informational Message that instructs the Client how to enter information into the system. | X | | | | |
| 163 | The IVR system must provide a method for the Client to skip to the end of the Informational Message at any time during the message. | X | | | | |
| 164 | When the Client confirms the Pay Period is correct, the Client will be prompted to | X | | | | |

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|---|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | enter the Client's Daily Need Hours for that Pay Period beginning with the first Sunday of the Pay Period. | | | | | |
| 165 | The IVR system must allow the Client to enter Need hours as whole numbers only. The IVR system must not allow the Client to enter time in minutes or partial hours. | X | | | | |
| 166 | The IVR system should repeat the number entered and ask the Client to confirm by pressing a certain key or responding vocally. | X | | | | |
| 167 | After confirmation, the IVR System must ask the Client to enter the Client's Need Hours for each subsequent day in the Pay Period. | X | | | | |
| 168 | When the Client has finished entering Need Hours for the final day of the Pay Period, the IVR system must provide a total of all Daily Need Hours submitted for that Pay Period. | X | | | | |
| 169 | The IVR system must ask the Client to confirm that the Total Need Hours entered is correct. | X | | | | |
| 170 | If the Client responds by either pressing a certain key or saying "No", the system must return the Client to the first Sunday of the Pay Period to re-enter all information again. | X | | | | |
| 171 | If the Client responds by either pressing a certain key or saying "Yes", the IVR system must ask the Client to enter the Total Child Care Hours for each of the Client's children. | X | | | | |
| 172 | The IVR System must request the hours for each child authorized for care one child at a time by stating the name of the child. | X | | | | |
| 173 | The IVR system should repeat the number entered by the Client for each child and ask the Client to confirm by pressing a certain key or responding vocally. | X | | | | |
| 174 | The IVR system must provide the ability to re-enter Total Child Care Hours for a child if the Client needs to change this entry. | X | | | | |
| 175 | The system must not allow the Client to enter more total hours of care for any one child in a Pay Period than the Total Need Hours that the system has calculated from Client entries for that same Pay | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | Vendor Acknowledges This Requirement | | |
|--------------------------|--|------------|------------|--------------------------------------|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | Period. | | | | | |
| 176 | The IVR system must provide the Client with the ability to certify that the information the Client entered is correct. | X | | | | |
| 177 | The IVR system must not provide the Client with the ability to skip over the Confirmation Message. The message must be played in its entirety. | X | | | | |
| 178 | If the Client responds by either pressing a certain key or saying "No", the system must tell the Client that all information entered has been lost and will be asked if they want to re-enter. | X | | | | |
| 179 | If the Client responds by either pressing a certain key or saying "Yes", the Client should be prompted with the current 3-digit Pay Period and the process starts over. | X | | | | |
| 180 | If the Client responds by either pressing a certain key or saying "No", the IVR system must hang up. | X | | | | |
| 181 | If the Client responds by either pressing a certain key or saying "Yes", the IVR system must update the billing system with the Client's input, must generate a confirmation number for the transaction, and must recite that confirmation number to the Client. | X | | | | |
| 182 | The IVR system must include the option to repeat the Confirmation Number at the Client's request. | X | | | | |
| 183 | The IVR System must ask the Client if the Client wants to enter time for another Pay Period. | X | | | | |
| 184 | If the Client responds by either pressing a certain key or saying "No", the system must tell the Client that all information entered has been updated and the IVR system will then hang up. | X | | | | |
| 185 | If the Client responds by either pressing a certain key or saying "Yes", The IVR System will ask the Client to enter a 3-digit Pay period (from the appropriate DHS 425) and the process will begin again. | X | | | | |

