



**STATE OF MICHIGAN  
ENTERPRISE PROCUREMENT**

Department of Technology, Management, and Budget  
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number 8  
to  
Contract Number 071B1300194

<b>CONTRACTOR</b>	Quality Temporary Services, Inc.
	5361 Gateway Centre, Suite D
	Flint, MI 48507
	Doug Billot
	(810230-0368 ext 115
	dbillot@q-staffing.com
	*****8656

<b>STATE</b>	Program Manager	See Section 2.022	Various
	Contract Administrator	Joshua Wilson	DTMB
		(517) 284-7027 wilsonj31@michigan.gov	

**CONTRACT SUMMARY**

**TEMPORARY EMPLOYMENT SERVICES STATEWIDE**

<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
February 21, 2011	February 20, 2016	1 - 6 Months	October 20, 2016
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
NET 45		N/A	
<b>ALTERNATE PAYMENT OPTIONS</b>			<b>EXTENDED PURCHASING</b>
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>MINIMUM DELIVERY REQUIREMENTS</b>			
N/A			

**DESCRIPTION OF CHANGE NOTICE**

<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	1 Month	November 20, 2016
<b>CURRENT VALUE</b>	<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>		
\$5,457,602.80	\$0.00	\$5,457,602.80		

**DESCRIPTION**

Effective October 21, 2016, this Contract is extended one (1) month per Section 2.171 Contractor Transition Responsibilities. The revised Contract expiration date is November 20, 2016.

All other terms, conditions, specifications and pricing remain the same per contractor and agency agreement, and per DTMB Procurement approval.



# STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget  
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913  
P.O. BOX 30026 LANSING, MICHIGAN 48909

## CONTRACT CHANGE NOTICE

Change Notice Number 7  
to  
Contract Number 071B1300194

<b>CONTRACTOR</b>	Quality Temporary Services, Inc.
	5361 Gateway Centre, Suite D
	Flint, MI 48507
	Doug Billot
	810-230-0368 x-115
	dbillot@q-staffing.com
	*****8656

<b>STATE</b>	Program Manager	Refer to Contract	Various
	Contract Administrator	Joshua Wilson	DTMB
		(517) 284-7027	
		WilsonJ31@michigan.gov	

CONTRACT SUMMARY				
<b>DESCRIPTION:</b> Temporary Employment Services Statewide				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
February 21, 2011	February 20, 2016	1 - 6 Month	August 20, 2016	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	2 Months	October 20, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,457,602.80		\$ 0.00	\$5,457,602.80	

**DESCRIPTION:** Effective August 21, 2016, this Contract is hereby extended two months per Section 2.171. The revised Contract expiration date is October 20, 2016.

All other terms, conditions, specifications and pricing remain the same per Contractor and Agency agreement, and per DTMB Procurement approval.

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

**CHANGE NOTICE NO. 6**  
 to  
**CONTRACT NO. 071B1300194**  
 between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Quality Temporary Services, Inc. 5361 Gateway Centre, Suite D Flint MI, 48507	Doug Billot	dbillot@q-staffing.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	810-230-0368 x-15	*****8656

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	Varies	See Section 2.022		
CONTRACT ADMINISTRATOR	DTMB	Joshua Wilson	(517) 284-7027	WilsonJ31@michigan.gov

CONTRACT SUMMARY			
<b>DESCRIPTION:</b> Temporary Employment Services Statewide			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 21, 2011	February 20, 2016	1 – 6 Month	February 20, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	6 Months	<input type="checkbox"/>		August 20, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,457,602.80		\$0.00	\$5,457,602.80	

**DESCRIPTION:** Effective January 15, 2016, the contract is hereby amended as follows:

1. A six month option is hereby exercised. The revised contract expiration date is August 20, 2016.
2. Section 2.022 CCI and Section 2.023 Project Manager are hereby updated per attached Sections 2.022 and 2.023.

All other terms, conditions, specifications, and pricing remain the same. Per agency request, contractor agreement and DTMB approval.

2.022 Contract Compliance Inspector (CCI)

After DTMB-Procurement & Real Estate Services Administration receives the properly executed Contract, it is anticipated that the Director of Procurement & Real Estate Services Administration, in consultation with applicable agencies, will direct the person named below, or any other person so designated, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of the Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract as that authority is retained by DTMB Procurement & Real Estate Services Administration.** The CCI for the Contract is:

Tara Premoe  
Departmental Analyst  
Department of Environmental Quality  
525 West Allegan, Lansing MI 48909  
[premoet@michigan.gov](mailto:premoet@michigan.gov)  
517-284-5012

Cyndi K. Marshall  
Procurement Tech  
Department of Corrections  
P.O. Box 30003, Lansing, MI 48909  
[marshack@michigan.gov](mailto:marshack@michigan.gov)  
517-335-0354  
Fax: 517-241-5092

Lacey Wilke  
Financial Services-Procurement  
Department of Technology, Management & Budget  
320 S. Walnut Street, Lansing, MI 48909  
[wikel@michigan.gov](mailto:wikel@michigan.gov)  
517-241-0023  
Fax: 517-241-4856

Kari Anders  
Attorney General Office - Buyer  
525 W. Ottawa, Lansing, MI 48909  
[andersk@michigan.gov](mailto:andersk@michigan.gov)  
517-335-0722  
Fax: 517-241-1850

Kevin Dunn  
Purchasing Manager  
Department of Health and Human Services  
320 Walnut, Lansing, MI 48913  
[dunnk3@michigan.gov](mailto:dunnk3@michigan.gov)  
517-335-5096

Laura Gyorkos  
Buyer Manager  
Department of Natural Resources & Environment  
525 West Allegan 3<sup>rd</sup> FL, Lansing MI 48909  
[Gyorkosl@michigan.gov](mailto:Gyorkosl@michigan.gov)  
517-284-5976  
Fax: 517-373-6507

Victoria Olivarez  
Buyer Manager  
Michigan State Police  
PO Box 30634, Lansing, MI 48933  
[Olivarev@michigan.gov](mailto:Olivarev@michigan.gov)  
517-241-1064  
Fax: 517-241-1080

Marina Kotsifis  
Purchasing Analyst  
Michigan Gaming Board  
517-241-0347  
[kotsifma@michigan.gov](mailto:kotsifma@michigan.gov)  
517-241-0347  
Fax: 517-241-0510

LeAnn Droste  
Purchasing Director  
Licensing and Regulatory Affairs  
611 W. Ottawa, Ottawa Building – 4<sup>th</sup> floor, Lansing MI 48909  
[Drostel1@michigan.gov](mailto:Drostel1@michigan.gov)

Chad Basset  
Buyer  
Department of Education  
608 W. Allegan St, Lansing, MI 48909  
[bassetc@michigan.gov](mailto:bassetc@michigan.gov)

517-373-3847  
Fax: 517-373-2927

Kimberly Davis  
Buyer Specialist  
Civil Service Commission  
400 S. Pine St. 2<sup>nd</sup> floor, Lansing, MI 48909  
[Davisk5@michigan.gov](mailto:Davisk5@michigan.gov)  
517-241-8115  
Fax: 517-335-0054

Peter Morse  
Senior Buyer  
Michigan Economic Development Corporation  
101 E Hillsdale St. Lansing, MI  
[Morsep@michigan.org](mailto:Morsep@michigan.org)  
571-335-5809

Chelsea Edgett  
Buyer  
Talent and Economic Development  
300 N. Washington Sq. Lansing, MI  
[Edgettc1@michigan.org](mailto:Edgettc1@michigan.org)  
517-373-9014

Peter Morse  
Senior Buyer  
101 E Hillsdale St. Lansing, MI  
[Morsep@michigan.org](mailto:Morsep@michigan.org)

2.023 Project Manager

“Reserved

517-373-3823

Tami Ever  
Human Resources Manager  
Department of Agriculture  
525 W. Allegan, Con Hall – 6<sup>th</sup> floor, Lansing, MI 48909  
[eyert@michigan.gov](mailto:eyert@michigan.gov)  
517-284-5032  
Fax: 517-373-4315

Todd White  
HR Director  
Department of Transportation  
425 West Ottawa, Lansing, MI 48933  
[whitet@michigan.gov](mailto:whitet@michigan.gov)  
517-335-6538

Vacant Manager  
Department of Treasury  
7285 Parsons Dr. Dimondale, MI 48821  
517-696-6818

Terri Smith  
Purchasing Manager – Human Services  
Department of Health and Human Services  
235 S Grand Ave Suite 1201  
Lansing, MI  
[Smitht42@michigan.gov](mailto:Smitht42@michigan.gov)  
517-373-4960

STATE OF MICHIGAN  
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET  
 PROCUREMENT  
 P.O. BOX 30026, LANSING, MI 48900  
 OR  
 625 W. ALLEGAN, LANSING, MI 48933

**CHANGE NOTICE NO. 5**  
 to  
**CONTRACT NO. 071B1300194**  
 between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Quality Temporary Services, Inc. 5361 Gateway Centre STE D Flint MI 48507	Doug Billot	dbillot@q-staffing.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	810-230-0368 x-15	8656

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI		See Section 2.002		
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Temporary Employment Services Statewide			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 21, 2011	February 20, 2016	1, 6 month	February 20, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
N/A		N/A	
ALTERNATE PAYMENT OPTIONS		EXTENDED PURCHASING	
<input type="checkbox"/> P Card: <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXPIRATION DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,457,602.80		\$0.00	\$5,457,602.80	
DESCRIPTION:				
Effective August 30, 2015, the following amendment is hereby incorporated into the contract per attached IRS Publication 1075 Exhibit 7 Contract Language for General Services on behalf of Michigan Department of Treasury. All other terms, conditions, specifications and pricing remain the same. Per agency request, contractor agreement, and DTMB Procurement approval.				

## EXHIBIT 7

### CONTRACT LANGUAGE FOR GENERAL SERVICES

#### I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's responsible employees.
- (2) Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- (4) No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (5) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (6) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

#### II. CRIMINAL/CIVIL SANCTIONS:

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount

equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRCs 7213A and 7431.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(j)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, *Sanctions for Unauthorized Disclosure*, and Exhibit 5, *Civil Damages for Unauthorized Disclosure*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

### III. INSPECTION:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

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

**CHANGE NOTICE NO. 4**  
 to  
**CONTRACT NO. 071B1300194**  
 between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Qualified Staffing 5361 Gateway Centre, Ste. D Flint, MI 48507	Doug Billot	<a href="mailto:dbillot@q-staffing.com">dbillot@q-staffing.com</a>
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(810) 230-0368 x 15	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	Refer to Contract			
BUYER	DTMB	Brandon Samuel	517-241-1218	<a href="mailto:samuelb@michigan.gov">samuelb@michigan.gov</a>

CONTRACT SUMMARY:			
DESCRIPTION: TEMPORARY EMPLOYMENT SERVICES – STATEWIDE			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
February 21, 2011	February 20, 2016	5 Yrs., 1- 6 mo. option	February 20, 2016
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 checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>		February 20, 2016
VALUE/COST OF CHANGE NOTICE:		ESTIMATED AGGREGATE CONTRACT VALUE REMAINS :		
\$0.00		\$5,457,602.80		

Effective immediately, the following CCI changes have been made:

Cyndi K. Marshall has been replaced by Julie Hamp, [Hampj@michigan.gov](mailto:Hampj@michigan.gov), (517) 335-6886  
 Penny Saites has been replaced by Greg Rivet, [Rivetg@michigan.gov](mailto:Rivetg@michigan.gov), (517) 335-5096

All other terms, conditions, specifications, and pricing remain the same. Per vendor and agency agreement and DTMB Procurement approval.

