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 **29**
to
Contract Number **071B3200059**

CONTRACTOR	
	Advocate Solutions, LLC
	762 S. Pearl Street
	Columbus, OH 43206
	Frank Carchedi
	614-444-5144
	fcarchedi@gcrltd.com
	*******9875

STATE			
	Program Manager	Barb Dawson	DTMB
		517-241-4528	
		dawsonb3@michigan.gov	
	Contract Administrator	Terry Mead	DTMB
		(517) 284-7035	
		meadt@michigan.gov	

CONTRACT SUMMARY

DESCRIPTION: Pre-Qualified IT Services Contract Programmer

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5 - 1 Year	November 30, 2017

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$23,515,385.00	$4,000,000.00	$27,515,385.00

DESCRIPTION: Effective October 28, 2016, this Contract is hereby INCREASED by $4,000,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 24. The State is under no obligation to utilize all or any specific portion of the allocated dollars.
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and 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 **28**
to
Contract Number **071B3200059**

CONTRACTOR	
	Advocate Solutions, LLC
	762 S. Pearl Street
	Columbus, OH 43206
	Frank Carchedi
	614-444-5144
	fcarchedi@gcrltd.com
	*******9875

STATE			
	Program Manager	Barb Dawson	DTMB
		517-241-4528	
		dawsonb3@michigan.gov	
	Contract Administrator	Terry Mead	DTMB
		(517) 284-7035	
		meadt@michigan.gov	

CONTRACT SUMMARY

DESCRIPTION: Pre-Qualified IT Services Contract Programmer

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5 - 1 Year	November 30, 2017

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$22,015,385.00	$1,500,000.00	$23,515,385.00

DESCRIPTION: Effective July 11, 2016, this Contract is hereby INCREASED by $1,500,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 24. The State is under no obligation to utilize all or any specific portion of the allocated dollars.
The change notice also corrects the Contractor address to read: Columbus, OH 43206. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 10/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

PROCUREMENT

525 W. ALLEGAN STREET
LANSING, MI 48933

P.O. BOX 30026
LANSING, MI 48909

CHANGE NOTICE NO. 27
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Advocate Solutions, Llc	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
Detroit MI, 48226	614-444-5144	*******9875

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Terry Mead	(517) 284-7035	meadt@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Pre-Qualified It Services Contract			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5 - 1 Year	November 30, 2017
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes ☐No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$19,015,385.00	$ 3,000,000.00	$22,015,385.00		

DESCRIPTION: Effective May 2, 2016, , this Contract is hereby INCREASED by $3,000,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 24. The State is under no obligation to utilize all or any specific portion of the allocated dollars. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

Form No. DTMB-3521 (Rev. 7/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 26
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	fcarchedi@teamadvocate.com
762 S. Pearl Street	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
Detroit, MI 48226	(614) 444-5144	9875

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	Barb Dawson	(517) 241-4528	dawsonb3@michingan.gov
CONTRACT ADMINISTRATOR	DTMB	Terry Mead	(517) 284-7035	meadt@michigan.gov

CONTRACT SUMMARY

DESCRIPTION: Pre-Qualified IT Service Contract Programmer

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	(5) 1-Year Options	November 30, 2017

PAYMENT TERMS	DELIVERY TIMEFRAME
N/A	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☐	N/A	☐	N/A	November 30, 2017

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$16,615,385.00	$2,400,000.00	$19,015,385.00

DESCRIPTION: Effective October 27, 2015, Please note this Contract is hereby increased by $2,400,000.00 to provide Project Control Office assistance in association with the SIGMA project. These funds can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contract Change Notice 24. Please note, the Contractor Administrator has been changed to Terry Mead. All other terms, conditions, specifications, and pricing remain the same, per Contractor and agency agreement, DTMB Procurement approval and State Administrative Board approval on October 27, 2015.

Form No. DTMB-3521 (Rev. 5/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 25

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	**PHONE**	**VENDOR TAX ID # (LAST FOUR DIGITS ONLY)**
Detroit, MI 48226	(614) 444-5144	-9875

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	Barb Dawson	(517) 241-4528	Dawsonb3@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Whitnie Zuker	(517) 284-7030	zukerw@michigan.gov

CONTRACT SUMMARY

DESCRIPTION: Pre-Qualified IT Services Contract Programmer

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, one year	November 30, 2017

PAYMENT TERMS	F.O.B.	SHIPPED TO
N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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 EXTENSION/OPTION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		November 30, 2017

CURRENT VALUE	VALUE/COST OF CHANGE NOTICE	ESTIMATED REVISED AGGREGATE CONTRACT VALUE
$11,615,385.00	$5,000,000.00	**$16,615,385.00**

DESCRIPTION:
Effective June 8, 2015, this Contract is hereby INCREASED by $5,000,000.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s) per amended Section 2.024 of Contact Change Notice Number 24. The State is under no obligation to utilize all or any specific portion of the allocated dollars. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 24
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$3,747,840.00	$11,615,385.00

Effective March 02, 2015, Contract Section 2.024 is amended. DTMB Financial Services will issue Purchase Orders per approved/signed Statement of Work(s) in place of a Contract Change Notice.

As part of this amendment, this Contract is hereby INCREASED by $3,747,840.00 to add a pool of dollars to the Contract which can be leveraged through approved/signed Statements of Work(s). The State is under no obligation to utilize all or any specific portion of the allocated dollars.

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

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 23
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,840.00	$7,867,545.00

Effective February 23, 2015 this Contract is INCREASED by $267,840.00 per awarded ITB# 007115B0003902, for One (1) Senior Project Manager Senior Project Manager to work with the DTMB Treasury Agency Services PMO (see attached SOW).

- 1984 hours for Senior Project Manager ,Tonya Kahley, at an hourly rate of $135.00 (Service dates 2/23/15 – 2/22/16)

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

Geneys-IWD (intelligent Workload Distribution) Project

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

Process for obtaining Project Control Office (PCO) Services

The State after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a Project Control Office (PCO) work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: **Geneys-IWD (intelligent Workload Distribution) Project**	**Estimated Period of Coverage:** **2/24/15 – 2/23/16**
Requesting Agency: **DTMB at Treasury**	**Date:** **1/16/15**
DTMB Buyer: **Whitnie Zuker**	**Phone:** **517-284-7030**

Required Skill Category Requested:

- **One (1) Senior Project Manager for an estimated 1984 hours**

The Senior Project Manager will participate in the Genesys- intelligent Workload Distribution (IWD) Project for the Michigan Department of Treasury.

The estimated time frame for this work effort is 2/24/15-2/23/16. The estimated hours allocated for the Senior Project Manager may be increased/decreased at any time during this project.

The Senior Project Manager position is deemed as Key Personnel as defined in Section 2.060 (Contract Management) of the primary contract

See Staffing Skillsets Criteria section below for how responses will be evaluated.

BACKGROUND:

MiECC provides centralized IT support services for State of Michigan contact centers. The support services encompass multiple channels of the contact center environment - The Michigan Enterprise Call Center (MiECC) supports the infrastructure for 14 Call Centers. MiECC is projecting growth of additional call centers. At the present time MiECC supports Civil Service, DTMB Customer Contact(CSC), DTMB Office of Retirement Services (ORS), Dept. of Environmental Quality (DEQ), Dept. of Human Services (DHS) MiBridges, Licensing and Regulatory Affairs (LARA) BHCS (Bureau of Health Care Services, Mi Dept. of State (MDOS), Treasury Tax Processing, Licensing and Regulatory Affairs (LARA) UIA, Dept of Human Services MiSACWIS, Treasury-Collections, Treasury Individual Income Tax, Treasury MGA and DHS Office of Child Support.

The MiECC supports the State of Michigan constituents and employees 24 hours a day, 7 days per week.

Genesys is an existing platform used in Customer Contact, both in conjunction with Siebel and as the platform for the Interactive Voice Response (IVR) applications.

The Genesys- intelligent Workload Distribution (IWD) Project consist of enhancements which will provide for automated distribution of income returns, providing real time reporting/status, skills based routing and basic contact center WFM Tools.

Applications would be implemented over time and across the Tax Processing Bureau to accomplish the following:

1. Skills Assessor - a testing tool that could be utilized to measure learning achievement objectively vs current subjective measures. The results of the testing used in establishing skill levels for use in skills based routing of work items as well as need for further training and testing/evaluation of work.
2. iWD (intelligent Workload Distribution) - a system that would interact with our existing systems (Siebel, FileNet, Bridge, SAP, etc.) to "push" work items to the appropriately skilled individual based on service level goals and other business rules. While accomplishing the distribution of work, the system will also gather information on the time it takes to process work items (returns, correspondence, etc. by error code or reason for contact depending on work item). iWD would provide Treasury with objective insight into work time required to accomplish tasks vs. the current self-report system as well as eliminate and automate the current manual routing and distribution of errored returns, error lists reporting etc.
3. WFM (Work Force Management)- a system used for scheduling workers and work states (calls vs. correspondence for example) and then measuring worker adherence to scheduled worktime and performance in conjunction with iWD. Combined with historical data (call and return volume over specific times and events), this tool will not only provide scheduling to meet customer expected service levels, but could also be used to project resolution times, backlog reduction efforts, etc.

The intent is to start with one tax type (Individual Income Tax) and then move to other areas.

PROJECT OBJECTIVE:

The Senior Project Manager objective is includes, but not limited to, all Project Management responsibilities for the implementation of Skills Assessor, iWD(intelligent Workload Distribution) and the WFM (Work Force Management) tools for the Michigan Dept. of Treasury.