Client IVR Inquiry

| | | | | | | |
|-----|---|---|--|--|--|--|
| 186 | The IVR System must utilize both voice recognition and the telephone keypad for data entry. | X | | | | |
| 187 | The IVR System must dedicate two | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|---|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | separate toll-free lines, one exclusively for Provider and Client input, and the other exclusively for Provider and Client inquiry. | | | | | |
| 188, 189 | The IVR system must allow only Clients and Providers to inquire using that toll-free number. The other Attendance Certification users (Central Office Staff, Field Staff, Reconciliation Team Members, and Administrators) must submit their inquiries through the Web Inquiry System. | X | | | | |
| 190 | The IVR system must initially prompt the caller by identifying the most recent Pay Period and asking if that is the Pay Period the Client needs for inquiry. | X | | | | |
| 191 | The IVR system must allow the Client to select the most recent Pay Period or a different Pay Period for inquiry. | X | | | | |
| 192 | The IVR system must allow the Client to select Pay Periods for inquiry with End Dates that occurred prior to the launch of the new system. | X | | | | |
| 193 | The IVR system must state the Begin and End Dates for the Pay Period selected. | X | | | | |
| 194 | The IVR System must allow the Client to confirm the selected Pay Period or select a different Pay Period. | X | | | | |
| 195 | If the Client selects a Pay Period that has no Provider authorizations associated with it, the IVR System should indicate that no Provider Authorization is available for that Pay Period and request that the Client select another Pay Period. | X | | | | |
| 196 | If the selected Pay Period has no children authorized, the IVR system must tell the Client that no children have been authorized for the selected Pay Period and request that the Client select another Pay Period. | X | | | | |
| 197 | Once the Client has selected a valid Pay Period, the IVR system must provide the Client with two inquiry options: | X | | | | |
| 198 | Option 1: The system must allow the Client to inquire if a payment has been made to a Provider or to the Client. | X | | | | |
| 199 | The IVR system must indicate that a payment has or has not been made. If a payment has been made the system must indicate the amount of the payment made to | X | | | | |

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|---|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | each of the Client's children's Providers. | | | | | |
| 200 | Option 2: The system must allow the Client to inquire on Need Hours and hours of care previously entered by the Client. | X | | | | |
| 201 | If the Client selects Option 2, the IVR System must state the date, time, and Confirmation Number of the selected Pay Period's most recent transaction and the Total Need Hours and Total Hours of Care for each child entered for that Pay Period. | X | | | | |
| 202 | The IVR System must provide all of this information, regardless of whether it was entered into the system via I-Billing or IVR. | X | | | | |
| 203 | The IVR system must provide an option for the Client to hear the Client's reported Daily Need Hours for the selected Pay Period or skip ahead at any time to inquire on another Pay Period. | X | | | | |
| 204 | If the Client does not select to skip ahead, the Client should hear all the information entered by the Client for the most recent transaction, including the Client's Daily Need Hours and Total Hours entered for each child. | X | | | | |
| 206 | After the Client has completed Option 1 or Option 2, the IVR system must allow the Client to select another Pay Period for inquiry or end the call. | X | | | | |
| 207 | The IVR System must be capable of storing the incoming phone number. | X | | | | |

Provider Receives Training on A/C System and CDC Handbook

| | | | | | | |
|-----|---|---|--|--|--|--|
| 244 | The IVR system must include Messages at the beginning of the call that inform Providers of impending changes to the system. | X | | | | |
| 245 | The IVR system must provide the DHS Customer Service Unit with the capability to enter and modify the Message. | X | | | | |

Provider Receives Secure User Code / Password to A/C System

| | | | | | | |
|-----|--|---|--|--|--|--|
| 251 | Sign-on and Password security must adhere to the standards of the Office of Enterprise Security (OES). | X | | | | |
|-----|--|---|--|--|--|--|

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|--|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| 252 | The Sign-on and Password must identify the Provider as a Provider user of the system. | X | | | | |
| 253 | Users identified as Providers will only have access to input and inquiry capabilities unique to a Provider User. | X | | | | |
| 254 | The system must allow Providers with passwords on the current system to retain those passwords. | X | | | | |
| 255 | For sign-on security, passwords must be a minimum of 6 characters in length. | X | | | | |
| 256 | The same sign-on and password must allow access to the IVR and I-Billing systems. | X | | | | |
| 257 | The system must allow Providers to change their password anytime after they have authenticated into the system. | X | | | | |
| 258 | The system audit logging requirements must conform to the NIST 800-53 standard. | X | | | | |
| 259 | The A/C System must be capable of requiring Providers to change their passwords after a specified period of time. | X | | | | |
| 260 | The A/C System must allow access by the Provider to the system as long as the Provider's sign-on and password are active. | X | | | | |
| 261 | If a Provider is dis-enrolled by DHS, the system must not allow the Provider's password to be renewed upon the password's expiration. | X | | | | |
| 262 | When a Provider is dis-enrolled by DHS, the Provider may be allowed to call Customer Service the Reconciliation Unit (to be determined) or to inquire on or provide input for Pay Periods during which the Provider's case was active. | X | | | | |
| 264 | The IVR and I-Billing Systems must deny a Provider access to the system after five unsuccessful login attempts. | X | | | | |