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

**CHANGE NOTICE NO. 3**  
 to  
**CONTRACT NO. 071B1300194**  
 between  
**THE STATE OF MICHIGAN**  
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Qualified Staffing 5361 Gateway Centre, Ste D Flint, MI 48507	Doug Billot	<a href="mailto:dbillot@q-staffing.com">dbillot@q-staffing.com</a>
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(810) 230-0368 x 15	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	Refer to Contract			
BUYER:	DTMB	Brandon Samuel	(517) 241-1218	<a href="mailto:samuelb@michigan.gov">samuelb@michigan.gov</a>

CONTRACT SUMMARY:			
DESCRIPTION: <b>TEMPORARY EMPLOYMENT SERVICES – STATEWIDE</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS	CURRENT EXPIRATION DATE
February 21, 2011	February 20, 2016	5 Yrs., 1- 6 mo. option	February 20, 2016
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 checked="" type="checkbox"/> YES <input type="checkbox"/> NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:		
OPTION EXERCISED: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	IF YES, EFFECTIVE DATE OF CHANGE:	NEW EXPIRATION DATE:
<p><b>Effective immediately this Contract is extended to authorized MiDEAL members. Additionally the following language is added to this Contract.</b></p> <p><b>2.283 MiDEAL Requirements</b></p> <p>(a) The Contractor must ensure that all purchasers are MiDEAL Members before extending the Contract pricing. A current listing of approved MiDEAL Members is available at: <a href="http://www.michigan.gov/documents/localgov/MiDeal_Members_22806_310427_7.pdf">http://www.michigan.gov/documents/localgov/MiDeal_Members_22806_310427_7.pdf</a>.</p> <p>(b) The Contractor must supply Deliverable(s) to the State and MiDEAL members at the established State Contract prices and terms.</p> <p>(c) The Contractor must submit quarterly reports of MiDEAL purchasing activities to DTMB-Procurement.</p> <p>(d) The Contractor must submit invoices to, and receive payment from, MiDEAL Members on a direct and individual basis.</p>		

(e) Estimated requirements for MiDEAL members are not included in the quantities shown in this RFP, unless otherwise noted.

(f) The State reserves the right to negotiate additional discounts based on any increased volume by MiDEAL members.

**2.284 MiDEAL Administrative Fee**

(a) The Contractor must collect a MiDEAL administrative fee on all sales to MiDEAL members transacted under this Contract, and remit the fee within 30 days after the end of each quarter to the State of Michigan. The administrative fee equals 0.5% of the total quarterly sales reported.

(b) The Contractor must pay the administrative fee by check payable to the State of Michigan. The Contractor must identify the check as an "Administrative Fee" and include the following information with the payment: the applicable Contract Number, the total quarterly sales by volume and dollar amount, and the quarter covered.

(c) The Contractor must send the check to the following address:

Department of Technology, Management and Budget  
Financial Services – Cashier Unit  
Lewis Cass Building  
320 South Walnut Street  
P.O. Box 30681  
Lansing, MI 48909

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

**Per vendor agreement and DTMB Procurement approval.**

VALUE/COST OF CHANGE NOTICE:	<b>\$0.00</b>
ESTIMATED REVISED AGGREGATE CONTRACT VALUE:	<b>\$5,457,602.80</b>

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

February 23, 2011

**CHANGE NOTICE NO. 2**  
**TO**  
**CONTRACT NO. 071B1300194**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF CONTRACTOR  <b>Qualified Staffing</b> <b>5361 Gateway Centre, Ste D</b> <b>Flint, MI 48507</b>  <b>dbillot@q-staffing.com</b>	TELEPHONE Doug Billot <b>810-230-0368 ext 15</b>
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 241-1218 <b>Brandon Samuel</b>
Contract Compliance Inspectors: Refer to Contract <b>Temporary Employment Services - Statewide</b>	
CONTRACT PERIOD: <b>5 yr. + 1 six-month option</b> From: <b>2/21/2011</b> To: <b>2/20/2016</b>	
TERMS <p style="text-align: center;"><b>Net 45</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:	

**NATURE OF CHANGE (S):**

Effective immediately the maximum number of hours an employee may accrue in one year for any given position may not exceed 832. That is not to say that temporary employee may not bill more than 832 hours per year; this limitation only applies to a single position. For example, if a single position required 1664 hours of service per year, at least two individuals would be required to fulfill the needs of that position over the course of any twelve month period. Correspondingly, there is no limitation to the total number of hours that an employee may bill on an annual basis provided that no more than 832 hours are attributable to any one position.

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

**AUTHORITY/REASON:**

Per DTMB/Procurement & Real Estate Services Administration approval.

**TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$5,457,602.80**

**STATE OF MICHIGAN**  
**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**  
**PROCUREMENT & REAL ESTATE SERVICES ADMINISTRATION**  
 P.O. BOX 30026, LANSING, MI 48909  
 OR  
 530 W. ALLEGAN, LANSING, MI 48933

February 22, 2011

**CHANGE NOTICE NO. 1**  
**TO**  
**CONTRACT NO. 071B1300194**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF CONTRACTOR  <b>Qualified Staffing</b> <b>5361 Gateway Centre, Ste D</b> <b>Flint, MI 48507</b>  <p style="text-align: right;">dbillot@q-staffing.com</p>	TELEPHONE Doug Billot <b>810-230-0368 ext 15</b>
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 241-1218 <b>Brandon Samuel</b>
Contract Compliance Inspectors: Refer to Contract <p style="text-align: center;"><b>Temporary Employment Services - Statewide</b></p>	
CONTRACT PERIOD: 5 yr. + 1 six-month option From: <b>2/21/2011</b> To: <b>2/20/2016</b>	
TERMS <p style="text-align: center;"><b>Net 45</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:	

**NATURE OF CHANGE (S):**

**Effective immediately, the Department of Community Health Temporary Storekeepers and laborers performing mail and delivery for the Department of Technology, Management and Budget are hereby allowed to drive State vehicles.**

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

**AUTHORITY/REASON:**

**Per DTMB/Procurement & Real Estate Services Administration approval.**

**TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$5,457,602.80**

**Contract 071B1300194  
Change Notice No. 1  
Signature Block**

---

---

**FOR THE CONTRACTOR:**

Qualified Staffing

\_\_\_\_\_

Firm Name

\_\_\_\_\_

Authorized Agent Signature

\_\_\_\_\_

Authorized Agent (Print or Type)

\_\_\_\_\_

Date

**FOR THE STATE:**

\_\_\_\_\_

Signature

\_\_\_\_\_

Name/Title

\_\_\_\_\_

Division

\_\_\_\_\_

Date

**STATE OF MICHIGAN**  
**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**  
**PROCUREMENT & REAL ESTATE SERVICES ADMINISTRATION**  
 P.O. BOX 30026, LANSING, MI 48909  
 OR  
 530 W. ALLEGAN, LANSING, MI 48933

February 15, 2011

**NOTICE**  
**OF**  
**CONTRACT NO. 071B1300194**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF CONTRACTOR  <b>Qualified Staffing</b> <b>5361 Gateway Centre, Ste D</b> <b>Flint, MI 48507</b>  <p style="text-align: right;"><b>dbillot@q-staffing.com</b></p>	TELEPHONE Doug Billot <b>810-230-0368 ext 15</b>
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 241-1218 <b>Brandon Samuel</b>
Contract Compliance Inspectors: Refer to Contract <p style="text-align: center;"><b>Temporary Employment Services - Statewide</b></p>	
CONTRACT PERIOD: <b>5 yr. + 1 six-month option</b> From: <b>2/21/2011</b> To: <b>2/20/2016</b>	
TERMS <p style="text-align: center;"><b>Net 45</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:	

**The terms and conditions of this Contract are those of ITB #1300008, this Contract Agreement and the vendor's proposal dated 12/1/2010. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.**

**Estimated Contract Value: \$5,457,602.80**

**STATE OF MICHIGAN**  
**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**  
**PROCUREMENT & REAL ESTATE SERVICES ADMINISTRATION**  
 P.O. BOX 30026, LANSING, MI 48909  
 OR  
 530 W. ALLEGAN, LANSING, MI 48933

**CONTRACT NO. 071B1300194**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF CONTRACTOR  <b>Qualified Staffing</b> <b>5361 Gateway Centre, Ste D</b> <b>Flint, MI 48507</b>  <p style="text-align: right;">dbillot@q-staffing.com</p>	TELEPHONE Doug Billot <b>810-230-0368 ext 15</b> CONTRACTOR NUMBER/MAIL CODE  BUYER/CA (517) 241-1218 <b>Brandon Samuel</b>
Contract Compliance Inspectors: Refer to Contract <p style="text-align: center;"><b>Temporary Employment Services - Statewide</b></p>	
CONTRACT PERIOD: <b>5 yr. + 1 six-month option</b> From: <b>2/21/2011</b> To: <b>2/20/2016</b>	
TERMS <p style="text-align: center;"><b>Net 45</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 those of ITB #I1300008, this Contract Agreement and the vendor's proposal dated 12/1/2010. 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.</b>	
<b>Estimated Contract Value: \$5,457,602.80</b>	

**THIS IS NOT AN ORDER:** This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. I300008. Orders for delivery will be issued directly by the individual State Departments through the issuance of a Purchase Order Form.