SCOPE OF WORK

The Senior Project Manager will provide Project Management oversight, documentation and facilitation to accomplish implementation of the Genesys intelligent Workload Distribution (IWD) project.

Project Manager (Senior Level) will be expected to perform the following tasks, typical of duties performed by a senior level project manager. Functional and technical management may expand or reduce this list of duties as necessary to serve the client. The tasks include, but are not limited to the following:

- Leads the planning, managing and controlling of all project activities from initiation and planning through project close out.
- Responsible for working with the sponsor, client, and project team members to develop the project charter, project schedule, resource allocation plan, communication plan, risk management plan, budget/cost management plan, change management plan, and other methodology documentation and processes as applicable to the project.
- Works with the appropriate functional and technical managers to facilitate structured walkthrough and project stage exit sessions, with ultimate client acceptance of the project.

- Responsible for capturing, monitoring and reporting project information and metrics in the ChangePoint Management System.
- Assists and advises project stakeholders and team members through regular status meetings, reports and other communications.
- Maintains the project issues and risks logs. Actively follows-up on project issues and risks to ensure timely resolution and mitigation. Escalates issues, risks and needs to higher management as appropriate.
- Lead and participate in project planning, estimating, budgeting, scheduling, structured walkthroughs, issue tracking, and project execution. Follows the DTMB SUITE methodology for project management and software engineering. (Public version of SUITE is available at http://www.michigan.gov/dtmb/0,5552,7-150-56355-95218--,00.html)
- Coordinate the full testing lifecycle, typically involving the following or similar types of testing: unit, function, integration, performance, system and standards, user acceptance and regression testing.
- Perform other project manager tasks for legacy application replacement as directed by functional manager

DELIVERABLES:

Deliverables will not be considered complete until the DTMB Project Manager has formally accepted them. Deliverables for this project include, but not limited to:

- Project Management Methodology documentation and processes. Some primary examples include, but are not limited to, Project Charter, Project Plan, Lessons Learned, Close-Out Report, Status Reports, Dashboard Reporting and utilization of the ChangePoint Project Management System.
- Final, complete IT solution approved by client.
- All work to be performed within applicable State of Michigan and Departmental standards

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such

process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

DELIVERABLE ACCEPTANCE CRITERIA:
All project work will be deemed acceptable by the functional manager to whom the project team reports. All work to be performed within applicable State of Michigan and Departmental standards.

PROJECT CONTROL AND REPORTS:
Weekly time reporting will be submitted by the project team to the functional manager to whom they report. The functional manger will specify the required reporting to the project team and provide training or administrative support sufficient for the time reporting.

In addition, the functional manager will require a bi-weekly progress report that must be submitted throughout the life of this work. This report will also be submitted with the billing invoice. Each bi-weekly progress report will contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.

4. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions.

SPECIFIC AGENCY STANDARDS:

- Agency standards, if any, in addition to DTMB standards.
- State of Michigan Project Management Methodology (PMM)
- State of Michigan Systems Engineering Methodology (SEM)
- Comply with Exhibit 1 attached

PAYMENT SCHEDULE:

Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

EXPENSES:

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

PROJECT CONTACTS:

The DTMB Buyer for this project is:

Whitnie Zuker
DTMB – Procurement
Buyer, IT Division
Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

STATE RESPONSIBILITIES:

- DTMB will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work at Treasury Operations Center in Dimondale, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

SKILL SET CRITERIA

Responses will be evaluated on the following criteria:

	Senior Project Manager Skill Sets	**Weight**
1.	5 years experience managing large, complex multi-year systems development projects	15
2.	Proven record of delivering projects on time and within budget	10
3.	5 years of recent experience in managing IT projects in a government environment	20
4.	5 years experience creating and managing comprehensive project plans utilizing project management flows and tools.	15
5.	5 years experience performing scope management for projects, including disciplined change control and issue management.	15
6.	5 years experience creating and executing Implementation plans.	15
7.	Current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.	10
	TOTAL	**100**

Candidates MUST meet 80 or above of the minimum requirements of the position to be considered. The tier II award will be made to the responsive and responsible bidder who offers the best value to the State of Michigan. Interviews may be taken into consideration when the State makes a best value award. Best value will be determined by the bidder meeting the minimum point threshold and offering the best combination of the factors stated in Skill Set Criteria, interviews, and price.

INFORMATION REQUIRED FROM BIDDERS

CANDIDATE INFORMATION

- Bidders are to submit their proposal on a signed cover letter with the company name, contact name and phone number, contact email address, and ITB number
- Bidders are limited to One (1) candidate resume per position
    - One (1) copy of each resume per position MUST be submitted; the resume(s) of the actual individual(s) proposed. All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)
- Name and date of availability of the candidate for each requested position
- Payment Rate for each resume submitted (See Rate Proposal section below).
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.

Upon request by the State, the Contractor will

- Attend onsite or telephone interview with the proposed candidate.
- Provide the results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- Provide the results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Provide verification of a candidate's permission to work in the United States.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.

Skill Levels Required	**Estimated Hours**
Sr. Project Manager	1984

PROPOSAL SUBMITTAL
Submit all requested material ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.

Failure to adhere to any of the requirements in this SOW may result in the bidder being disqualified.

Exhibit #1
SAFEGUARD REQUIREMENTS OF CONFIDENTIAL DATA

This (Exhibit) sets forth the safeguard requirements for handling, storage, and processing of confidential tax information for a Contractor and their subcontractor(s) and is incorporated as an integral part of the Contract. It will facilitate administration and enforcement of the laws of the State of Michigan in a manner consistent with the applicable statutes, regulations, published rules and procedures or written communication.

I. Authority

Authority for the Michigan Department of Treasury to require that this section be included in the Contract is contained in l941 PA 122, as amended, MCL 205.28(1)(f), which subjects current or former contractors to the same restrictions and penalties imposed upon department employees regarding the treatment of confidential information. A private contractor or its employees are strictly prohibited from disclosing taxpayer information to a third party. The prohibition against disclosure does not bar an employee of a private contractor with whom the State of Michigan (State) contracts that processes tax returns or payments pursuant to the Contract from having access to confidential information that is reasonably required for the processing or collection of amounts due this State. Private contractors and any subcontractors will follow Treasury guidelines for Authorized representatives.

II. Confidentiality

It is agreed that all information exchanged under this section will be kept confidential in accordance with the confidentiality provisions contained in the Revenue Act, MCL 205.28(1)(f)-which states in part;

> "Except as otherwise provided in this subdivision, an employee, authorized representative, or former employee or authorized representative of the department or anyone connected with the department will not divulge any facts or information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the department for a tax administered by the department."

Confidential information obtained under this agreement will not be disclosed except as required by state law, or in the proper administration of applicable laws, promulgated rules and procedures. In the event, confidentiality statutes are amended, Treasury will notify Contractor of any changes. No employee, agent, authorized representative or legal representative of Contractor will disclose any information obtained by virtue of this section to any other division within their company or any other governmental agency, department or unit within such governmental agency whether local, state, federal or foreign, department or unit within such governmental agency, or any unauthorized third party. No tax returns or tax return information accessed by Contractor will be duplicated or disseminated within or outside the company without the written approval of the Contract Compliance Inspector. Tax returns and tax return information remain the property of Treasury.

Contractor may use a taxpayer's name, address and Social Security number or employer identification number to the extent necessary in connection with the processing and mailing of forms for any report or return required in the administration of any tax in the performance of the Contract. The use of the Social Security number must be in accordance with the state Social Security Number Privacy Act 454 of 2004, as amended.

Confidential information obtained under this agreement will not be disclosed in part of a report or document that is subject to FOIA.

The penalties for violating the confidentiality provisions of the Revenue Act are contained in, MCL 205.28(2) and MCL 205.27(4). MCL 205.28(2) states:

> "A person who violates subsection (1)(e), (1)(f), (4) or (5) is guilty of a felony, punishable by a fine of not more than $5,000.00, or imprisonment for not more than 5 years, or both, together with the costs of

prosecution. In addition, if the offense is committed by an employee of this state, the person will be dismissed from office or discharged from employment upon conviction."

MCL 205.27(4) states:

> A person who is not in violation pursuant to subsection (2), but who knowingly violates any other provision of this act, or of any statute administered under this act, is guilty of a misdemeanor, punishable by a fine of not more than $1,000.00, or imprisonment for not more than 1 year, or both.

Information received by Treasury from the U.S. Internal Revenue Service, pursuant to section 6103(d) of the Internal Revenue Code or any other federal agency will not be subject to the exchange.

III. Procedure for Security

Contractor will safeguard any tax return information obtained under the Contract as follows:

A. Access to the tax returns and tax return information will be allowed only to those authorized employees and officials of Contractor who need the information to perform their official duties in connection with the uses of the information authorized in this Contract.

B. Any records created from tax returns and tax return information will be stored in an area that is physically safe from access by unauthorized persons during duty hours and locked in a secure area during non-duty hours, or when not in use.

C. Any records matched and any records created by the match will be processed under the immediate supervision and control of authorized personnel in a manner in which will protect the confidentiality of the records, and in such a way that unauthorized persons cannot retrieve any such records by means of a computer, remote terminal or other means.

D. All personnel who will have access to the tax returns and tax return information and to any records created by the tax return information will be advised annually of the confidential nature of the information, the safeguards required to protect the information and the civil and criminal sanctions for noncompliance contained in MCL 205.28 (2) and MCL 205.27(4) and will sign confidentiality certifications.

E. All confidential information, electronic and paper, will be secured from unauthorized access and with access limited to designated personnel only. State tax return information will not be commingled with other information. All Michigan tax returns and return information will be marked as follows: **CONFIDENTIAL - DO NOT DISCLOSE - MICHIGAN TREASURY TAX RETURN INFORMATION**

F. Treasury, Office of Privacy and Security or Contract Compliance Inspector may make onsite inspections or make other provisions to ensure that adequate safeguards are being maintained by the Contractor.