Provider Entry Through IVR or I-Billing

| | | | | | | |
|-----|--|---|--|--|--|--|
| 286 | The IVR System must not allow Providers to submit any information about the current Pay Period before 5:00 p.m. on the 2nd Friday of the Pay Period. | X | | | | |
| 287 | The system must not allow Providers to enter any information for days that occur after the day the Provider is logged-into the A/C system. | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|-------------|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |

Provider Input Via IVR System

| | | | | | | |
|-----|---|---|--|--|--|--|
| 334 | Providers must access the IVR System by calling the IVR number and entering their Provider ID and a password. | X | | | | |
| 335 | The IVR system must recognize the Provider ID and password, and respond with the Provider name and the current 3-digit Pay Period (the most recent period that the Provider can enter billing information). | X | | | | |
| 336 | The IVR System must ask the Provider if they are entering billing information for the supplied 3-digit Pay Period or enter a different one. | X | | | | |
| 337 | The phone shall provide a warning that the Provider will be disconnected if a response is not made within x number of seconds - or minute(s) - (time to be determined). | X | | | | |
| 338 | If the end date of the 3-digit Pay Period entered is less than 15 months before the current date, the IVR system must respond with the Start and End dates of the Pay Period and ask the Provider to confirm if this is correct. | X | | | | |
| 339 | If the Provider responds that the Pay Period/Begin and End Dates are NOT correct, the IVR System must again state the current Pay Period and allow the Provider to accept that or enter a different one. | X | | | | |
| 340 | If the Provider confirms the Pay Period/Begin and End Dates are correct, the IVR system must provide a prompt with the first child's name and ask the Provider to enter the total hours of service provided for that child for the first day of the Pay Period. | X | | | | |
| 341 | When the Provider enters the hours, the IVR system must repeat the Provider's entry and must ask the Provider if the entry is correct. | X | | | | |
| 342 | If the Provider answers "Yes", the IVR system must provide a prompt to enter the same day's total hours of ill or holiday time that must be attributed to that child. | X | | | | |
| 343 | The system must then repeat the ill/holiday time entered by the Provider and must ask the Provider if that entry | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|--|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | is correct. | | | | | |
| 344 | If the Provider answers "Yes", the Provider must be prompted by the IVR system to enter the next day's total hours of service for that child. | X | | | | |
| 345 | The IVR system must continue this process until the Provider has entered the total daily hours of care and total hours of ill/holiday time for that child for all days included in the Pay Period. | X | | | | |
| 346 | When the Provider has entered all billing information for a child for the Pay Period, the IVR system must calculate the Total Child Care Hours and Total Ill/Holiday Hours for the child and must state those hours to the Provider. | X | | | | |
| 347 | Once all total daily hours and total ill/holiday hours for all days in the Pay Period for this child have been entered by the Provider, The IVR system must then prompt the Provider to select the next child's name. | X | | | | |
| 348 | The IVR system must continue this process until all billing information for each child for this Pay Period has been entered. | X | | | | |
| 349 | The IVR system must ask the Provider to certify that the information entered is correct. | X | | | | |
| 350 | If the Provider responds by either pressing a certain key or saying "No", the system must tell the Client that the information entered has been lost and will be asked if they want to re-enter. | X | | | | |
| 351 | If the Provider responds by either pressing a certain key or saying "Yes", the information is recorded in the billing system and the Provider receives a Confirmation Number for the transaction. | X | | | | |
| 352 | The IVR system must ask the Provider if the Provider would like the Confirmation Number repeated. | X | | | | |
| 353 | If the Provider responds by either pressing a certain key or saying "Yes", the IVR System must repeat the Confirmation Number. | X | | | | |
| 354 | The IVR system must repeat the request to repeat the Confirmation Number until the Provider responds by | X | | | | |