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

<b>FOR THE CONTRACTOR:</b>  <p style="text-align: center;">Qualified Staffing</p> <hr/> <p style="text-align: center;">Firm Name</p> <hr/> <p style="text-align: center;">Authorized Agent Signature</p> <hr/> <p style="text-align: center;">Authorized Agent (Print or Type)</p> <hr/> <p style="text-align: center;">Date</p>	<b>FOR THE STATE:</b>  <p style="text-align: center;">Signature</p> <hr/> <p style="text-align: center;">Anthony J. DesChenes, Acting Director</p> <hr/> <p style="text-align: center;">Name/Title</p> <p style="text-align: center;">DTMB-Procurement &amp; Real Estate Services</p> <hr/> <p style="text-align: center;">Administration</p> <hr/> <p style="text-align: center;">Division</p> <hr/> <p style="text-align: center;">Date</p>
--	---



**STATE OF MICHIGAN**  
**Department of Technology Management and Budget**  
**Procurement & Real Estate Services Administration**

071B1300194

[Temporary Employment Services - Statewide](#)

Buyer Name: Brandon Samuel  
Telephone Number: 517-241-1218  
E-Mail Address: samuelb@michigan.gov



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## DEFINITIONS

**24x7x365** means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).

**Additional Service** means any Services within the scope of the Contract, but not specifically provided under any Statement of Work.

**Audit Period** means the seven year period following Contractor's provision of any work under the Contract.

**Bidder(s)** are those companies that submit a proposal in response to this RFP.

**Business Day** means any day other than a Saturday, Sunday or State-recognized legal holiday from 8:00am EST through 5:00pm EST unless otherwise stated.

**Blanket Purchase Order** is an alternate term for Contract and is used in the Plan Sponsors' computer system.

**CCI** means Contract Compliance Inspector.

**Days** means calendar days unless otherwise specified.

**Deleted – N/A** means that section is not applicable or included in this RFP. This is used as a placeholder to maintain consistent numbering.

**Deliverable** means physical goods and/or services required or identified in a Statement of Work.

**DTMB** means the Michigan Department of Technology, Management and Budget.

**Environmentally Preferable Products** means a product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to: those which contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.

**Hazardous Material** means any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of the Contract).

**Incident** means any interruption in any function performed for the benefit of a Plan Sponsor.

**Key Personnel** means any personnel identified in **Section 1.031** as Key Personnel.

**New Work** means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, such that once added will result in the need to provide the Contractor with additional consideration. "New Work" does not include Additional Service.

**Ozone-depleting Substance** means any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydrochlorofluorocarbons.

**Post-Consumer Waste** means any product generated by a business or consumer which has served its intended end use; and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.

**Post-Industrial Waste** means industrial by-products which would otherwise go to disposal and wastes generated after completion of a manufacturing process, but does not include internally generated scrap commonly returned to industrial or manufacturing processes.

**Recycling** means the series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.



**Reuse** means using a product or component of municipal solid waste in its original form more than once.

**RFP** means a Request for Proposal designed to solicit proposals for services.

**Services** means any function performed for the benefit of the State.

**SLA** means Service Level Agreement.

**Source Reduction** means any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.

**State Location** means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.

**Subcontractor** means a company selected by the Contractor to perform a portion of the Services, but does not include independent Contractors engaged by Contractor solely in a staff augmentation role.

**Unauthorized Removal** means the Contractor's removal of Key Personnel without the prior written consent of the State.

**Waste Prevention** means source reduction and reuse, but not recycling.

**Pollution Prevention** means the practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.

**Work in Progress** means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

**Work Product** refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by the Contract.



## **Article 1 – Statement of Work (SOW)**

### **1.010 Project Identification**

#### **1.011 Project Request**

This is a Contract issued by the Department of Technology, Management & Budget (DTMB) for statewide temporary employment services. It is estimated that an assignment **may last up to 480 hours**. The duration of each assignment will depend upon the type of program as well as the vacancy at the Agency level.

#### **1.012 Background**

Temporary Employment Services shall include but are not limited to clerical, financial, accounting work, data analysis, food preparation, janitorial work, substitute teacher, and a variety of general maintenance, labor, and grounds keeping tasks. The specific skills required for the 32 positions included within this Contract are listed in the foregoing portions of this section. Additional disciplines may be added during the term of the Contract as needed.

The State will not contract with any temporary personnel agency or personnel management company other than the State Contractor(s), unless the Contractor is unable to meet the State's staffing needs.

The State agency shall provide all necessary supplies and equipment to the temporary employee (Parking may not be available).

The State Agency's authorized coordinator is responsible for communicating overtime approval procedures to the Contractor. No overtime will occur without prior authorization of the State Agency's authorized coordinator.

The State site supervisor is responsible for approving contract employee's time sheet.

The State agency coordinator shall provide the Contractor with the following information when requesting services: job classification title, worksite location, supervisor name and telephone number, hours of work, length of assignment and any other miscellaneous information to aid in selection of the employee (i.e., professional skills specific to the assignment, software requirements, keyboards styles, # telephone lines, etc).

### **1.020 Scope of Work and Deliverables**

#### **1.021 In Scope**

As cited above, the duties and responsibilities required of temporary employees shall cover a broad range of skill and experience levels. Thirty two positions have been defined to accommodate agency needs across a wide spectrum of experience levels. These positions are listed below:

1. Skilled Worker
2. Bookkeeper
3. Calculations Assistant
4. Communications Assistant
5. Data Coding Operator – Basic
6. Data Coding Operator – Intermediate
7. Data Coding Operator - Advanced
8. General Office Assistant
9. Secretary – Basic
10. Secretary – Intermediate
11. Executive Secretary - Advanced
12. Word Processor Operator
13. Accounting Technician
14. Departmental Technician
15. Legal Personnel – Not Attorneys
16. Analyst



17. Buyer
18. Specialist
19. Substitute Teacher – Automotive
20. Substitute Teacher – Cabinetmaking
21. Substitute Teacher – Certified Nurse Assistant
22. Substitute Teacher – Culinary Arts
23. Substitute Teacher – Custodial
24. Substitute Teacher – Customer Service
25. Substitute Teacher – Electronics
26. Substitute Teacher – Graphic Communications
27. Substitute Teacher – Ground Maintenance
28. Substitute Teacher – Machine Technology
29. Substitute Teacher – Office Automation
30. Substitute Teacher – Pharmacy Technician
31. Substitute Teacher – Retail Marketing
32. Substitute Teacher - Weatherization

The duties and responsibilities required of these positions are described in Appendix A of Contract.

### **1.023 Work and Deliverable**

Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work. Refer to Appendix A for duties and responsibilities. Refer to Appendix B for State Regions. Refer to Appendix C for pricing tables.

- a. The Contractor must provide temporary personnel services to State agencies. (See Appendix B).
- b. The Contractor must provide temporary personnel services, Monday through Friday, 7:00 a.m. to 5:00 p.m., as needed by Statewide agencies. Occasionally, the State may require a temporary to work on Saturdays, second or third shift or on official State Holidays.
- c. The Contractor will provide those services requested based on their ability to conform to the Job Duties specified in Section 1.104.
- d. The Contractor shall provide services on an as needed, if needed, basis. The exact timing and scheduling of the Contractor's services shall be between the State agency's coordinator and the Contractor at the time of need.
- e. The Contractor must explicitly advise all employees that the State is NOT their employer. All personnel provided by the Contractor shall be subject to the rules, regulations, and policies of the State, as well as the State Agency.
- f. The Contractor must notify and provide services within 24 hours to the State Agency. If orders cannot be filled by the Contractor within 24 hours, the Contractor must notify the State Agency within that period of time. The requesting Agency reserves the right to procure temporary services from the State's alternate Contractor(s).
- g. The Contractor must provide qualified temporary employees to the State. If there are two consecutive failures by the Contractor to fill a position, the requesting Agency reserves the right to procure temporary services from the State's alternate Contractor(s).
- h. The Contractor must not charge their employees a fee for employment placement. The Contractor must also state in the proposal as to what employee benefits are provided to the employee (i.e. Health Insurance, Paid holidays, Sick leave, Paid vacation, 401K). Note: The Contractor's "Mark up" must cover expenses, including but not limited to, employee benefits, unemployment insurance, liability insurance and other similar job related expenses.



- i. **Overtime** The Contractor must compensate the temporary employee at a rate of 1½ times the contracted rate when that employee completes more than 40-hours in a week. However, the Contractor must advise each employee of the State policy that no overtime shall be paid without prior authorization from the authorized State Agency coordinator. The Contractor must obtain prior approval on all overtime situations.
- j. At completion of the temporary assignment, the Contractor must provide an evaluation form to the work site coordinator, to be completed by the temporary employee's supervisor and returned to the temporary employment agency.
- k. The Contractor must obtain a Purchase order number from the requesting agency prior to filling any order.
- l. The Contractor must replace all employees found to perform unsatisfactorily within 12 hours of notification. Records must be kept per employee regarding such requests for replacement and the employee must not be sent to service the State if two valid complaints are filed per employee.
- m. The Contractor must provide continuous skill training for all employees.
- n. The Contractor must place an "arrival phone call" to the supervisor the first day of an employee's placement at the worksite. The Contractor shall also place follow up calls to the State Agency to find out how the employee is performing at the worksite.
- o. The Contractor is responsible for complete compliance with the American Disability Act.
- p. The temporaries assigned to the State of Michigan are on a "No Work, No Pay" basis.
- q. If travel is required, the temporary employee will be reimbursed at the current State Travel rates. Temporaries are not allowed to drive State Vehicles.
- r. If situations demand, under special circumstances, the State reserves the right to interview temporaries, prior to placement.
- s. The State of Michigan requires that the Contractor perform "Reference Checks". The State of Michigan reserves the right to conduct "Criminal History Background" checks.
- t. The State of Michigan will provide adequate internal controls, supervision, and instructions for Contractor's temporary employees.
- u. The Contractor must monitor the hours on each purchase order. When the temporary employee is nearing the end of the assignment period/number of hours as specified on the PO, the Contractor is required to contact the departmental coordinator to determine if the assignment needs to be extended and, if so, obtain a revised PO. If the assignment is allowed to exceed the assignment period/hours on the PO, the Contractor is responsible for payment of any amount not authorized by the PO.
- v. The Contractor must inform employees of the following "All Tobacco Products are Prohibited at all Michigan Department of Correction Facilities". All Tobacco products will need to be secured in their vehicle prior to entrance. If they arrive with such products, they will be requested to return the items to their vehicle.
- w. In as much as the services requested may be performed in a prison environment with direct contact with prisoner/patients, there is always the possibility of personal attack or injury.
- x. If a position is located in a mental health facility, exposure to injury and disease may also be inherent in the work. The job duties require an employee to work under stressful conditions.

### **1.030 Roles and Responsibilities**



### **1.31 Contractor Staff, Roles, and Responsibilities**

The following individual is listed as Key Personnel for this Contract:  
Mindy Hatch – Project Manager

## **1.040 Project Plan**

### **1.041 Project Plan Management**

The Contractor will carry out this project under the direction and control of DTMB.

Although there will be continuous liaison with the Contractor team, the State agency's coordinator will meet periodically with the Contractor's project manager, for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.

### **1.042 Reports**

The Contractor will submit written monthly and quarterly usage reports, in the format specified by the State, to Procurement & Real Estate Services Administration and Office of the State Employer as well as to each Agency coordinator, which details the Agency usage during the reporting period. Quarterly usage reports will also be utilized to calculate any applicable volume rebates that would be due to the State.