G. The Treasury Office of Privacy and Security may monitor compliance of systems security requirements during the lifetime of the Contract or any extension.

H. Contractor will also adopt policies and procedures to ensure that information contained in their respective records and obtained from Treasury and taxpayers will be used solely as stipulated in the Contract.

IV. Computer System Security of Tax Data

The identification of confidential tax records and defining security controls are intended to protect Treasury tax return information from unlawful disclosure, modification, destruction of information and unauthorized secondary uses.

Computer system security and physical security of tax data stored and processed by Contractor must be in compliance with the following security guidelines and standards established by Treasury. These guidelines apply to any computer system developed by Contractor, either through its own systems staff, or through a contractor, subcontractor or vendor):

A. **Controlled Access Protection**

All computer systems processing, storing and transmitting Michigan tax information must have computer access protection controls These security standards are delineated in the National Institute of Standards and Technology (NIST) Special Publications number 800-53 "Recommended Security Controls for the Federal Information Systems" at http://csrc.nist.gov/publications/PubsSPs.html. To meet these standards, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance, and documentation.

1) **Security Policy** – A security policy is a written document describing the system in terms of categories of data processed, users allowed access and access rules between the users and the data. Additionally, it describes procedures to prevent unauthorized access by clearing all protected information on objects before they are allocated or reallocated out of or into the system. Further protection must be provided where the computer system contains information for more than one program/project, office, or Agency and that personnel do not have authorization to see all information on the system.

2) **Accountability** – Computer systems processing Michigan tax information must be secured from unauthorized access. All security features must be available (audit trails, identification and authentication) and activated to prevent unauthorized users from indiscriminately accessing Michigan tax information. Everyone who accesses computer systems containing Michigan tax information is accountable. Access controls must be maintained to ensure that unauthorized access does not go undetected. Computer programmers and contractors who have a need to access databases, and are authorized under the law, must be held accountable for the work performed on the system. The use of passwords and access control measures must be in place to identify who accessed protected information and limit that access to persons with a need to know.

   a) On-line Access –Users will be limited to any Treasury on-line functions, by limiting access through functional processing controls and organization restrictions.

   Any employee granted access privileges through the Contractor's Security Administrator will be approved for access and viewing rights to Treasury on-line systems by the Department of Treasury, Office of Privacy and Security.

   b) Operating Features of System Security

   Contractor must meet the following levels of protection with respect to tax return information. Individual user accountability must be ensured through user identification number and password.

   i. Access rights to confidential tax information must be secured through appropriate levels of authorization.

   ii. An audit trail must be maintained of accesses made to confidential information.

   iii. All confidential and protected information must be cleared from a system before it is used for other purposes not related to the enforcement, collection or exchange of data not covered by this section or by an addendum to this Contract.

   iv. Hard copies made of confidential tax return information must be labeled as confidential information.

v. Confidential Treasury tax information will be blocked or coded as confidential on system.

vi. Any computer system in which Michigan tax return information resides must systematically notify all users upon log-in of the following disclosure penalties for improperly accessing or making an authorized disclosure of Michigan tax return information:

NOTICE TO STATE AGENCY EMPLOYEES AND AUTHORIZED REPRESENTATIVES

This system contains Michigan Department of Treasury tax return information. **DO NOT DISCLOSE OR DISCUSS MICHIGAN RELATED TAX RETURN INFORMATION** with unauthorized individuals. The Revenue Act at MCL 205.28(1)(f) prohibits such disclosure.

MICHIGAN PENALTIES
A person making a willful unauthorized disclosure or inspection (browsing) of tax return information may be charged with the following Michigan penalties:

- Criminal penalties up to $5,000 and/or imprisonment for 5 years, plus costs and dismissal from employment if it is found that a current or former employee or authorized representative has made an unauthorized disclosure of a tax return or tax return information or divulged audit selection or processing parameters. [MCL 205.28(2)]

- A misdemeanor, punishable by a fine of not more than $1,000.00, or imprisonment for not more than 1 year, or both if the person is not in violation pursuant to MCL 205.27(2), but who knowingly violates any other provision of this act, or of any statute administered under this act.

This statement is subject to modification. A confidentiality statement, subject to modification, will be sent as needed by the Security Administrator to all employees, contractors, and legal representatives of Contractor.

3) **Assurance** – Contractor must ensure that all access controls and other security features are implemented and are working when installed on their computer system. Significant enhancements or other changes to a security system must follow the process of review, independent testing, and installation assurance. The security system must be tested at least annually to assure it is functioning correctly. All anomalies must be corrected immediately.

a) The Contractor must initiate corrective action for all non-conformities as soon as detected and immediately advise the Contract Compliance Inspector. Notice of the corrective action must be provided to the Contract Compliance Inspector. All non-conformities must be reported to the Contract Compliance Inspector with the following:

a. Duration of non-conformity/interruption
b. Reason for non-conformity/interruption
c. Resolution.

b) All non-conformities to the specifications/tasks of the Contract must be corrected within four (4) hours. The State recognizes there will be instances when adherence to this time frame will not be possible. However, the State will only tolerate this on an exception basis. To request an exception to this time frame, the Contractor must submit a detailed project plan to address the non-

conformity within four (4) hours to the Contract Compliance Inspector for approval.

4) **Documentation** – Design and test documentation must be readily available to the state. The developer or manufacturer should initially explain the security mechanisms, how they are implemented and their adequacy (limitations). This information should be passed on to the security officer or supervisor. Test documentation should describe how and what mechanisms were tested and the results. If recognized organizations/tests/standards are used, then a document to that effect will suffice. For example, a system that has been tested and certified as meeting certain criteria may have a document stating this fact, without detailed tests/results of information. Contractor, however, must ensure the documentation covers the exact system and that it includes the specific computer system used by Contractor.

   Additionally, documentation must include a security administrator's guide. The security administrator's guide is addressed to the System's Administrator and Security Officer and will describe the protection mechanisms provided by the security system, guidelines on their use and how they interact. This document will present cautions about security functions and describe privileges that should be controlled when running a secure system. The document will be secured and locked at all times with access rights only by the Systems Administrator and Security Officer.

Note: When a security system is designed or purchased for a specific computer or computer system, the security mechanisms must be reviewed by the State to ensure that needed security parameters are met. An independent test should be implemented on the specific computer or computer system to ensure that the security system meets the security parameters within this contract and developed with the computer system. The test may be arranged by the developer but must be done by an independent organization. Contractor must assign responsible individuals (Security Officers) with knowledge of information technology and applications to oversee the testing process. These individuals must be familiar with technical controls used to protect the system from unauthorized entry.

Finally, contingency and backup plans must be in place to ensure protection of Michigan tax information.

V. Electronic Transmission of Michigan Tax Information

The two acceptable methods of transmitting Michigan tax information over telecommunications devices are encryption and using guided media. Encryption involves altering data objects in a way that the objects become unreadable until deciphered with the appropriate software at the intended destination. Guided media involves transmission of data over twisted pair cable, coaxial cable or end to end fiber optics which are typically used in secure computer networks like the state's Local Area Network (LAN), telephone systems, and television distribution.

Cryptography standards have been adopted by the IRS and can be used to provide guidance for encryption, message authentication codes or digital signatures and digital signatures with or without an associated certification infrastructure. For further information, see IRS Publication 1075 at the IRS web site.

Unencrypted cable circuits of fiber optics are an acceptable alternative for transmitting Michigan tax information. Adequate measures must be taken to ensure that circuits are maintained on cable and not converted to unencrypted radio or microwave transmission. Additional precautions should be taken to protect the cable, i.e., burying the cable underground or in walls or floors and providing access controls to cable vaults, rooms and switching centers.

A. **Remote Access**

   Accessing databases containing Michigan tax information from a remote location – that is, a location not directly connected to the Local Area Network (LAN) will require adequate safeguards to prevent unauthorized entry.

   For remote access, the contractor is required to use an identification security card that requires both PIN and

card in possession. The Sate identified and approved methods for remote vendor access are as follows:

- SecureID through VPN – Sate provided SecureID taken and VPN software in order to access State of Michigan resources. Appropriate Acceptable Use policies and signoffs are required
- Follow-the Sun SecureID – Vendor is provided with VPN software and a SOM technical resource coordinates with the DTMB Client Service Center to provide secure ID code access to specific State of Michigan resources. Appropriate Acceptable Use Policies and signoffs are required.

B. **Portable Computer Devices**
Any entrusted confidential information collected or accessed during this Contract must be encrypted when stored on all storage devices and media. This includes, but not limited to, disk drives for servers and workstations, and portable memory media (PDAs, RAM drives, memory sticks, etc.).

VI. Record Keeping Requirements for Information Received

Each Contractor, requesting and receiving information will keep an accurate accounting of the information received. The audit trail will be required which will include the following information:

a. Taxpayer's name
b. Identification number
c. Information requested
d. Purpose of disclosure request
e. Date information received
f. Name of Agency/Division and employee making request
g. Name of other employees who may have had access
h. Date destroyed
i. Method of destruction

The Contractor will adopt and implement formal procedures to:

- Ensure proper handling of tax returns and tax return information;
- Secure and safeguard information from unauthorized use; and
- Ensure appropriate destruction of information and materials retrieved from Treasury.

A. **Electronic Media**
Contractor will keep an inventory of magnetic and electronic media received under the Contract.

Contractor must ensure that the removal of tapes and disks and paper documents containing Michigan tax return information from any storage area is properly recorded on charge-out records. Contractor is accountable for missing tapes, disks, and paper documents.