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|---|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | either pressing a certain key or saying "No". | | | | | |
| 355 | The IVR System must ask the Provider if they want to enter billing information for children in their care for another Pay Period. | X | | | | |
| 356 | If the Provider responds by either pressing a certain key or saying "No", the system must tell the Provider that all information entered has been updated and the IVR system will then hang up. | X | | | | |
| 357 | If the Provider responds by either pressing a certain key or saying "Yes", the information is updated and the Provider is prompted with the current 3-digit Pay Period and the process starts over. | X | | | | |

Provider IVR Inquiry

| | | | | | | |
|-----|---|---|--|--|--|--|
| 358 | The IVR System must utilize both voice recognition and the telephone keypad for data entry. | X | | | | |
| 359 | The IVR System must dedicate two separate toll-free lines, one exclusively for Provider and Client input, and the other exclusively for Provider and Client inquiry. | X | | | | |
| 360 | The IVR system must allow only Clients and Providers to inquire using that toll-free number. | X | | | | |
| 361 | The other Attendance Certification users (Central Office Staff, Field Staff, Reconciliation Team Members, and Administrators) must submit their inquiries through the Web Inquiry System. | X | | | | |
| 362 | The IVR system must initially prompt the caller by identifying the most recent Pay Period and asking if that is the Pay Period the Provider needs for inquiry. | X | | | | |
| 363 | The IVR system must allow the Provider to select the most recent Pay Period or a different Pay Period for inquiry. | X | | | | |
| 364 | The IVR system must state the Begin and End Dates for the Pay Period selected. | X | | | | |
| 365 | The IVR System must allow the Provider to confirm the selected Pay Period or select a different Pay Period. | X | | | | |
| 366 | Once the Provider has selected a valid Pay Period, the IVR system must provide | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | Vendor Acknowledges This Requirement | | |
|--------------------|--|---------|---------|--------------------------------------|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | the Provider with two inquiry options: | | | | | |
| 367 | Option 1: The system must allow the Provider to inquire if a Client has submitted Total Hours of Care for their child for the selected Pay Period. | X | | | | |
| 368 | The IVR system must indicate ONLY that the Client has entered hours for their child for that Provider: The system must not indicate the number of hours submitted by the Client or the Client's Need hours for that Pay Period. | X | | | | |
| 369 | Option 2: The system must allow the Provider to inquire on Hours of Care and/or ill/holiday hours previously entered by the Provider. | X | | | | |
| 370 | If the Provider selects Option 2, the IVR System must state the date, time, and Confirmation Number of the selected Pay Period's most recent transaction and the Total Hours of Care for each child entered for that Pay Period. | X | | | | |
| 371 | The IVR System must provide all of this information, regardless of whether it was entered into the system via I-Billing or IVR. | X | | | | |
| 372 | The IVR system must provide an option for the Provider to hear the Provider's reported Hours of Care for the selected Pay Period or skip ahead at any time to inquire on another Pay Period. | X | | | | |
| 373 | If the Provider does not select to skip ahead, the Provider should be given the option to hear a list of Confirmation Number(s) to hear the Daily Need Hours entered by the Provider for that transaction. | X | | | | |
| 374 | When the Provider selects a Confirmation Number, the IVR system should provide the Provider with date and time of the transaction, the Hours of Care by day entered by the Provider for each child, the Ill/Holiday hours by day entered by the Provider for each child, and the Total Charge for Care for each child entered during that transaction. | X | | | | |
| 375 | The IVR System must provide all of this information, regardless of whether it was entered into the system via I-Billing or | X | | | | |

| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | Vendor Acknowledges This Requirement | | |
|--------------------------|---|------------|------------|--------------------------------------|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | IVR. | | | | | |
| 376 | After the Provider has completed Option 1 or Option 2, the IVR system must allow the Provider to select another Pay Period for inquiry or end the call. | X | | | | |
| 377 | The IVR System must be capable of storing the incoming phone number. | X | | | | |
| 378 | Providers must have the ability to look up individual invoices and billing information | X | | | | |
| 379 | The IVR System must retain the inquiries that are currently available on the IVR system. | X | | | | |