Performance reviews shall be conducted quarterly, semi-annually or annually depending on the Contractor's past performance. Performance reviews shall include, but not be limited to, quality of services being provided, accuracy of billings, customer service, completion and submission of required paperwork, and other requirements of this Contract.

Upon a finding of poor performance, which has been documented by Procurement & Real Estate Services Administration, the Contractor shall be given an opportunity to respond and take corrective action. If corrective action is not taken in a reasonable amount of time as determined, this Contract may be cancelled for default.

All invoices should reflect actual work done. Invoices will be directed to each requesting department weekly and will detail name of employee, division assigned, dates worked, billed rates, and all other pertinent information (i.e. purchase order number). The requesting Department reserves the right to determine where the invoices will be mailed. Contractor will furnish DTMB Procurement & Real Estate Services Administration and the State Agency coordinator with a monthly summary report of all invoices charged to the awarded contract agreement. Specific details of invoices and payments will be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Procurement & Real Estate Services Administration, Department of Management & Budget. This activity will occur only upon the specific written direction from Procurement & Real Estate Services Administration.

## **1.050 Acceptance**

### **1.051 Criteria**

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

Services must be presented in writing to the Agency Project Manager. Services must meet the agreed upon criteria between the Agency Project Manager and the Contractor. The Agency Project Manager must approve the services in writing to the Contractor within two weeks from the date of submittal. Any rejections of services shall be in writing to the Contractor and shall outline the reasons for rejection.

### **1.052 Final Acceptance-Deleted/Not Applicable**

## **1.060 Proposal Pricing**

**1.061 Proposal Pricing**

For authorized Services and Price List, see Appendix C.

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 the expense at the State's current travel reimbursement rates. See [www.michigan.gov/dtmb](http://www.michigan.gov/dtmb) for current rates.

The Contractor shall submit monthly bills itemizing activities and hours spent. Payment will be made on a monthly basis. All invoices should reflect actual work completed by payment date, and must be approved by Agency Project Manager prior to payment.

**1.062 Price Term**

Prices quoted are firm for the entire length of the Contract.

**1.063 Tax Excluded from Price**

- (a) Sales Tax: For purchases made directly by the State, the State is exempt from State and Local Sales Tax. Prices must not include the taxes. Exemption Certificates for State Sales Tax will be furnished upon request.
- (b) Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.

**1.064 Holdback-Deleted/Not Applicable****1.070 Additional Requirements****1.071 Additional Terms and Conditions specific to this Contract - Deleted/Not Applicable****1.080 Acceptance of Article 1 SOW**



## **Article 2, Terms and Conditions**

### **2.000 Contract Structure and Term**

#### **2.001 Contract Term**

The Contract is for a period of five years beginning 2/21/11 through 2/20/16. All outstanding Purchase Orders must also expire upon the termination (cancellation for any of the reasons listed in **Section 2.150**) of the Contract, unless otherwise extended under 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.

#### **2.002 Options to Renew**

The Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to one additional six month period.

#### **2.003 Legal Effect**

Contractor must show acceptance of the Contract by signing two (2) copies of the Contract and returning them to the Contract Administrator. The Contractor must not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the Contractor receives a Contract release/purchase order that authorizes and defines specific performance requirements.

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under the Contract, until Contractor is notified in writing that the 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.

#### **2.004 Attachments & Exhibits**

All Attachments and Exhibits affixed to any and all Statement(s) of Work, or appended to or referencing the Contract, are incorporated in their entirety and form part of the Contract.

#### **2.005 Ordering**

The State will issue a written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order, which must be approved by the Contract Administrator or the Contract Administrator's designee, to order any Services/Deliverables under the Contract. All orders are subject to the terms and conditions of the Contract. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are also specifically contained in that Purchase Order's or Blanket Purchase Order's accompanying Statement of Work. Exact quantities to be purchased are unknown, however, the Contractor must furnish all such materials and services as may be ordered during the CONTRACT period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities.

#### **2.006 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 the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005**.
- (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 the Contract, which may be modified or amended only by a formal Contract amendment.

#### **2.007 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.



### 2.008 Form, Function & Utility

If the Contract is for use of more than one (1) 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.

### 2.009 Reformation and Severability

Each provision of the Contract is severable from all other provisions of the Contract and, if one (1) or more of the provisions of the Contract is declared invalid, the remaining provisions of the Contract remain in full force and effect.

### 2.010 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, the consent or approval must be in writing and must not be unreasonably withheld or delayed.

### 2.011 No Waiver of Default

If a party fails to insist upon strict adherence to any term of the Contract then the party has not waived the right to later insist upon strict adherence to that term, or any other term, of the Contract.

### 2.012 Survival

Any provisions of the Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, 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.

## 2.020 Contract Administration

### 2.021 Issuing Office

The Contract is issued by the Department of Technology Management and Budget, Procurement & Real Estate Services Administration (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Procurement & Real Estate Services Administration is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. Procurement & Real Estate Services Administration **is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of the Contract.** The Contractor Administrator within Procurement & Real Estate Services Administration for the Contract is:

Brandon Samuel, Buyer Specialist  
 Procurement & Real Estate Services Administration  
 Department of Technology Management and Budget  
 Mason Bldg, 2nd Floor  
 PO Box 30026  
 Lansing, MI 48909  
 samuelb@michigan.gov  
 517-241-1218

### 2.022 Contract Compliance Inspector (CCI)

After DTMB-Procurement & Real Estate Services Administration receives the properly executed Contract, it is anticipated that the Director of Procurement & Real Estate Services Administration, in consultation with applicable agencies, will direct the person named below, or any other person so designated, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of the Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract as that authority is retained by DTMB Procurement & Real Estate Services Administration.** The CCI for the Contract is:

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## 2.023 Project Manager

The following individual will oversee the project:



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#### **2.024 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 Contractor does not so notify the State, the Contractor has no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable.

#### **Change Requests:**

- (a) By giving Contractor written notice within a reasonable time, the State must 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 must be prepared and issued under the Contract, describing the Change and its effects on the Services and any affected components of the Contract (a "Contract Change Notice").
- (b) No proposed Change may be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the DTMB-Procurement & Real Estate Services Administration.
- (c) If the State requests or directs the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of the Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

#### **2.025 Notices**

Any notice given to a party under the Contract must be deemed effective, if addressed to the State contact as noted in Section 2.021 and the Contractor's contact as noted on the cover page of the contract, 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 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.

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

#### **2.026 Binding Commitments**

Representatives of Contractor must have the authority to make binding commitments on Contractor's behalf within the bounds set forth in the Contract. Contractor may change the representatives from time to time upon written notice.

#### **2.027 Relationship of the Parties**

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 must be deemed to be an employee, agent or servant of the State for any reason. Contractor is solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

#### **2.028 Covenant of Good Faith**

Each party must act reasonably and in good faith. Unless stated otherwise in the Contract, the parties must 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.

**2.029 Assignments**

- (a) Neither party may assign the Contract, or 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 the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the requirements of the Contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the 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. If the State permits an assignment, the Contractor is not relieved of its responsibility to perform any of its contractual duties, and the requirement under the Contract that all payments must be made to one (1) entity continues.
- (c) If the Contractor intends to assign the Contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

**2.030 General Provisions****2.031 Media Releases**

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the RFP and Contract are to be released without prior written approval of the State and then only to persons designated.

**2.032 Contract Distribution**

Procurement & Real Estate Services Administration retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Procurement & Real Estate Services Administration.

**2.033 Permits**

Contractor must 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 must pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

**2.034 Website Incorporation**

The State is not 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 the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

**2.035 Future Bidding Preclusion**

Contractor acknowledges that, to the extent the 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 competitive advantage on the RFP

**2.036 Freedom of Information**

All information in any proposal submitted to the State by Contractor and the Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 PA 442, MCL 15.231, et seq (the "FOIA").

**2.037 Disaster Recovery**

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to



providing Services/Deliverables under the Contract must provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

## **2.040 Financial Provisions**

### **2.041 Fixed Prices for Services/Deliverables**

Each Statement of Work or Purchase Order issued under the Contract must 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. 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.

### **2.042 Adjustments for Reductions in Scope of Services/Deliverables**

If the scope of the Services/Deliverables under any Statement of Work issued under the Contract is subsequently reduced by the State, the parties must negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

### **2.043 Services/Deliverables Covered**

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

### **2.044 Invoicing and Payment – In General**

- (a) Each Statement of Work issued under the Contract must 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.
- (b) Each Contractor invoice must 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. Invoices for Services performed on a time and materials basis must 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 1.064**.
- (c) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 PA 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.
- (d) All invoices should reflect actual work done. Specific details of invoices and payments will be agreed upon between the CCI and the Contractor.

The specific payment schedule for any Contract(s) entered into, as the State and the Contractor(s) must mutually agree upon. The schedule must show payment amount and must reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy, statements must be forwarded to the designated representative by the 15th day of the following month.

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 CCI, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

### **2.045 Pro-ration**

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services must be pro-rated for any partial month.

### **2.046 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 the Contract.

### **2.047 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



(1) party against the other arising from unsettled claims or failure by a party to comply with the 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 the Contract must constitute a waiver of all claims by Contractor against the State for payment under the Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

#### **2.048 Electronic Payment Requirement**

Electronic transfer of funds is required for payments on State contracts. The Contractor must register with the State electronically at <http://www.cpexpress.state.mi.us>. As stated in 1984 PA 431, all contracts that the State enters into for the purchase of goods and services must provide that payment will be made by Electronic Fund Transfer (EFT).

### **2.050 Taxes**

#### **2.051 Employment Taxes**

Contractors are expected to collect and pay all applicable federal, state, and local employment taxes.

#### **2.052 Sales and Use Taxes**

Contractors are required to be registered and to remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. Contractors that lack sufficient presence in Michigan to be required to register and pay tax must do so as a volunteer. This requirement extends to: (1) all members of any controlled group as defined in § 1563(a) of the Internal Revenue Code and applicable regulations of which the company is a member, and (2) all organizations under common control as defined in § 414(c) of the Internal Revenue Code and applicable regulations of which the company is a member that make sales at retail for delivery into the State are registered with the State for the collection and remittance of sales and use taxes. In applying treasury regulations defining "two (2) or more trades or businesses under common control" the term "organization" means sole proprietorship, a partnership (as defined in § 701(a)(2) of the Internal Revenue Code), a trust, an estate, a corporation, or a limited liability company.