B. **Recordkeeping Requirements of Disclosure Made to State Auditors**
When disclosures are made by Contractor to State Auditors, these requirements pertain only in instances where the Auditor General's staff extracts Michigan tax returns or tax information for further review and inclusion in their work papers. Contractor must identify the hard copies of tax records or if the tax information is provided by magnetic tape format or through other electronic means, the identification will contain the approximate number of taxpayer's records, the date of inspection, the best possible description of the records and the name of the Auditor(s) making the inspection.

The Disclosure Officer must be notified, in writing, of any audits done by auditors, internal or otherwise, of Contractor that would involve review of Treasury processing parameters.

VII. Contract Services

To the extent the Contractor employs an independent agency, consultant, or agent to process confidential information which includes Michigan tax return information; the Contractor will notify the Treasury Disclosure Officer before the execution of any such agreement. Each agreement will include in the agreement the following recommended safeguard provisions:

A. The identification of confidential tax records and defining security controls are intended to protect Treasury tax return information from unlawful disclosure, modification, destruction of information and unauthorized secondary uses.

Definition of Treasury Tax Return Information as defined in Revenue Administrative Bulletin (RAB) 1989-39:

> Taxpayer's identity, address, the source or amount of his/her income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, over assessments, or tax payments whether the taxpayer's return was, is being or will be examined or subject to their investigation or processing, or any other data, received by, recorded by, prepared by, furnished to or collected by the agency with respect to a return or with respect to the determination of the existence, or liability (or the amount thereof) of any person under the tax laws administered by the Department, or related statutes of the state for any tax, penalty, interest, fine, forfeiture, or other imposition or offense. The term "tax return information" also includes any and all account numbers assigned for identification purposes.

B. An acknowledgment that a taxpayer has filed a return is known as a "fact of filing" and may not be disclosed. All tax return data made available in any format will be used only for the purpose of carrying out the provisions of the Contract between Contractor and the sub-contractor. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract between Contractor and the subcontractor. In addition, all related output will be given the same level of protection as required for the source material.

~~C.~~ The subcontractor will certify that the data processed during the performance of the Contract between Contractor and the subcontractor will be completely purged from all data storage components of the subcontractor's computer facility, and no output will be retained by the subcontractor at the time the work is completed. ~~.~~

D. Destruction of tax data, including any spoilage or any intermediate hard copy printout which may result during the processing of Michigan tax return information, will be documented with a statement containing the date of destruction, description of material destroyed, and the method used. Destruction parameters must meet the standards of Section IX, Disposal of Tax Information, of this agreement.

E. Computer system security and physical security of tax data stored and processed by the subcontractor must be in compliance with security guidelines and standards established by this contract. See section VI (Record Keeping Requirements for Information Received in Paper Format) for more details.

F. The Contractor will be responsible for maintaining a list of employees authorized to access Michigan tax return information and will provide a copy of such list to Treasury.

G. No work involving information furnished under the contract will be subcontracted without the specific approval of Treasury. Contractor and approved subcontractors handling Michigan tax return information will be required to sign the *Vendor, Contractor or Subcontractor Confidentiality Agreement* provided by Treasury, (Form 3337, see Attachment A). The original agreements will be returned to the Disclosure Officer for the Department of Treasury and a copy sent to the Contract Compliance Inspector.

VIII. Transport of Tax Information

In the event, it is necessary to transport confidential tax return information the Contractor is responsible for holding the carrier responsible for safeguarding the records. The Contractor must obtain a signed *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) for each carrier employee who has access to Michigan tax return information. The original agreements will be returned to the Department of Treasury, Disclosure Officer and a copy sent to the Contract Compliance Inspector.

If it is necessary to transfer records and responsibility for transport to a third carrier due to a mishap during transportation, the Contractor is responsible for ensuring safeguard standards remain enforce. This type of incident will be documented in accordance with the incident reporting guidelines in procedure PT-03253, "Incident Reporting and Handling".

Any such incidents must be reported to the Contract Administrator immediately.

IX. Disposal of Tax Information

Materials furnished to Contractor, such as tax returns, remittance vouchers, W-2 reports, correspondence, computer printouts, carbon paper, notes, memorandums and work papers will be destroyed by burning, mulching, pulverizing or shredding. If shredded, strips should not be more than 5/16-inch, microfilm should be shredded to affect a 1/35-inch by 3/8-inch strip, and pulping should reduce material to particles of one inch or smaller.

data tracks should be overwritten or reformatted a minimum of three times or running a magnetic strip over entire area of disk at least three (3) times to remove or destroy data on the disk media-Electronic data residing on any computer systems must be purged based on Treasury's retention schedule.

Contractor and its subcontractor(s) will retain all confidential tax information received by Treasury only for the period of time required for any processing relating to the official duties and then will destroy the records. Any confidential tax information that must be kept to meet evidentiary requirements must be kept in a secured, locked area and properly labeled as confidential return information. See Procedure for Security (Section III of this agreement) for more details.

X. Security Responsibility

Contractor will designate a security person who will ensure that each individual having access to confidential tax information or to any system which processes Michigan tax return information is appropriately screened, trained and executes a *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) before gaining access or transaction rights to any process and computer system containing Treasury tax return information.

Each Contractor or their subcontractor(s) employees' access and transaction rights will be reviewed periodically to ensure that there is a need to know Treasury tax return information displayed in any media.

Michigan tax return information will be made available only to individuals authorized by the Contract. Contractor will maintain a list of persons authorized to request and receive information and will update the list as necessary**.** A copy of the list must be furnished to the Michigan Department of Treasury Disclosure Officer and Contract Compliance Inspector.

Treasury and the Agency anticipate that there may be changes to the titles and/or responsibilities of officers and employees designated within this Agreement. In the event of such changes, any actions that may be taken under this Agreement by said officers or employees may be taken by any officer(s) or employee(s) Treasury and the Agency respectively determine to have succeeded to the relevant portions of said officers or employees authorities or responsibilities.

XI. Security Breach Notification

The Agency agrees to report to Treasury, on Form 4000, Incident Reporting (Attachment B) any use or disclosure of confidential information, whether suspected or actual, immediately after becoming aware of the use or disclosure. The Agency may substitute its internal form for Form 4000 if all pertinent information is included.

The Agency agrees to immediately contain the breach if it is determined ongoing.

Treasury has the right to terminate the Agreement when a breach has occurred and the Agency cannot demonstrate proper safeguards were in place to avert a breach. Treasury must approve Agency's resolution to the breach.

XIII. Certification of Compliance

In accordance with this Agreement, the Contractor will fully protect State Tax Information (STI) entrusted to them. Each Contractor or subcontractor who will have access to STI must read and sign a confidentiality agreement. This agreement requires that all information obtained from the Michigan Department of Treasury under the Revenue Act, PA 122 of 1941, MCL 205.28 (1)(f) be kept confidential. In the event of a security breach involving STI in the possession of the Agency, the Agency agrees to provide full cooperation to conduct a thorough security review. The review will validate compliancy with the agreement, and state laws and regulations.

If, as a result of the Contractor's failure to perform as agreed, the State is challenged by a governmental authority or third party as to its conformity to or compliance with State, Federal and local statutes, regulations, ordinances or instructions; the Contractor will be liable for the cost associated with loss of conformity or compliance.

The Contractor understands the cost reflects violation fines identified by the Michigan Social Security Number Privacy Act, 454 of 2004 and the Michigan Identity Theft Protection Act, Act 452 of 2004 as amended.

XI. Effective Date

These Safeguard requirements will be reviewed whenever the Contract modifications include specifications or processes that affect tax data.

Michigan Department of Treasury
3337 (Rev. 01-12)

Vendor, Contractor or Subcontractor Confidentiality Agreement

The Revenue Act, Public Act 122 of 1941, MCL 205.28(1)(f), makes all information acquired in administering taxes confidential. The Act holds a vendor, contractor or subcontractor and their employees who sell a product or provide a service to the Michigan Department of Treasury, or who access Treasury data, to the strict confidentiality provisions of the Act. Confidential tax information includes, but is not limited to, information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the Michigan Department of Treasury for a tax administered by the department.

INSTRUCTIONS. Read this entire form before you sign it. If you do not complete this agreement, you will be denied access to Michigan Department of Treasury and federal tax information. After you and your witness sign and date this form, keep a copy for your records. Send the original to the address listed below.

Company Name and Address (Street or RR#, City, State, ZIP Code)		Last Name	First Name
		Driver License Number/Passport Number	Telephone Number
State of Michigan Department	Division	Subcontractor Name if Product/Service Furnished to Contractor	
Describe here or in a separate attachment the product or service being provided to the State of Michigan Agency (Required).			

Confidentiality Provisions. It is illegal to reveal or browse, except as authorized:

- All tax return information obtained in connection with the administration of a tax. This includes information from a tax return or audit and any information about the selection of a return for audit, assessment or collection, or parameters or tolerances for processing returns.
- All Michigan Department of Treasury or federal tax returns or tax return information made available, including information marked "Official Use Only". Tax returns or tax return information shall not be divulged or made known in any manner to any person except as may be needed to perform official duties. Access to Treasury or federal tax information, in paper or electronic form, is allowed on a **need-to-know** basis only. Before you disclose returns or return information to other employees in your organization, they must be authorized by Michigan Department of Treasury to receive the information to perform their official duties.
- Confidential information shall not be disclosed by a department employee to confirm information made public by another party or source which is part of any public record. 1999 AC, R 2005.1004(1).