System and General Requirements

| | | | | | | |
|-----|--|---|---|--|--|--|
| 441 | All information must be stored on a single Oracle database. | X | | | | |
| 442 | System must be capable of retrieving at least six years of time reporting and payment authorization transactions. | X | | | | |
| 443 | The IVR system must be capable of handling the increased call volumes that will result from Clients using the IVR and daily reporting requirements for Providers (compared to bi-weekly requirements from the current system). | X | | | | |
| 444 | The IVR system must obtain and record the number where a call was originated. | X | | | | |
| 445 | The system must include an audit trail that captures the creation, modification, and deletion of Client and Provider accounts. | X | | | | |
| 446 | If technically possible, DHS users of the A/C System should have the ability to sign on to the system using their single sign-on User ID and Password. | | X | | | |
| 447 | The new IVR and I-Billing systems must be implemented by the first Pay Period of April, 2009. | X | | | | |
| 448 | The modifications to the IVR and I-Billing system must be completed by April 1, 2009. | X | | | | |
| 449 | Upon conclusion of the Pilot Phase, which is expected to be four months, enforcement actions will begin once thresholds have been established. | X | | | | |
| 451 | The new systems must include at least the same inquiry capabilities as the existing IVR and I-Billing systems. | X | | | | |
| 452 | Future Requirement: The system must allow Clients to enter ill and holiday | | X | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | Vendor Acknowledges This Requirement | | |
|--------------------------|--|------------|------------|--------------------------------------|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | hours. | | | | | |
| 453 | As a future enhancement, Clients will enter Provider information. | | X | | | |
| 454 | As a future enhancement, the system must be able to stop or pause a payment. The requirements to perform this will be gathered during the Pilot Phase of the project. | | X | | | |
| 455 | As a future enhancement, the A/C system should strive to have Providers and/or Clients report actual hours of attendance (Time in and Time out). | | X | | | |
| 456 | As a future enhancement, Invoices should be reproduced showing hourly entries for OIG to leverage them in court. | | X | | | |
| 457 | The A/C system must be developed to accommodate English, Spanish, and Arabic-speaking Clients and Providers. | X | | | | |
| 458 | Training materials, handbooks, and IVR prompts and responses should be developed in English, Spanish and Arabic. | X | | | | |
| 459 | As a future enhancement, the IVR system must recognize the Sign-on / Password, and respond with the Client name and the name of the current 3-digit Pay Period. | | X | | | |
| 460 | The web-based portion of the system will operate effectively on Internet Explorer 6.0 and higher. (Added prior to going to bid not cross referenced) | | | | | |
| 461 | The web-based portion of the system will utilize appropriate field level validation on all input fields to prevent sql injection, and data entry errors. (Added prior to going to bid not cross referenced) | X | | | | |
| | The system will provide administrative screens for maintenance of system users. (Added prior to going to bid not cross referenced) | X | | | | |
| 462 | The web-based portion of the system should be able to support 1.5x the peak number of concurrent users to allow for future growth (not sure what current number of users are, sounds like that may double or triple). (Added prior to going to bid not cross referenced) | X | | | | |
| 463 | Adequate performance/load testing will be performed on servers intended to host web-based portion of the system. (meaning if we intend to host this on existing web servers, we need to verify | X | | | | |



| SEM401 Reference s | Requirement | Phase 1 | Phase 2 | <u>Vendor Acknowledges This Requirement</u> | | |
|--------------------------|--|------------|------------|---|----|-------------------------|
| | | | | YES | NO | If "NO", Please Explain |
| | they can handle additional load). (Added prior to going to bid not cross referenced) | | | | | |
| 464 | Add new options to the main menu for doing inquiries on grantee attendance certifications and issuing/changing PINS for grantees. (Added prior to going to bid not cross referenced) | X | | | | |
| 465 | New screen for showing certificates to choose from. It shouldn't make any difference whether the information was entered using the IVR or Internet. (Added prior to going to bid not cross referenced) | X | | | | |
| 466 | New screen to show attendance certificate. Same format whether IVR or Internet. (Added prior to going to bid not cross referenced) | X | | | | |
| 467 | Provider IVR billings for periods after _____ will have the same format as I-Billing. (Added prior to going to bid not cross referenced) | X | | | | |
| 468 | There will be a lot more users of this system. It will probably be opened up to the local office workers. (Added prior to going to bid not cross referenced) | X | | | | |