### **2.060 Contract Management**

#### **2.061 Contractor Personnel Qualifications**

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

#### **2.062 Contractor Key Personnel**

- (a) The Contractor must provide the CCI with the names of the Key Personnel.
- (b) Key Personnel must be dedicated as defined in the Statement of Work 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.
- (c) The State reserves 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 must notify the State of the proposed assignment, must introduce the individual to the appropriate State representatives, and must 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 must provide a written explanation including reasonable detail outlining the reasons for the rejection.
- (d) Contractor must not remove any Key Personnel from their assigned roles on the Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel 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. Unauthorized Removals does not include replacing Key Personnel 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 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements and appropriate transition planning must 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 termination and cancellation rights.

- (e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

### **2.063 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 must be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good-faith reasons. Replacement personnel for the removed person must 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 incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted for a time as agreed to by the parties.

### **2.064 Contractor Personnel Location-Deleted/Not Applicable**

### **2.065 Contractor Identification**

Contractor employees must 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.

### **2.066 Cooperation with Third Parties**

Contractor must 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. As reasonably requested by the State in writing, the Contractor must provide to the State's agents and other Contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with the Contract and will not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for the Contract is very specific and must not unnecessarily or unreasonably interfere with, delay, or otherwise impede Contractor's performance under the Contract with the requests for access.

### **2.067 Contractor Return of State Equipment/Resources**

The Contractor must return 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.

### **2.068 Contract Management Responsibilities**

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

## **2.070 Subcontracting by Contractor**

### **2.071 Contractor Full Responsibility**

Contractor has 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 the Contract, including payment of any and all charges for Services and Deliverables.

**2.072 State Consent to Delegation**

Contractor must not delegate any duties under the Contract to a Subcontractor unless the DTMB-Procurement & Real Estate Services Administration has given written consent to such delegation. The State reserves 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 must be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good-faith reasons. Replacement Subcontractor(s) for the removed Subcontractor must 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 for the affected Work will not be counted for a time agreed upon by the parties.

**2.073 Subcontractor Bound to Contract**

In any subcontracts entered into by Contractor for the performance of the Services, Contractor must require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of the Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by the Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor is the responsibility of Contractor, and Contractor must remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor must 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 the Contract will not relieve Contractor of any obligations or performance required under the Contract.

**2.074 Flow Down**

Except where specifically approved in writing by the State on a case-by-case basis, Contractor must flow down the obligations in **Sections 2.031, 2.060, 2.100, 2.110, 2.120, 2.130, 2.200** in all of its agreements with any Subcontractors.

**2.075 Competitive Selection**

The Contractor must select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

**2.080 State Responsibilities****2.081 Equipment**

The State must provide only the equipment and resources identified in the Statements of Work and other Contract Exhibits.

**2.082 Facilities-Deleted/Not Applicable**

The State must designate space as long as it is available and as provided in the Statement of Work, to house the Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). The Contractor must have reasonable access to, and, unless agreed otherwise by the parties in writing, must observe and comply with all rules and regulations relating to each of the State Facilities (including hours of operation) used by the Contractor in the course of providing the Services. Contractor must not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for the Contractor's use, or to which the Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

**2.090 Security****2.091 Background Checks**

On a case-by-case basis, the State may investigate the Contractor's personnel before they may have access to State facilities and systems. 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. The 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 must comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/dit>. Furthermore, Contractor personnel must 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. The Contractor must present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff must comply with all Physical Security procedures in place within the facilities where they are working.

### **2.092 Security Breach Notification**

If the Contractor breaches this Section, the Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must 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 10 days of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

### **2.093 PCI Data Security Requirements-Deleted/Not Applicable**

#### **2.100 Confidentiality**

##### **2.101 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 must 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 must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under the Contract, is marked as confidential, proprietary, or with a similar designation by the State. "Confidential Information" excludes any information (including the Contract) that is publicly available under the Michigan FOIA.

##### **2.102 Protection and Destruction of Confidential Information**

The State and Contractor must 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 the 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 must limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of the Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under the Contract, (B) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the 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 the Confidential Information from unauthorized use or disclosure.

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

##### **2.103 Exclusions**

Notwithstanding the foregoing, the provisions of **Section 2.100** 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 the 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 **Section 2.100** will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose the 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 the disclosure as reasonably requested by the furnishing party.

#### **2.104 No Implied Rights**

Nothing contained in this Section must 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.

#### **2.105 Respective Obligations**

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

### **2.110 Records and Inspections**

#### **2.111 Inspection of Work Performed**

The State's authorized representatives must at all reasonable times and with 10 days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and must have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon 10 Days prior written notice and at all reasonable times, the State's representatives must be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that the 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.

#### **2.112 Examination of Records**

For seven (7) years after the Contractor provides any work under the Contract (the "Audit Period"), the State may 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. The State must notify the Contractor 20 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the Contractor to the extent access would require the 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.

#### **2.113 Retention of Records**

Contractor must maintain at least until the end of the Audit Period, all pertinent financial and accounting records (including time sheets and payroll records, information pertaining to the Contract, and to the Services, equipment, and commodities provided under the Contract) pertaining to the Contract according to generally accepted accounting principles and other procedures specified in this Section. Financial and accounting records must 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.

#### **2.114 Audit Resolution**

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

#### **2.115 Errors**

- (a) If the audit demonstrates any errors in the documents provided to the State, then the amount in error must 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) invoices. If a balance remains after four (4) invoices, then the remaining amount will be due as a payment or refund within 45 days of the last quarterly invoice 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 10%, then the Contractor must pay all of the reasonable costs of the audit.



**2.120 Warranties**

**2.121 Warranties and Representations**

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and must fulfill all of its obligations under the Contract. The performance of all obligations under the Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under the 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 the 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 the 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 the 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 the items in the Contract, Contractor must 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 the 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, must have, or must 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 the Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two (2) days of learning about it.
- (h) If any of the certifications, representations, or disclosures made in the Contractor’s original bid response change after the Contract start date, the Contractor must report those changes immediately to DTMB-Procurement & Real Estate Services Administration.

**2.122 Warranty of Merchantability-Deleted/Not Applicable**

**2.123 Warranty of Fitness for a Particular Purpose-Deleted/Not Applicable**

**2.124 Warranty of Title-Deleted/Not Applicable**

**2.125 Equipment Warranty-Deleted/Not Applicable**

**2.126 Equipment to be New-Deleted/Not Applicable**

**2.127 Prohibited Products-Deleted/Not Applicable**

**2.128 Consequences For Breach**

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



**2.130 Insurance**

**2.131 Liability Insurance**

The Contractor must provide proof of the minimum levels of insurance coverage as indicated below. The insurance must protect the State from claims which may arise out of or result from the Contractor's performance of Services under the terms of the Contract, whether the 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 under the Contract.

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

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

The insurers selected by Contractor must have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if the ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in the Contract must be issued by companies that have been approved to do business in the State. See [www.michigan.gov/deleg](http://www.michigan.gov/deleg).

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

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

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

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

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

- 3. Workers' compensation coverage must be provided according to 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 must 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 \$1,000,000.00 with a maximum deductible of \$50,000.00.
- 6. Umbrella or Excess Liability Insurance in a minimum amount of three million dollars (\$3,000,000.00), which must 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: \$3,000,000.00 each occurrence and \$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 the Contract, and the equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The policy must 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 must be endorsed on the policy as a loss payee as its interests appear.

**2.132 Subcontractor Insurance Coverage**

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor must require all of its Subcontractors under the 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 must fully comply with the insurance coverage required in this Section. Failure of Subcontractor to comply with insurance requirements does not limit Contractor’s liability or responsibility.

**2.133 Certificates of Insurance and Other Requirements**

Contractor must furnish to DTMB-Procurement & Real Estate Services Administration, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the “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) must contain a provision indicating that coverages afforded under the policies **MUST NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED** without 30 days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Procurement & Real Estate Services Administration, DTMB. The notice must include the Contract or Purchase Order number affected. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must 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.

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



## **2.140 Indemnification**

### **2.141 General Indemnification**

To the extent permitted by law, the Contractor must 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 the 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.

### **2.142 Code Indemnification**

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

### **2.143 Employee Indemnification**

In any 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 must 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.

### **2.144 Patent/Copyright Infringement Indemnification**

To the extent permitted by law, the Contractor must 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 the 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 the equipment, software, commodity or service, or the use or reproduction of any documentation provided with the 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 must at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if the 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 the 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 has 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; (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 the Contract.

### **2.145 Continuation of Indemnification Obligations**

The Contractor's duty to indemnify under 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 before expiration or cancellation.

### **2.146 Indemnification Procedures**

The procedures set forth below must apply to all indemnity obligations under the Contract.

- (a) After the State receives notice of the action or proceeding involving a claim for which it will seek indemnification, the State must promptly notify Contractor of the 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 the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from



the State relating to any claim, the Contractor must 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 before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

- (b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under the Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying the Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under 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 may defend the claim in the 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 must promptly reimburse the State for all the reasonable costs and expenses.

## **2.150 Termination/Cancellation**

### **2.151 Notice and Right to Cure**

If the Contractor breaches the Contract, and the State, in its sole discretion, determines that the breach is curable, then the State must provide the Contractor with written notice of the breach and a time period (not less than 30 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

### **2.152 Termination for Cause**

- (a) The State may terminate the Contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under the Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State
- (b) If the Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating the 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 the Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in the Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under the Contract.
- (c) If the State chooses to partially terminate the Contract for cause, charges payable under the Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of the Contract that are terminated for cause must cease on the effective date of the termination.



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

### **2.153 Termination for Convenience**

The State may terminate the Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must 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 the Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate the Contract in part, the charges payable under the Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of the Contract that are terminated for cause must cease on the effective date of the termination.

### **2.154 Termination for Non-Appropriation**

- (a) Contractor acknowledges that, if the Contract extends for several fiscal years, continuation of the Contract is subject to appropriation or availability of funds for the Contract. If funds to enable the State to effect continued payment under the Contract are not appropriated or otherwise made available, the State must terminate the 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 must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 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 unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under the Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.
- (c) If the State terminates the Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must 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. This Section will not preclude Contractor from reducing or stopping Services/Deliverables 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.

### **2.155 Termination for Criminal Conviction**

The State may terminate the 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 related to a State, public or private Contract or subcontract.

### **2.156 Termination for Approvals Rescinded**

The State may terminate the Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State must pay the Contractor for only the work completed to that point under the Contract. 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 the written notice.

### **2.157 Rights and Obligations upon Termination**

- (a) If the State terminates the Contract for any reason, the Contractor must (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 the 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) 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 must be provided to the State on an “As-Is” basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the 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) If the State terminates the Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under the 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 under the Contract, at the option of the State, becomes the State’s property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not 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 may assume, at its option, any subcontracts and agreements for Services and Deliverables provided under the Contract, and may further pursue completion of the Services/Deliverables under the Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

**2.158 Reservation of Rights**

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

**2.160 Termination by Contractor**

**2.161 Termination by Contractor-Deleted/Not Applicable**

**2.170 Transition Responsibilities**

**2.171 Contractor Transition Responsibilities**

If the State terminates the Contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or 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. If the Contract expires or terminates, 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 90 days. These efforts must include, but are not limited to, those listed in **Sections 2.171, 2.172, 2.173, 2.174, and 2.175.**

**2.172 Contractor Personnel Transition**

The Contractor must 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 must allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by the Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor’s Subcontractors 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 must notify all of Contractor’s subcontractors of procedures to be followed during transition.