Violating confidentiality laws is a felony, with penalties as described:

Michigan Penalties
MCL 205.28(1)(f) provides that you may not willfully browse any Michigan tax return or information contained in a return. Browsing is defined as examining a return or return information acquired without authorization and without a **need to know** the information to perform official duties. Violators are guilty of a **felony** and subject to **fines of $5,000 or imprisonment for five years, or both**. State employees will be discharged from state service upon conviction.

Any person who violates any other provision of the Revenue Act, MCL 205.1, et seq., or any statute administered under the Revenue Act, will be guilty of a misdemeanor and **fined $1,000 or imprisonment for one year, or both**, MCL 205.27(4).

Federal Penalties
If you willfully disclose federal tax returns or tax return information to a third party, you are guilty of a **felony with a fine of $5,000 or imprisonment for five years, or both, plus prosecution costs** according to the Internal Revenue Code (IRC) §7213, 26 USC 7213.

In addition, inspecting, browsing or looking at a federal tax return or tax return information without authorization is a **felony violation** of IRC §7213A subjecting the violator to a **$1,000 fine or imprisonment for one year, or both, plus prosecution costs**. Taxpayers affected by violations of §7213A must be notified by the government and may bring a civil action against the federal government and the violator within two years of the violation. Civil damages are the **greater of $1,000 or actual damages** incurred by the taxpayer, plus the costs associated with bringing the action, 26 USC 7431.

Failure to comply with this confidentiality agreement may jeopardize your employer's contract with the Michigan Department of Treasury.

Certification		
By signing this Agreement, I certify that I have read the above confidentiality provisions and understand that failure to comply is a felony.		
Print name of employee signing this agreement	Signature of person named above	Date signed
Print Witness Name (Required)	Signature of Witness (Required)	Date signed

Submit your form to the following address:
Office of Privacy and Security/ Disclosure Unit
Michigan Department of Treasury
430 W. Allegan Street
Lansing, MI 48922

Questions, contact the **Office of Privacy and Security by telephone, (517) 636-4239; fax, (517) 636-5340; or email: Treas_Disclosure@michigan.gov**

Michigan Department of Treasury
4000 (Rev. 05-14)

Incident Report

INSTRUCTIONS: Complete Parts 1 and 2 and immediately submit Initial Report to the Office of Privacy and Security. After incident resolution, submit Final Report (Parts 1, 2 and 3) to the Office of Privacy and Security. Refer to Procedure PT-03253, Incident Reporting and Handling.

PART 1: A. CONTACT INFORMATION (Reporting Entity)

Full Name (Last, First, Middle Initial)		Division/Office
Telephone Number	Fax Number	E-Mail Address

B. CONTACT INFORMATION (Affected Entity)

Full Name (Last, First, Middle Initial)		Division/Office
Telephone Number	Fax Number	E-Mail Address

PART 2: INCIDENT INFORMATION

Whose information was involved in the incident?

☐ Treasury ☐ Federal Tax Information ☐ Other State Agency, specify _____ ☐ Other _____

Incident Category (select all that apply)

☐ Passwords Shared/Stolen	☐ Computer Virus/Spam	☐ Paper Archives Compromised
☐ Misrouted Communications	☐ Data Destruction/Deletion	☐ Safe/Lockbox/other Compromise
☐ Unauthorized Access	☐ Backups Missing or Stolen	☐ Delivery of Documents Lost
☐ Fraudulent Actions	☐ Hacking of Networks/Systems	☐ Inappropriate Destruction Paper
☐ Lost/Stolen Information/Data	☐ Improperly Secured Sys/Web	☐ Inappropriate Destruction Media
☐ Lost/Stolen Cash/Checks	☐ Circumvention of Security Protocols	☐ Lost/Stolen Equipment
☐ Inappropriate Building Access	☐ _____	☐ _____

Incident Affects

☐ Financial Information/Resources	☐ Personal Information (SSN, Driver License No. Financial information)	☐ Unauthorized/Unlawful Activity
☐ Confidential/Sensitive Information	☐ Human Resources (threat)	☐ Other _____

Date Incident Occurred	Time Incident Occurred	Date Incident Discovered	Time Incident Discovered

Incident Location	Number of Individuals Affected
Involved Parties/Entities	Does this involve personal information (first and last name along with a SSN, driver license number, or credit/debit card account number)? ☐ Yes ☐ No

Date of Initial Report

Description of Incident

PART 1: CONTACT INFORMATION (Affected Entity)

Full Name (Last, First, Middle Initial)	Division/Office

PART 3: INCIDENT RESOLUTION

Notification issued to affected individuals?	How many notifications were sent?	Breach Notification Method?
☐ Yes ☐ No		☐ E-mail ☐ Telephone ☐ US Mail ☐ Web
Who was notified?		Date notification was issued

Incident Cost

☐ Check if incident costs are less than $250. If $250 or more, complete the detailed summary of costs below.

Manhours:

Treasury $_____

DTMB-OES $_____

DTMB-Treasury Agency Services $_____

Other:

Postage $_____

Credit Monitoring Service $_____

_____ $_____

Total Cost of Incident $_____

Action Taken

Incident Impact

Post Incident Recommendations

PART 4: REPORT PREPARER INFORMATION

Final Report Prepared By:	Date Prepared	Preparer Title	Preparer's Telephone Number
Preparer Signature			Date

OFFICE OF PRIVACY AND SECURITY USE ONLY

Administrator, Office of Privacy and Security Signature	Date

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 22
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,680.00	$7,579,705.00

Effective December 3, 2014, this Contract is INCREASED by $287,680.00 per already awarded ITB-JK-PCO-0001 through Change Notice #1 and amended per Change Notice #9, **for the extension of one (1) PCO (Project Control Office) Manager to provide continued support for MILAMP modernization project. (see attached posted SOW)**

- **1984 hours for PCO Manager, Chris Drew, at the current not-to-exceed hourly rate of $145.00 (Service dates are: 12/3/2014 to 12/2/15.)**

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

Resource Extension Amendment - ITB-JK-PCO-0001

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: PCO Manager for MILAMP	**Awarded Period of Coverage:** **12/3/2012 to 12/2/14** **Revised Period of Coverage** **12/3/2014 to 12/2/15**
Requesting Agency: DTMB	**Date:** **11/17/14**
DTMB Buyer: Whitnie Zuker	**Phone:** **517-284-7030**
DTMB Manager: James McFarlene	**Phone:** **517-241-1842**

Brief Description of Services to be provided:

ITB-JK-PCO-0001 was awarded to one (1) PCO Vendor, Advocate Solutions, LLC (BPO # 071B3200059 through Change Notice #1 and amended per Change Notice #9) to support Project Control Office (PCO) Services to assist the Department of Technology Management and Budget (DTMB) Customer Services supporting the Michigan Department of Transportation (MDOT)/Enterprise Portfolio Management office (EPMO) MILAMP (Michigan Legacy Application Modernization Program) projects.

This request is to extend PCO (Project Control Office) Manager, Chris Drew, for an additional 1984 hours at the current not-to-exceed hourly rate of $145.00.

BACKGROUND:

The MILAMP (Michigan Legacy Application Modernization Program) is a statewide initiative to modernize the most critical applications for the State of Michigan.
PCO Project Manager plans and coordinates work teams. Provides management and technical support to project team members. Handles complex projects. Designs and implements project plans. Generally manages a group of applications system analysts or infrastructure specialists. Relies on experience and judgment to plan and accomplish goals.

PROJECT OBJECTIVE:
Senior PCO Manager, Chris Drew, is needed for the continuation of providing project management support for MILAMP modernization project. This includes, but not limited to: reporting, budgeting, and maintaining project plans. The PCO Project Manager is responsible, but not limited to, for:

- Monitor and report Agency progress that outlines target to actuals,
- Work with Agency project managers to facilitate the development of project scope definitions.
- Maintain program level budgets, set standards for project level budget data reporting, and create reports of projects and program level budgets. These reports will be produced for the executive level management as well as detailed level reports on an as needed basis.
- Create program level risk and issue management plans. They will coordinate and produce project and program level resource reports.
- Create and maintain a business plan and return on investment data for all projects in the program
- Create program presentations and progress reports on a monthly basis.

SCOPE OF WORK/TASKS:

The Senior PCO Manager will provide the following, but not limited to, services to support MILAMP Projects:

- Conduct regular meetings with all the project managers and Agency leadership involved in the MILAMP program.
- Mentor project managers as needed on creating ROI and benefits realization studies and gathering data
- Establish a framework to produce program and project level status reports on a weekly basis (or as requested by the State's contract manager). This includes training project managers in the methods to complete the reasons for establishing particular reporting methods and publication norms.
- Create program level risk and issue management plans. Update and report on these plans. Establish communication with various Agency project managers to ensure risks are being communicated in a consistent manner.
- Create a framework for project level budgets and ensure that budgets are maintained by all the Agency project managers. Create and maintain the program level budgets.
- Report on ROI data from the projects

The Senior PCO Manager experience is still:

- 7 + years of experience in managing a multimillion dollar IT program
- 7 + years of experience in creating business plans and benefits analysis for a program.
- 7 + years of experience in managing IT projects
- 7 + years of experience in creating and managing program and project budgets.
- 7 + years of experience in creating executive reports and presentations for projects.

DELIVERABLES:
Deliverables will not be considered complete until the DTMB Project Manager has formally accepted. Resources will work with DTMB Project Manager to define deliverables.

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to,

conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be

made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

1. All deliverables included in the State's Project Management Methodology (PMM)
2. All deliverables included in the State's System Engineering Methodology (SEM)
3. All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
4. All Documentation must be complete and meet state standards
5. All System documentation must meet DTMB standards

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

- **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.
- **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
- **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.
- **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.
State of Michigan Project Management Methodology (PMM)
State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid once the work has been successfully accepted by the DTMB project Manager. DTMB will pay CONTRACTOR upon receipt of properly completed invoice which shall be submitted to the billing address on the State issued purchase order. DTMB Accounts Payable area will coordinate obtaining the DTMB Project Manager approval. The invoice must reflect actual work completed by payment date, and must be approved by the DTMB Project Manager prior to payment. The invoice must describe and document to the State's satisfaction a description of the work performed, the completion of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Project Manager is:
James McFarlane
mcfarlanej@michigan.gov
517-241-1842

The DTMB Buyer for this project is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall – 1st Floor
W. Allegan St.
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

DTMB RESPONSIBILITIES:

1. DTMB will provide direction to vendor staff in regards to work effort and priorities.
2. DTMB will provide telephone access for project-related calls originating from within the State's office.
3. DTMB will provide access to copying equipment for project-related documents.
4. DTMB will provide access to Facsimile equipment for items that are project related.
5. DTMB will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at Romney Building, Lansing Michigan, 48909.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 21
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$238,080.00	$7,292,025.00

Effective November 24, 2014, this Contract is INCREASED by $238,080.00 per awarded ITB# 007115B0003432, for one (1) Senior Business Analyst to support the completion of the Department Licensing and Regulatory Affairs' (LARA) Bureau of Fire Services (BFS) project. (see attached posted SOW)

- **1984 hours for Senior Business Analyst, Brian Adams at an hourly rate of $120.00 (Service dates are: 1/05/15-1/05/16)**

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

Process for obtaining Project Control Office (PCO) Services

The State after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a Project Control Office (PCO) work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Advocate Solutions (Formerly Government Consulting Resources, Ltd. (CGR))	Columbus	OH	071B3200059
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for Project Control Office (PCO) proposals:

- Contractors are limited to One (1) candidate per position
- Candidates MUST meet the minimum requirements of the position
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: Bureau of Fire Services Accela Modernization Project	**Estimated Period of Coverage:** **11/10/2014 – 11/10/2015**
Requesting Agency: DTMB Supporting DLARA – BFS	**Date:** **10/22/2014**
DTMB Buyer: Whitnie Zuker	**Phone:** **517-284-7030**

Required Skill Category Requested:

1) **Senior Business Analyst**

Brief Description of Services to be provided:

One (1) Senior Business Analyst will be selected to support the State in the completion of the Department Licensing and Regulatory Affairs' (LARA) Bureau of Fire Services (BFS) project.

It is estimated that the resource will be dedicated for the following number of hours during the estimated time frame of 11/10/2014 – 11/10/2015 with the possible option to extend.:

- **Senior Business Analyst – 1984 hours**

The State reserves the right to add additional resources to support the LARA's Corporations Division Modernization Bureau of Fire Services (BFS) project. If additional positions are required, the State will provide the vendor a 30 day notification and the vendor will provide a list of candidates with resumes within ten business days or a timeline that is mutually agreed upon with the state and the vendor. Any and all additional resource requests must be approved and executed by DTMB Procurement.

BACKGROUND:

LARA's Bureau of Fire Services (BFS) and Accela Automation will be teaming together to modernize BFS's Field Services, Fireworks Permitting and Storage Tanks divisions leveraging Accela Automation's cloud based hosting environment. The term of the BFS/Accela project is expected to be 12 months.

PROJECT OBJECTIVE:

This resource will support the State in the implementation of BFS's Accela Automation project by providing a Senior Business Analyst resource. The estimated time period of this work will be 11/10/2014 – 11/10/2015 with the possible option to extend.

SCOPE OF WORK/TASKS:

Senior Business Analyst:

Perform Business Analyst responsibilities related to the BFS/Accela project. The Business Analyst will be executing tasks as defined in the State of Michigan's Project Management Methodology (PMM) as well as the Systems Engineering Methodology (SEM). In addition, the person in this position will assist Bureau of Fire Services staff and the assigned DTMB Project Manager with duties related to managing project quality.

Specific tasks may include but are not limited to:

- Perform Lead BA services such as:
  - Lead/Facilitate information gathering sessions with Accela Automation and BFS staff
  - Assist the Project Manager as assigned
  - Produce project deliverables such as:
    - Process maps
    - Data flow diagrams
    - Finalized SEM 402 business requirements
    - Use Case scenarios
    - Requirements tractability matrix
    - Functional specs
    - SEM Stage exit documents
  - Work with BFS staff to produce testing deliverable such as:
    - Requirements matrix
    - Test scenarios
    - Testing plan
    - Plan for testing results
    - Assist with UAT testing
  - Produce Training Plan and assist users in execution of the training plan.

DELIVERABLES:

Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted. The resource will work with DTMB Project Manager to define deliverables. Deliverables for this project may include, but are not limited to:

- Develops project documentation, including (but not limited to):
  - Business Requirements
  - Technical Requirements
  - Storyboarding
  - Functional Design
  - Process Overview Diagrams
  - High Level Design

- Business Function List
- Textual Summaries
- Screen Mockups
- Weekly status report

- All Documentation must be complete and meet state standards.
- All deliverables included in the State's Project Management Methodology (PMM).
- All deliverables included in the State's System Engineering Methodology (SEM).

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

- All deliverables included in the State's Project Management Methodology (PMM)
- All deliverables included in the State's System Engineering Methodology (SEM)
- All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
- All Documentation must be complete and meet state standards
- All System documentation must meet DTMB standards

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the DTMB Project Manager throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

- **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

- **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

- **Planned Tasking**: Describe activities to be accomplished during the next reporting period.

- **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

- **Issues**: Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.
State of Michigan Project Management Methodology (PMM)
State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued

purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Buyer for this project is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall – 1st Floor
W. Allegan St.
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-3350046
Email: zukerw@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DTMB will provide direction to vendor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for resource, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at the DTMB offices, Phoenix Building 3rd floor 222 N. Washington Ave., Lansing, MI or Bureau of Fire Services offices, 3101 Technology Blvd, Suite H, Lansing, MI.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

SKILL SET

The skillsets identified below are anticipated resource needs for the start-up of the project.

One (1) Senior Business Analyst

Serves as the communication bridge between non-technical business users and technical solution developers. The Senior Business Analyst has a depth of knowledge in business analysis processes including knowledge of methodology, tools, and techniques. The Business Analyst is responsible for analyzing the raw data gathered by the project team, applying the appropriate tools and techniques to create meaningful results. This individual is an active participant in aspects of department assessment, visioning, and reengineering.

	Evaluation Criteria	**Weight**
1.	Documented experience in functioning as a senior business analyst in successfully completed, recent projects	15
2.	Five years experience creating and maintaining process maps and data flow diagrams	10
3.	Five years experience creating SEM stage exit documents	10
4.	Five years experience creating testing plans	10
5.	Demonstrated experience in facilitating cross-functional discussions	10
7.	Experience leading and facilitating information gathering sessions	10
8.	Onsite, oral interview	25
9.	Familiarity with Java Scripting , Ad Hoc Reporting and Agile/Scrum methodology	10
	TOTAL	**100**

Because 75 is the max for the technical Staffing Skillsets any candidates that scored 60 or more would pass onto the interview process and a total of 80 or more to be considered for award.

The tier II award will be made to the responsive and responsible bidder who offers the best value to the State of Michigan. Best value will be determined by the bidder meeting the minimum point threshold and offering the best combination of the factors stated in Skill Set Criteria, interviews, and price.

INFORMATION REQUIRED FROM CONTRACTORS

- Name and date of availability of the candidate.
- The resume(s) of the actual individual(s) proposed
- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.

- **For funding purposes, the State requests that the hourly rate for each Senior Business Analyst not exceed $125.00 per hour. Prequalified Vendors are encouraged to propose their best pricing upfront.**

Skill Levels Required	Estimated Hours
Senior Business Analyst	1984

PROPOSAL SUBMITTAL
Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
    - Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
    - All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 20
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$257,920.00	$7,053,945.00

Effective November 3, 2014, this Contract is INCREASED by $257,920.00 and the following resource will be extended based on the State's work request #0071141114B0000925 through Change Notice #7 and amended per Change Notice #18 (see attached Statement of Work).

Resource: Senior Business Analyst, Brian Dishaw, will be extended for 1984 hours (11/03/14 – 11/02/15) at the same not-to-exceed hourly rate of $130.00.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

Resource Extension - Amendment to 0071141114B0000925

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: PCO for General Manager's PMO supporting DTMB, MCSC, CEPI and Education Additional resource for rebuilding the scanning and indexing component for the ORS Clarety application	**Original Period of Coverage:** **9/29/2014 – 10/17/2014** **Revised Period of Coverage** **11/03/14 – 11/02/15**
Requesting Agency: DTMB Supporting ORS – Application Support Team (AST)	**Date:** **10/30/14**
DTMB Buyer: Whitnie Zuker	**Phone:** **517-284-7030**

Brief Description of Services to be provided:

ITB 0071141114B0000925 was awarded to one (1) PCO Vendor, Advocate Solutions, LLC (BPO # 071B3200059 through Change Notice #7 and amended per Change Notice #18) to support Project Control Office (PCO) Services to assist the Department of Technology Management and Budget (DTMB) Customer Services supporting the DTMB, MCSC, CEPI and Education PMO related to multiple projects.

This request is to extend Senior Business Analyst, Brian Dishaw, per Change Notice amendment #18 for an additional 1984 hours (11/03/14 – 11/02/15) at the current not-to-exceed hourly rate of $130.00.

It is foreseen that that the effort needed to complete this extension request will take 12 months or less.