**2.173 Contractor Information Transition**

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 the Contract. The Contractor must provide the State with asset management data generated from the inception of the Contract through the date on which the Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor must deliver to the State any remaining owed reports and documentation still in Contractor’s possession subject to appropriate payment by the State.



### **2.174 Contractor Software Transition**

The Contractor must reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under the Contract. This must include any documentation being used by the Contractor to perform the Services under the Contract. If the State transfers any software licenses to the Contractor, those licenses must, 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.

### **2.175 Transition Payments**

If the transition results from a termination for any reason, reimbursement must be governed by the termination provisions of the Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates agreed upon by the State. The Contractor must prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

### **2.176 State Transition Responsibilities**

In the event that the 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.

## **2.180 Stop Work**

### **2.181 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 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 must be identified as a stop work order and must indicate that it is issued under this **Section 2.180**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring 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 must either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.150**.

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

The Contractor must resume work if the State cancels a Stop Work Order or if it expires. The parties will agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract must 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 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 must conform to the requirements of **Section 2.024**.

### **2.183 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, the termination must be deemed to be a termination for convenience under **Section 2.150**, and the State will pay reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State is not liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.180**.

## **2.190 Dispute Resolution**

### **2.191 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 must 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 must submit a letter, together with all data supporting the claims, executed by Contractor's Contract Administrator or the Contract Administrator's 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 claim and the supporting data are current and complete to Contractor's best knowledge and belief.



**2.192 Informal Dispute Resolution**

- (a) All disputes between the parties must be resolved under the Contract Management procedures in the Contract. If the parties are unable to resolve any disputes after compliance with the processes, the parties must meet with the Director of Procurement & Real Estate Services Administration, DTMB, or designee, for the purpose of attempting to resolve the dispute without the need for formal legal proceedings, as follows:
  - (i) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary 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 must 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 (1) party to another for non-privileged information reasonably related to the Contract must 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 60 calendar days, the Director of Procurement & Real Estate Services Administration, DTMB, or designee, must issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.
- (b) This Section must 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 under **Section 2.193**.
- (c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work under the Contract.

**2.193 Injunctive Relief**

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is the that the damages to the 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.

**2.194 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 must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.150**, as the case may be.

**2.200 Federal and State Contract Requirements**

**2.201 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, or physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of the Contract or any purchase order resulting from the Contract must contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under 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.

**2.202 Unfair Labor Practices**

Under 1980 PA 278, MCL 423.321, et seq., the State must 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 under 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, must not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under Section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after 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.

### **2.203 Workplace Safety and Discriminatory Harassment**

In performing Services for the State, the Contractor must 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 must 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>.

### **2.204 Prevailing Wage-Deleted/Not Applicable**

#### **2.210 Governing Law**

##### **2.211 Governing Law**

The Contract must in all respects be governed by, and construed according to, 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.

##### **2.212 Compliance with Laws**

Contractor must comply with all applicable state, federal and local laws and ordinances in providing the Services/Deliverables.

##### **2.213 Jurisdiction**

Any dispute arising from the Contract must 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 the jurisdiction on the grounds of lack of personal jurisdiction of the court or the laying of venue of the 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.

#### **2.220 Limitation of Liability**

##### **2.221 Limitation of Liability**

Neither the Contractor nor the State is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does 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 the 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 the Contract.

#### **2.230 Disclosure Responsibilities**

##### **2.231 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, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) 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; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor must disclose in writing to the Contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated. 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. If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of the Contract would cause a reasonable party to be concerned about:
  - (i) the ability of Contractor (or a Subcontractor) to continue to perform the Contract according to its terms and conditions, or
  - (ii) whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of the Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:
    - (a) Contractor and its Subcontractors must be able to continue to perform the Contract and any Statements of Work according to its terms and conditions, and
    - (b) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.
- (c) Contractor must make the following notifications in writing:
  - (1) Within 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 must notify DTMB-Procurement & Real Estate Services Administration.
  - (2) Contractor must also notify DTMB Procurement & Real Estate Services Administration within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.
  - (3) Contractor must also notify DTMB Procurement & Real Estate Services Administration within 30 days whenever changes to company affiliations occur.

**2.232 Call Center Disclosure-Deleted/Not Applicable**

**2.233 Bankruptcy**

The State may, without prejudice to any other right or remedy, terminate the Contract, in whole or in part, and, at its option, may take possession of the “Work in Process” and finish the Works in Process by whatever appropriate method the State may deem expedient if:

- (a) the Contractor files for protection under the bankruptcy laws;
- (b) an involuntary petition is filed against the Contractor and not removed within 30 days;
- (c) the Contractor becomes insolvent or if a receiver is appointed due to the Contractor's insolvency;
- (d) the Contractor makes a general assignment for the benefit of creditors; or
- (e) the Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can deliver the services under the Contract.

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 must be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

**2.240 Performance**

**2.241 Time of Performance**

- (a) Contractor must use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to 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 2.241(a)**, Contractor must 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 must inform the State of the projected actual delivery date.
- (c) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

**2.242 Service Level Agreements (SLAs)-Deleted/Not Applicable****2.243 Liquidated Damages-Deleted/Not Applicable****2.244 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 the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military, or otherwise), power failure, 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 a party; provided the non-performing party and its Subcontractors are without fault in causing the default or delay, and the 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.

If a party does not perform its contractual obligations for any of the reasons listed above, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. but the party must use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. A party must promptly notify the other party in writing immediately after the excusable failure occurs, and also when it abates or ends.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay the Contractor's performance of the Services/provision of Deliverables for more than 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 is not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the Contract so affected and the charges payable will 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 the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/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.

**2.250 Approval of Deliverables-Deleted/Not Applicable****2.260 Ownership****2.261 Ownership of Work Product by State**

The State owns all Deliverables as they are works made for hire by the Contractor for the State. The State owns all United States and international copyrights, trademarks, patents, or other proprietary rights in the Deliverables.

**2.262 Vesting of Rights**

With the sole exception of any preexisting licensed works identified in the SOW, the Contractor assigns, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Contractor, insofar as any the Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon the State's request, the Contractor must confirm the assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State may obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

**2.263 Rights in Data**

- (a) The State is the owner of all data made available by the State to the Contractor or its agents, Subcontractors or representatives under the Contract. The Contractor must 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 the Contractor. No employees of the Contractor, other than those on a strictly need-to-know basis, have access to the State's data. Contractor must not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, the Contractor must only use personally identifiable information as strictly necessary to provide the Services and must disclose the information only to its employees who have a strict need-to-know the information. The Contractor must comply at all times with all laws and regulations applicable to the personally identifiable information.
- (b) The State is the owner of all State-specific data under the Contract. The State may use the data provided by the Contractor for any purpose. The State must not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State may use personally identifiable information only as strictly necessary to utilize the Services and must disclose the information only to its employees who have a strict need to know the information, except as provided by law. The State must comply at all times with all laws and regulations applicable to the personally identifiable information. Other material developed and provided to the State remains the State's sole and exclusive property.

**2.264 Ownership of Materials**

The State and the 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.

**2.270 State Standards****2.271 Existing Technology Standards**

The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at <http://www.michigan.gov/dit>.

**2.272 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>. 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.

**2.273 Systems Changes**

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

**2.280 Extended Purchasing****2.281 MIDEAL**

1984 PA 431 permits DTMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: [www.michigan.gov/buymichiganfirst](http://www.michigan.gov/buymichiganfirst). Unless otherwise stated, the Contractor must ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor must supply Contract Services and equipment to these local governmental agencies at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor must send its invoices to, and pay the local unit of government, on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under the Contract, the quantities of Services and/or equipment purchased must be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.



## 2.282 State Employee Purchases-Deleted/Not Applicable

### 2.290 Environmental Provision

#### 2.291 Environmental Provision

##### Hazardous Materials:

For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation, or disposal of which is regulated by the federal, State, or local laws governing the protection of the public health, natural resources, or the environment. This includes, but is not limited to, materials such as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act.

- (a) The Contractor must use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State, and local laws. The State must provide a safe and suitable environment for performance of Contractor's Work. Before the commencement of Work, the State must advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor must immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.
- (b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State must order a suspension of Work in writing. The State must proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State must terminate the affected Work for the State's convenience.
- (c) Once the Hazardous Material has been removed or rendered harmless by the State, the Contractor must resume Work as directed in writing by the State. Any determination by the Michigan Department of Community Health or the Michigan Department of Environmental Quality that the Hazardous Material has either been removed or rendered harmless is binding upon the State and Contractor for the purposes of resuming the Work. If any incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.242** for a time as mutually agreed by the parties.
- (d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor must bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to Applicable Laws to the condition approved by applicable regulatory agency(ies).

Michigan has a Consumer Products Rule pertaining to labeling of certain products containing volatile organic compounds. For specific details visit [http://www.michigan.gov/deq/0,1607,7-135-3310\\_4108-173523--,00.html](http://www.michigan.gov/deq/0,1607,7-135-3310_4108-173523--,00.html)

##### Refrigeration and Air Conditioning:

The Contractor must comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to the Contract.

##### Environmental Performance:

Waste Reduction Program: Contractor must establish a program to promote cost-effective waste reduction in all operations and facilities covered by the Contract. The Contractor's programs must comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).



**2.300 Other Provisions**

**2.311 Forced Labor, Convict Labor, Forced or Indentured Child Labor, or Indentured Servitude Made Materials**  
Equipment, materials, or supplies, that will be furnished to the State under the Contract must not be produced in whole or in part by forced labor, convict labor, forced or indentured child labor, or indentured servitude.

“Forced or indentured child labor” means all work or service: exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or performed by any person under the age of 18 under a contract the enforcement of which can be accomplished by process or penalties.

**2.400 Acceptance of Article 2 Terms and Conditions**



**Appendix A**  
**Job Duties – 071B1300194**

Contractor shall provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as well as other related work not specifically mentioned, as set forth below:

**1. Skilled Worker**

**Janitor:**

- Clean and service restrooms; sweep, vacuum and mop floors and stairways.
- Clean grounds, walks, parking lots and such facilities as garages, storerooms, park and rest area facilities.
- Gather and dispose of rubbish and waste materials by hand or with the use of powered equipment.
- Lock and unlock buildings.
- Observe appearances and conditions of premises and equipment; report needed repairs, safety hazards, or conditions requiring outside vendor services.
- Dust such items as blinds, furniture, file cabinets, and windowsills using treated dust mittens, cloths, or hand-cleaning items. Scrub, strip, sanitize, wax, and buff floors using powered machines equipped with rotating brushes.
- Polish furniture, metal work, and chrome using appropriate cleaning and polishing compounds.
- Wash walls, ceilings, woodwork, windows, mirrors and fixtures using both step and extension ladders. Clean grounds and parking lots of litter, glass or other debris.
- Replace light bulbs and fuses.
- Assist in the performance of minor building maintenance jobs using manual and power tools.