BACKGROUND:

Since the time of the original award ITB 0071141114B0000925, two resources have been allocated:

Change Notice #7
One (1) full-time Senior Project Manager, Dave Desrochers for an estimated 1984 hours (2/10/14-2/9/15) at an not-to-exceed hourly rate of $145.00/hour

And

Change Notice #18

One (1) part-time Senior Business Analyst, Brian Dishaw, for no more than 120 hours (9/29/2014 – 10/17/2014) at a not-to-exceed hourly rate of $130.00.

Contract Change Notice #18 allowed for an additional position for the time frame of 9/29/2014 – 10/17/2014 to rebuild functionality to the Scanning and Indexing application portion of the Clarety application that DTMB supports for Office of Retirement Services (ORS).

Senior Business Analyst, Brian Dishaw , was originally brought on board to help with an emergency application issue, a key business requirement which was not functional. This resource succeeded in resolving this issue. The DTMB Supporting ORS – Application Support Team now requests to extend this resource to ensure that the original failure will not return as well as help guide the team's efforts in resolving on-going issues which may impact the Clarety application. The resource will further assist the team in identifying the root causes of various past issues experienced, and plan and direct remediation to prevent these failures from returning by assisting the team in their effort to design and development of long-term fixes in the application, infrastructure, process and procedures.

Senior Business Analyst, Brian Dishaw, will be extended for 1984 hours (11/03/14 – 11/02/15) at the same not-to-exceed hourly rate of $130.00. The additional cost to support the additional resource is expected to be $257,920.00.

PROJECT OBJECTIVE:
ORS utilizes a custom-built desktop application that assists staff with the scanning and indexing of documents. After the ORS migration to the Windows 7 operating system, the scanning and indexing application would not work. Efforts were made at the time, and partial success was had in getting the application to run. ORS is now modifying the back-end server infrastructure to 64 bit operating systems and the scanning and indexing application is refusing to run on the new environment. The resources that were originally successful in getting the application to run after the Windows 7 migration are no longer available.

Senior Business Analyst, Brian Dishaw is needed to lead, help make changes to basic maintenance processes and procedures to remediate current issues and help train AST staff to be able to maintain a stable environment on-going. The effort needed to complete this request will take 12 months or less.

SCOPE OF WORK/TASKS:

The Senior Business Analyst will provide the following, but not limited to, services to complete the project:

- Help lead the investigation and analysis efforts to identify, remediate and prevent deadlocks from occurring within ORS Vision batches and functionality; define and document developer best practices for future reference. Estimate time for completion is **2 months.**
- Work with the Ops group to identify, document, and replace manual processes with repeatable and testable automated or scripted routines, increasing quality, security, and efficiency.
- Help train the AST staff in this area. Estimate time for completion is **3 months.**
- Help identify, document, and oversee best practices for Change Management and deployment. Help identify and eliminate manual processes that should be scripted and help increase security and quality. Work with the business and technical staff to identify and define better FileNet configuration routines. Currently the process takes an entire day per computer to do and is extremely error prone. Perform the research, and provide direction to staff to simplify and automate the process. Estimate time for completion is **3 months.**

- Perform technical BA activities related to the re-writing of the indexing, scanning, and imaging tools in Java as opposed to the mixed VB6 and .NET technologies to better align with ORS's technology stack. Work with the DBA and technical staff to identify and help guide their efforts to proactively implement DB and query tuning best practices, to improve performance of the ORS Vision application.
  Work with the technical development staff to begin implementing Agile best practices such as pair programming and code reviews. Estimate time for completion **will be addressed across all 12 months.**

- Help define a dedicated "Dev-Ops" (maintenance) group to handle ALL PIR and PAR requests, to enable a dedicated portion of the staff to focus on project work. Estimate time for completion is **2 months.**
- Assist with the selection and implementation of a work task tracking tool for the ORS Ops group to better handle and report metrics related to customer requests and production incidents. Estimate time for completion is **2 months.**

Senior Business Analyst Required Experience is still:

- Documented experience in functionaling as a senior business analyst in successfully completed, recent projects
- Five years experience creating and maintaining process maps and data flow diagrams
- Five years experience creating SEM stage exit documents
- Five years experience creating testing plans
- Demonstrated experience in facilitating cross-functional discussions
- Strong written and verbal communication skills (English)

DELIVERABLES:
Deliverables will not be considered complete until the DTMB Project Manager have formally accepted. Resources will work with DTMB Project Manager to define deliverables.

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
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(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

1. All deliverables included in the State's Project Management Methodology (PMM)
2. All deliverables included in the State's System Engineering Methodology (SEM)
3. All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
4. All Documentation must be complete and meet state standards
5. All System documentation must meet DTMB standards

PROJECT CONTROL AND REPORTS:

A weekly progress report must be submitted to the DTMB Project Managers throughout the life of this project. The resource will communicate, in writing, with the DTMB Project Manager of the progress of this project. The DTMB PM will report the progress in ChangePoint. Each weekly progress report must contain the following:

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

period.

3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
4. **Funds:** Indicate the cumulative total to date for the project and remaining amount is sufficient to complete the project.
5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.
State of Michigan Project Management Methodology (PMM)
State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid once the work has been successfully accepted by the DTMB project Manager. DTMB will pay CONTRACTOR upon receipt of properly completed invoice which shall be submitted to the billing address on the State issued purchase order. DTMB Accounts Payable area will coordinate obtaining the DTMB Project Manager approval. The invoice must reflect actual work completed by payment date, and must be approved by the DTMB Project Manager prior to payment. The invoice must describe and document to the State's satisfaction a description of the work performed, the completion of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Project Manager is:

Mike Bilek, IT Manager
Michigan Department of Technology, Management and Budget
7150 Harris Drive.
Dimondale, MI
Phone: 517 636 4702
Email: bilekm@michigan.gov

The DTMB Buyer for this project is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall – 1st Floor
W. Allegan St.
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

DTMB RESPONSIBILITIES:

1. DTMB will provide direction to vendor staff in regards to work effort and priorities.
2. DTMB will provide telephone access for project-related calls originating from within the State's office.
3. DTMB will provide access to copying equipment for project-related documents.
4. DTMB will provide access to Facsimile equipment for items that are project related.
5. DTMB will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at 7150 Harris Drive., Dimondale, and Mi**.**

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 19
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$257,920.00	$6,796,025.00

Effective October 3, 2014, this Contract is INCREASED by $257,920.00 and the following resource is incorporated into this contract based on the State's work request #007114B0002919 (see attached Statement of Work).

Resource: Martin Thompkins – Senior Project Manager at $130.00/hour, not to exceed 1984 hours. The initial contract period is October 6, 2014 through October 5, 2015 with the possibility of an extension as noted in the Statement of Work.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
QVF Rewrite Business Analyst
STATEMENT OF WORK (SOW)

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the Project Control Office ("**PCO**"), staff augmentation, and project management support of various projects across the Department of Technoogy Management and Budget ("**DTMB**") and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by projects.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Adjudicate resource conflicts between projects.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

Process for obtaining PCO Services
The State of Michigan ("**the State**" or "**State**") after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a PCO work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Advocate Solutions, LLC	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for for PCO proposals:

- Contractors are limited to One (1) candidate per position
- Candidates MUST meet the minimum requirements of the position
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: **MDOS QVF Rewrite**	**Estimated Period of Coverage:** **8/31/2014-08/31/2015**
Requesting Agency: DTMB Supporting MDOS	**Date:** 05/23/2014
DTMB Buyer: David Hach	**Phone:** **517-284-7044**

Required Skill Category Requested:

1) **Senior Business Analyst (2)**
2) **Senior Project Manager**

Brief Description of Business Analyst Services to be provided: Two (2) Senior Business Analyst will be selected from Pre-Qualified Project Control Office (PCO) Services Contractor to work with Michigan Department of State (MDOS) and Michigan Department of Transportation and Budget (DTMB) staff to create business and technical requirements for the Qualified Voter File rewrite. The end result of this effort will be a complete set of business and technical requirements which can be used by DTMB and Contracted staff to create an application to replace the existing QVF system.

Brief Description of Project Manager Services to be provided: One (1) Project Manager will be selected from one (1) Pre-Qualified Project Control Office (PCO) Services Contractor to support the State in the completion of the Qualified Voter File (QVF) Rewrite Project.

It is estimated that the resources will be dedicated for the following number of hours during the estimated time frame of **8/31/2014-08/31/2015**:

1) **Senior Business Analyst – 1984 hours**
2) **Senior Business Analyst – 1984 hours**
3) **Senior Project Manager – 1984 hours**

BACKGROUND:

The purpose of this project is to ensure wholesale upgrade / refresh of the Qualified Voter File (QVF) system including applications such as QVF, QVF-Lite, E-Wizard, Street Index and Electronic Poll Book along with hardware, software and database for the reasons (disadvantages of the current replicated architecture) mentioned in the paragraphs below. The project will also have a ripple affect on DTMB maintained web applications including the Michigan Voter Information Center (MVIC), the Election Management Portal (EMP) and electronic ballots produced in compliance with the Military and Overseas Voter Empowerment Act (MOVE).

The current replicated architecture does offer some of the advantages as listed below:

a) Clerks with local databases have a sense of control.
b) Local databases will work even if internet is down.
c) Application and database reside locally – fast response times.
d) Local replicated databases on clerks' desktops provide a form of backup and redundancy at the State level.
e) State has provided and supported PCs for replicated sites.