**Laborer:**

- Unload materials from trucks by hand or with hand operated or motorized equipment.
- Unpack incoming goods and wrap and pack outgoing goods.
- Operate hand equipment such as hand trucks and dollies to transport stock.
- May operate a forklift, or other material handling equipment to facilitate the movement of materials.
- Operate tractors or power mowers.
- May perform ground maintenance including the removal of snow from sidewalks, walkways, roadways, and parking lots by hand or using snow blowers, and mowing of small areas of grass, trimming shrubs, etc. at an office site.
- Load, unload, and move supplies, materials, equipment, or heavy furniture to and from work site using dollies, handcarts or power equipment.
- Assist in cleaning, repairing or replacing, and painting of buildings, park benches, tables, and playground equipment.
- Cleaning and disinfecting of telephones

**Storekeeper:**

- Open, timestamp, separate and distribute incoming mail in a mail/store room.
- Count, weigh, and measure goods received or issued.
- Unpack incoming goods and wrap and pack outgoing goods.
- Stock materials according to a prescribed inventory system.
- Operate hand equipment such as hand trucks and dollies to transport stock.
- Dispense items and posts amounts of items to inventory control cards or automated systems.

**Cook:**

- Prepare and cook meats, vegetables, and casserole dishes for general and/or modified diet menus using hand and power kitchen utensils and equipment.
- Prepare salads, desserts and beverages.
- Prepare food for special occasions such as meetings, birthdays and holidays.



- Assemble food for transportation by measuring out food, placing in proper containers and loading hot and/or cold food carts; receive and unload returned carts; dispose of unused food; and removes soiled ware for washing.
- Participate in the washing, sanitizing, and cleaning of the premises, cooking utensils, and kitchen equipment.
- Receive and put away stock such as canned goods, paper products, fish, meats, cereal, flour, sugar and eggs.

## **2. Bookkeeper:**

- Work is performed by applying knowledge of accounting terminology and through the use of spreadsheets, database software and/or complex computer systems such as the Michigan Administrative Information Network (MAIN), Financial Administration and Control System (FACS).
- Receive, sort, correct, and reconcile a variety of accounting documents.
- Review and code financial information.
- Disburse funds, make deposits and prepare financial reports.
- Process information, and maintain records.

## **3. Calculations Assistant:**

- Perform computational activities which provide such support services as: examining, counting, coding, proofreading and correcting a variety of documents requiring arithmetical computations.
- Perform arithmetical calculations; compile numerical data; compose summary reports, tables, graphs and correspondence.

## **4. Communications Assistant:**

- Disseminate information and materials over the counter or by telephone to the public, regarding state government and/or departmental services.
- Receive visitors and answer telephone; screen and/or direct visitors, callers, or messages appropriately; input, retrieve, update, or delete information from computer files.
- May perform typing duties incidental to the work such as typing cards, labels, folders, envelopes, forms, and short memoranda and reports.

## **5. Data Coding Operator - Basic:**

- Operate a computer terminal on-line to transmit data to or receive data from computer.
- Operate a computer to convert data from source documents for computer entry.
- Enter alpha-numeric and symbolic data from various source documents into terminals and/or computers using multiple data entry systems and applications.
- Key data onto magnetic cards, tape, or disk.
- Retrieve, delete, update and correct data on computer files.

## **6. Data Coding Operator – Intermediate. Duties include those listed in item 5 above, plus:**

- Checks data for errors; makes corrections.
- Responds to inquiries by providing information retrieved from electronic files.
- Sorts, batches, routes and/or codes mail and other documents.

## **7. Data Coding Operator – Advanced. Duties include those listed in items 5 & 6 above, plus:**

- Identifies diagnostic messages and takes necessary action to correct conditions.
- Produces reports upon request by retrieving and printing data from computer files.
- Ability to determine the appropriate codes and most efficient formats for specific requests.

## **8. General Office Assistant:**

- Perform general office support assignments where the processing of documents, recording, retrieving, and distribution of data or information are an essential and/or substantial part of the work.



- Sort, batch, route and/or code mail and other documents.
- Retrieve and print data from computer files.
- Preparing and maintaining office records, reports, and correspondence as directed.
- Route and distribute reports to various departments.

**9. Secretary - Basic:**

- Secretarial assignments support the on-going operations of an office. These assignments may include such duties as scheduling meetings; preparing and maintaining office records, reports, and correspondence as directed.
- Skilled typing and the ability to use word processors and related software applications to produce letters, memoranda, brochures, charts, graphs, forms, and other material.
- Proofread for errors, making corrections as necessary.
- Sort, batch, route and/or code mail and other documents.
- Update manuals and other references.
- Respond to inquiries by providing information retrieved from computer files.

**10. Secretary – Intermediate. Duties include those listed in item 9 above, plus:**

- Secretarial assignments support the on-going operations of an office. These assignments may include such duties as scheduling meetings; preparing and maintaining office records, reports, and correspondence as directed.
- Skilled typing and the ability to use word processors and related software applications to produce letters, memoranda, brochures, charts, graphs, forms, and other material.
- Composes, formats, prepares, and edits correspondence and reports with some latitude as to content. Proofread for errors, making corrections as necessary.
- Locates and reviews pertinent information from files, documents, newspapers other sources; and prepares a summary of content for professional(s) and/or management staff.
- Gathers data for surveys or performs research on special subjects or projects.
- Sort, batch, route and/or code mail and other documents.
- Update manuals and other references.
- Respond to inquiries by providing information retrieved from computer files.

**11. Executive Secretary – Advanced. Duties include those listed in items 9 & 10 above, plus:**

- Interacts with top state administrators, high-level executives, staff, and the general public in order to represent members of policy-making boards and commissions, department directors, their deputies and their senior policy staff, and program assistants.
- The employee performs advanced secretarial assignments, functioning as a management assistant. Performs a full range of administrative and executive support duties.
- Executive Secretarial assignments for professional or management staff in support of the on-going operations of the office.
- Skillfully operate word processing equipment and personal computers to produce a variety of documents, charts, and graphs in final form.
- Must have knowledge of software programs such as Microsoft Word, WordPerfect, Excel, Access, Lotus, FoxPro, and PowerPoint, or knowledge of current computer environments (i.e. Windows, etc.).
- Schedule meetings; prepare and maintain office records, reports, and correspondence as directed.
- Compose, format letters, and edit correspondence related to issues of the work area.
- Compose letters and memoranda in response to incoming mail or telephone calls.
- Type letters, memoranda, reports, minutes of meetings, scientific or technical material, numerical data, charts and forms from verbal or written instructions, dictating records, shorthand notes or other materials.
- Schedule and arrange meetings and conferences and notify interested parties.
- Prepare agenda and collect materials for meetings, speeches, and conferences; take minutes and keep records of proceedings as required.
- Prepare minutes of meetings from notes and/or recordings.



- Make domestic and foreign travel arrangements; prepare itineraries; prepare and compile travel vouchers, maintain all travel records. Establish and maintain various filing and records management systems. Review, proofread, and edit documents prepared for the administrator's or executive's signature.
- Sort, open and distribute incoming mail to staff.
- Receive and screen incoming calls and visitors, and make referrals to appropriate executive staff.
- Establish and maintain records, statistical information, and reports as well as various filing and records management systems.

#### **12. Word Processor Operator:**

- Employees shall be proficient in working with a variety of word processing software such as Word and WordPerfect, and possess at least intermediate level typing skills.
- Produce reports upon request by retrieving and printing data from computer files.
- The ability to use word processors and related software applications to produce letters, memoranda, brochures, charts, graphs, forms, and other material.

#### **13. Accounting Technician:**

- Provide general assistance and support to senior licensed accounting staff.
- Review completeness and ensure proper controls in accordance with generally accepted accounting practices.
- Provide information on financial aspects of state programs to local government agencies, including monitoring revenues, expenditures, budgeting, and reporting requirements.
- Review and analyze journal vouchers and formal accounting records in accordance with accounting practices and procedures.
- Reconcile control records of such financial transactions as revenues, expenditures, allotments, receipts, assets, encumbrances, and bank transactions.
- Process applications for grants and reimbursement of funds by reviewing and verifying supporting documents.

#### **14. Departmental Technician:**

- Conduct special studies and surveys in such areas as feasibility of offering new services, improvement of efficiency, economy and centralization or decentralization of services.
- Write and revise procedures to accommodate changes and to ensure consistency in form and format.
- Review and evaluate documents, such as incorporation papers, insurance policies, teachers' certificates, contracts, bonds, deeds, leases and permits to determine if prescribed requirements or qualifications are met; certifies as to the eligibility of persons or the acceptance of documents.
- Conduct interviews by telephone to follow up on complaints, and determine need for further review.
- Compile, review, and monitor financial, statistical and other programmatic data.
- Prepare and/or edit reports and publications, with latitude as to the material to be included; conduct related correspondence.
- Use computer databases to record and analyze data on program and service activities.

#### **15. Legal Personnel – Not Attorneys:**

- Interpret statutes and legislative proposals and their ramifications to inform, update or advise departmental and outside personnel.
- Must have knowledge of personal computers, hardware, software, and related applications and systems.
- Knowledge of legal terminology and syntax, and of the content, organization, and format of legal documents and correspondence.
- Interpret existing and proposed laws, policies and procedures.
- Operate keyboard equipment such as typewriters, word processors, and personal computers to process information, docket cases, record notices of hearings or postponements, correspondence, reports, and other data.
- Produce legal documents such as pleadings, briefs, opinions, complaints, administrative decisions, orders, and subpoenas from verbal or written instructions, dictation, shorthand notes, rough drafts, or other materials.



- Perform office activities for attorneys or administrative law examiners, performing a variety of legal secretarial duties such as scheduling hearings, preparing legal documents and correspondence, docketing cases and maintaining court dockets and diaries.

**16. Analyst:**

- The Analyst will be responsible to complete or oversee a variety of professional research and analysis assignments for the purpose of evaluation, assessment, planning, development and implementation of various departmental programs or services.
- The analyst class will consist of perform professional services in the following classification areas: Accountant, Auditor, Departmental Analyst, and Financial Analyst.
- Researches, collects, consolidates, and analyzes and maintains program data necessary to meet program reporting and evaluation requirements, and the goals of the agency program or service.
- Establishes, administers and evaluates programs, recommends program policies and procedures.
- Designs forms and evaluates documents and applications for possible inclusion in programs
- Designs and conducts surveys or special studies to assist in planning, implementing, and evaluating programs and services.
- Conducts research and analysis, prepares reports and conducts correspondence related to the work activities of the departmental program area.
- Interprets existing and proposed laws, policies, and procedures as they relate to a program or service area.
- Proposes and develops new policy materials and supporting instructions in a program area.
- Designs, implements and documents personal computer based data collection, processing and reporting systems.
- Uses and maintains computer databases to record and analyze data on program and service activities.
- Evaluates contracts documents for compliance with departmental policies and procedures.
- Recommends criteria, standards, and guidelines to assess agencies programs and determines their compatibility with the objectives and priorities of the state program area.

**17. Buyer:**

- Complete or oversee a variety of professional research and analysis assignments for the purpose of evaluation, assessment, planning, development and implementation.
- Conduct research and analysis, prepare reports and conduct correspondence related to the work activities of the departmental program area.
- Make general recommendations in areas of expertise.
- Propose and develop new policy materials and supporting instructions in area of expertise.
- Use and maintain computer databases to record and analyze data.
- Evaluate contracts and documents for compliance with departmental policies and procedures.

**18. Specialist:**

- The specialist class will consist of perform professional services in the following classification areas: Accounting Specialist, Departmental Specialist, and Financial Specialist.
- Designs and conducts surveys or special studies to determine needs and to assist in planning, implementing and evaluating programs, consolidates data and prepares reports.
- Conducts special projects and studies.
- Establishes, oversees, administers and evaluates programs, recommends program policies and procedures and designs forms.
- Collects and maintains program data necessary to meet program reporting and evaluates requirements, and the goals of the agency.
- Analyzes ongoing program operations and recommends modifications of policies and procedures to meet commitments more effectively.
- Recommends criteria, standards and guidelines to assess agencies programs.
- Structures and determines their compatibility with the objectives and priorities of the state.
- Interprets existing and proposed laws, policies and procedures.



- Designs and implements methods for program review, evaluation and cost analysis.
- Formulates procedures, policies and guidelines for assigned departmental programs.
- Makes recommendations in areas of expertise.
- Develops program goals and plans for implementation.
- Prepares budgets for an office, section or division.

**19. – 32. Substitute Teacher (Refer to Article 1, section 1.021 for specific types):**

- Teach technical and related subjects in the Department that will assist students in developing competitive skills necessary for employment.
- Counsel students on academic and personal problems that may be barriers to employability.
- Develop lesson plans and curricula that are current with technology.
- Develop instructional methodologies that will benefit adult learners with academic limitations as well as other disabilities.
- Develop accommodations as needed to assist the learning process.
- Participate an interdisciplinary team designed to monitor and advise students as to their progress in training as well as develop strategies that would assist learning.
- Participate in Business Advisory Committees designed for technical program reviews.



Appendix B
State Regions – 071B1300194

For the purposes of this Contract, the Regions within the State of Michigan shall be defined in accordance with the provisions of 071B1300194# as follows.

The pricing grid included as Appendix C of this Contract provides (11) distinct price-points are defined across all labor categories for either the specific Counties or Regions, groups of counties, within which services shall be provided.

The Northern Region in whole is comprised of the 43 counties listed in Table 1 below; which are considered in aggregate form as a single price-point.

Table 1: Northern Region

Table with 4 columns and 11 rows listing counties: 1. Alcona, 2. Alger, 3. Alpena, 4. Antrim, 5. Arenac, 6. Baraga, 7. Benzie, 8. Charlevois, 9. Cheboygan, 10. Chippewa, 11. Clare, 12. Crawford, 13. Delta, 14. Dickinson, 15. Emmet, 16. Gladwin, 17. Gogebic, 18. Grand Traverse, 19. Gratiot, 20. Houghton, 21. Iosco, 22. Iron, 23. Kalkaska, 24. Keweenaw, 25. Lake, 26. Leelanau, 27. Luce, 28. Mackinac, 29. Manistee, 30. Marquette, 31. Mason, 32. Menominee, 33. Missaukee, 34. Mont-Morency, 35. Ogemaw, 36. Ontonagon, 37. Osceola, 38. Oscoda, 39. Ostego, 40. Presque Isle, 41. Roscommon, 42. Schoolcraft, 43. Wexford

The Central/Western Region in whole is comprised of six distinct price-points; the five specific counties listed in the Pricing Grid plus the 22 counties listed in Table 2 below which shall be considered in aggregate form as a single price-point.

Table 2: Central/Western Region

Table with 4 columns and 7 rows listing counties: 1. Allegan, 2. Barry, 3. Bay, 4. Berrien, 5. Branch, 6. Calhoun, 7. Cass, 8. Clinton, 9. Hillsdale, 10. Ionia, 11. Isabella, 12. Jackson, 13. Mecosta, 14. Midland, 15. Montcalm, 16. Muskegon, 17. Newaygo, 18. Oceana, 19. Ottawa, 20. Shiawassee, 21. St. Joseph, 22. Van Buren

The Southeastern Region is comprised of four distinct price-points; the three specific counties listed in the pricing grid plus the 10 counties listed in Table 3 below which shall be considered in aggregate form as a single price point.

Table 3: Southeastern Region

Table with 2 columns and 10 rows listing counties: 1. Huron, 2. Lapeer, 3. Lenawee, 4. Livingston, 5. Macomb, 6. Monroe, 7. Oakland, 8. Sanilac, 9. St. Clair, 10. Tuscola



**Appendix C Table 1 Continued: Proposed Billing Rates 071B1300194**

County / Region		(1.)			(2.)			(3.)			(4.)			(5.)			(6.)		
		Skilled Worker			Bookkeeper			Calculation Assistant			Communications Assistant			Data Coding Operator - Basic			Data Coding Operator - Intermediate		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
2.	Central/Western	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
3.	Eaton	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
4.	Ingham	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
5.	Kalamazoo	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
6.	Kent	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
7.	Saginaw	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
8.	Southeastern	\$9.50	\$12.83	3.33	\$13.00	\$17.42	4.42	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62
9.	Genesee	\$9.00	\$12.15	3.15	\$12.00	\$16.08	4.08	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$11.00	\$14.74	3.74	\$13.00	\$17.29	4.29
10.	Washtenaw	\$9.50	\$12.83	3.33	\$13.00	\$17.42	4.42	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62
11.	Wayne	\$9.50	\$12.83	3.33	\$13.00	\$17.42	4.42	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62



**Appendix C Table 1: Proposed Billing Rates 071B1300194**

County / Region		(7.)			(8.)			(9.)			(10.)			(11.)			(12.)		
		Data Coding Operator - Advanced			General Office Assistant			Secretary - Basic			Secretary - Intermediate			Executive Secretary - Advanced			Word Processor Operator		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
2.	Central/ Western	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
3.	Eaton	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
4.	Ingham	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
5.	Kalamazoo	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
6.	Kent	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
7.	Saginaw	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
8.	Southeastern	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44	\$13.00	\$17.29	4.29
9.	Genesee	\$15.00	\$19.95	4.95	\$11.00	\$14.74	3.74	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08
10.	Washtenaw	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44	\$13.00	\$17.29	4.29
11.	Wayne	\$16.00	\$21.12	5.12	\$12.00	\$16.08	4.08	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44	\$13.00	\$17.29	4.29



**Appendix C Table 1 Continued: Proposed Billing Rates 071B1300194**

County / Region		(13.)			(14.)			(15.)			(16.)			(17.)			(18.)		
		Accounting Technician			Departmental Technician			Legal Personnel – Not Attorneys			Analyst			Buyer			Specialist		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
2.	Central/ Western	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
3.	Eaton	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
4.	Ingham	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
5.	Kalamazoo	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
6.	Kent	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
7.	Saginaw	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
8.	Southeastern	\$16.00	\$21.12	5.12	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$16.00	\$21.12	5.12	\$16.00	\$21.12	5.12	\$18.00	\$23.76	5.76
9.	Genesee	\$15.00	\$19.95	4.95	\$12.00	\$16.08	4.08	\$14.00	\$18.62	4.62	\$15.00	\$19.95	4.95	\$15.00	\$19.95	4.95	\$17.00	\$22.44	5.44
10.	Washtenaw	\$16.00	\$21.12	5.12	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$16.00	\$21.12	5.12	\$16.00	\$21.12	5.12	\$18.00	\$23.76	5.76
11.	Wayne	\$16.00	\$21.12	5.12	\$13.00	\$17.29	4.29	\$15.00	\$19.95	4.95	\$16.00	\$21.12	5.12	\$16.00	\$21.12	5.12	\$18.00	\$23.76	5.76

**Appendix C      Table 2: Proposed Billing Rates      071B1300194**

**NOTE: Table 2 is reflective of the substitute teacher positions 19 - 32**

County / Region		(19.)			(20.)			(21.)			(22.)			(23.)			(24.)		
		Automotive			Cabinetmaking			Certified Nurse Assistant			Culinary Arts			Custodial			Customer Services		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
2.	Central/ Western	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
3.	Eaton	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
4.	Ingham	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
5.	Kalamazoo	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
6.	Kent	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
7.	Saginaw	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
8.	Southeastern	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
9.	Genesee	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
10.	Washtenaw	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
11.	Wayne	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62



**Appendix C Table 2 Continued: Proposed Billing Rates 071B1300194**

**NOTE: Table 2 is reflective of the substitute teacher positions 19 - 32**

County / Region		(25.)			(26.)			(27.)			(28.)			(29.)			(30.)		
		Electronics			Graphic Communications			Ground Maintenance			Machine Technology			Office Automation			Pharmacy Technician		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
2.	Central/Western	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
3.	Eaton	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
4.	Ingham	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
5.	Kalamazoo	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
6.	Kent	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
7.	Saginaw	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
8.	Southeastern	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
9.	Genesee	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
10.	Washtenaw	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
11.	Wayne	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62



**Appendix C Table 2 Continued: Proposed Billing Rates 071B1300194**

**NOTE: Table 2 is reflective of the substitute teacher positions 19 - 32**

County / Region		(31.)			(32.)		
		Retail Marketing			Weatherization		
		Hourly rate	Billable rate	Delta	Hourly rate	Billable rate	Delta
1.	Northern	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
2.	Central/ Western	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
3.	Eaton	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
4.	Ingham	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
5.	Kalamazoo	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
6.	Kent	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
7.	Saginaw	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
8.	Southeastern	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
9.	Genesee	\$13.00	\$17.29	4.29	\$13.00	\$17.29	4.29
10.	Washtenaw	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62
11.	Wayne	\$14.00	\$18.62	4.62	\$14.00	\$18.62	4.62