However, the current replicated architecture has some very significant disadvantages as mentioned below that far outweigh the advantages mentioned above and thus necessitate refresh of the QVF system:

a) State provides and maintains support of 470 plus personal computers / Oracle servers – CPU's, hard drives, operating systems, and Oracle licenses. This model is difficult to maintain and support.
b) QVF application being a thick client runs on PC and must be compatible with the operating system. Any change to the operating system requires that QVF application needs to be updated on the server as well as manually on each PC replica. This is very time consuming and a cumbersome process.
c) Significant time of Ken (QVF contractor), BOE help desk, and DTMB staff to resolve issues when they occur is spent in administering separate Oracle instances.
d) Replication conflicts occur and can result in data loss.
e) Homegrown replication mechanism for schema changes is costly and time-consuming.
f) Mass updates are difficult to do with replicated data – due to volume and nature of replication – special processes are needed.
g) Unable to take advantage of database software for integrity, due to replication.
h) Replication conflicts are common – special coding is needed to prevent this as much as possible.
i) Clerks must go to internet web-based application for information regarding voters outside of their jurisdiction (not on their replica).

j) A replicated system is not real-time and there is a delay between the time a voter registers and the time local clerk sees the registration.
k) QVF software updates can be complex and time consuming due to replication.

Other issues with the current QVF system are as follows:

a) Delphi is not a supported State of Michigan standard.
b) Oracle licensing costs.
c) Thick client requires State to supply PC's and pay for support to maintain them.
d) Oracle 10g end of support is July 2013.
e) Servers are aging.
f) No reporting software tools are being used, users are creating SQL queries that could affect system performance – tools would prevent this.

PROJECT OBJECTIVE:

The project is to refresh the current architecture and software platform to a supported DTMB application standard and update the user interface e. It is also to make sure that the current vendor suppor5t6 is a sustainable model for QVF system with its suite of applications such as QVF, QVF-GUI, QVF-Lite, E-Wizard, Street Index and Electronic Poll Book along with hardware and database components.

SCOPE OF WORK/TASKS:

Business Analyst:

Perform Business Analyst responsibilities related to the QVF rewrite project. The Business Analyst will be executing tasks as defined in the State of Michigan's Project Management Methodology (PMM) as well as the Systems Engineering Methodology (SEM).

Specific tasks may include but are not limited to:

1. Perform Lead BA services such as:
    a. Lead/Facilitate requirements gathering sessions
    b. Produce deliverables such as:
        i. Process maps
        ii. Creating User Stories
        iii. High Level Requirements
        iv. List of Business Rules
        v. Functional Design Template
        vi. Data flow diagrams
        vii. SEM 402 business requirements
        viii. Use Case scenarios
        ix. Requirements traceability matrix
        x. Screen mockups
        xi. SEM Stage exit documents
    c. Produce Testing deliverable such as:
        i. Requirements matrix
        ii. Test scenerios
        iii. Testing plan
        iv. Plan for testing results
        v. Assist with UAT testing
    d. Work in a modified agile development methodology

Senior Project Manager:

Perform Senior Project Management responsibilities related to the QVF. Project manager will be executing tasks as defined in the State of Michigan's Project Management Methodology (PMM) as well as the Systems Engineering Methodology (SEM). This position is optional and may not be filled.

1. Specific tasks may include but are not limited to:
2. Maintain and update Detailed Project Plan – Plan should include milestones, tasks (work breakdown structure), hours, durations, schedule, and resource allocation. Detailed task level plans and schedules must be created for each release deployment. Note: This is the detailed task plan to be developed with the input of the Project Team
3. Maintain project budget
4. Manage Risk Management Plan and address any issues that arise

5. Manage project Quality
6. Manage communication and maintain Communication Plan
7. Manage all Change Control requests and changes needed to project, plan & schedule in their regards
8. Create and Present Weekly status reports – to project team and sponsors
9. Facilitation of and materials preparation for meetings, including:
    a. Weekly status meetings for managers and team leaders.
    b. weekly planning meetings
10. Participation in and materials preparation for Executive Leadership meetings, as requested by the Implementation contractor or DTMB Project Manager or leadership.
11. Performance metrics including score cards, earned value analysis, project evaluation, resource usage, defects found and resolved in testing, defects introduced into production, analysis of Implementation contractor warranty work, and analysis of application down time.
12. Facilitation of and materials preparation for close-out of each release, including archival of all project data, lessons learned sessions, and close-out of any open action items.
13. Ad hoc reports requested by the State Project Manager(s).

BUSINESS ANALYST DELIVERABLES:

Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them. Resources will work with DTMB Project Manager to define deliverables. Deliverables for this project may include, but are not limited to:

- Develops project documentation, including:
    - Business Requirements
    - Technical Requirements
    - Storyboarding
    - Functional Design
    - Process Overview Diagrams
    - High Level Design
    - Business Function List
    - Textual Summaries
    - Screen Mockups
    - Weekly status report

PROJECT MANAGEMENT DELIVERABLES:

Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them. Resources will work with DTMB Project Manager to define deliverables. Deliverables for this project may include, but are not limited to:

- Refresh QVF architecture and developmental language to support current election functionality provided by the legacy QVF system.
- Develop a structured plan to refresh the QVF system by breaking it into functional components to permit modified agile development.
- Develop an implementation plan that transitions clerks from the existing QVF system to a refreshed QVF system as seamlessly as possible.
- Structured training, rollout and user support plan.
- Cost-benefit analysis of the database management system options.
- Continued monitoring and updating of project budget estimates, including a plan for obtaining additional funding if this becomes necessary.

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Physical Deliverables, Written Deliverables, and Service Deliverables ("**Deliverables**") require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with

Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be

made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

1. All deliverables included in the State's Project Management Methodology (PMM)
2. All deliverables included in the State's System Engineering Methodology (SEM)
3. All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
4. All Documentation must be complete and meet state standards
5. Requirements must be complete and meet state standards

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the Agency and DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

- **Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
- **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.
- **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:

- Agency standards, if any, in addition to DTMB standards.
- Project must meet American Disabilities Act (ADA) standards.
- State of Michigan Project Management Methodology (PMM)
- State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Buyer for this project is:

David Hatch
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
517-284-7044
Fax: 517- 335-0046
Email: hatchd@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DTMB will provide direction to vendor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at the Operations Center 7285 Parsons Dr Lansing, MI.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

Some travel is expected. Selected candidate must have their own vehicle. The State will not pay overtime.

SKILL SET
Two (2) Business Analysts
Serves as the communication bridge between non-technical business users and technical solution developers. The Senior Business Analyst has a depth of knowledge in business analysis and design processes including knowledge of methodology, tools, and techniques. The Business Analyst is responsible for analyzing the raw data gathered by the project team, applying the appropriate tools and techniques to create meaningful results. This individual is an active participant in aspects of department assessment, visioning, and reengineering.

Responses will be evaluated on the following criteria:

	Skill Sets	**Weight**
1. 1.	At leave five years experience working as a business analyst on software development projects (full project lifecycle) whose scope included writing a complex system.	25
2. 2.	A minimum of 5 years experience working on software development projects as a business analyst where the project was focused on public facing or large enterprise web development	25
3. 3.	At least 5 years experience working on an Oracle web application development effort that was written in .NET	5
4. 5.	At leat 5 years of experience writing functional designs which includes high level requirements, user stories, process overviews, documenting screen mockups	25
5.	At least 5 years experience producing design documents on a software development project where the methodology was agile, scrum or a more formal method such as UML from Rational Unified Process	15
6.	At least 5 years experience working with data analysis including basic SQL skills used against a Relational Database Management System (Oracle, SQL Server or DB2).	5
	TOTAL	**100**

<u>One (1) Senior Project Manager</u>
Senior Project Manager to provide the overall management for State of Michigan projects. This individual will provide management services for all project activities to ensure that the project will be completed on time, within budget, and within scope.

This individual will create and manage detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within the project using SOM Project Management Methodology. This individual will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. This individual also gathers and reports on vendor performance and compliance.

Responses will be evaluated on the following criteria:

	Skill Set	**Weight**
1	9 years experience as IT Project Manager for application development project that was .NET and DBMS was Oracle	25 pts
2	5 years experience with MS Project	5 pts

3	9 years experience as IT project manager where have PM experience with stages Planning through Implementation	25 pts
4	3 years Agile Project Management experience	10 pts
5	PMI Project Management Professional Certification	25 pts
6	Excellent Oral and Written Communication Skills	10 pts
	TOTAL	**100**

The tier II award will be made to the responsive and responsible bidder who offers the best value to the State of Michigan. Interviews may be taken into consideration when the State makes a best value award. Best value will be determined by the bidder meeting the minimum point threshold and offering the best combination of the factors stated in Skill Set Criteria, interviews, and price.

INFORMATION REQUIRED FROM CONTRACTORS

CANDIDATE INFORMATION

- Name and date of availability of the candidate.
- The resume(s) of the actual individual(s) proposed
- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.

Staffing Position Required	Estimated Hours
Senior Business Analyst	1984
Senior Business Analyst	1984
Senior Project Manager	1984

PROPOSAL SUBMITTAL

Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
- Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
- All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 18
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$15,600.00	$6,538,105.00

Effective September 29, 2014 Per awarded ITB 0071141114B0000925 through Contract Change Notice #7, the following resource will be added for the time period of 9/29/2014 – 10/17/2014 based on the attached amended SOW:

Named Resource: Senior Business Analyst, Brian Dishaw, for no more than 120 hours (9/29/2014 – 10/17/2014) at a not-to-exceed hourly rate of $130.00.

This contract is also hereby INCREASED by $ 15,600.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

Additional Resource - Admendment to 0071141114B0000925

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: PCO for General Manager's PMO supporting DTMB, MCSC, CEPI and Education Additional resource for rebuilding the scanning and indexing component for the ORS Clarety application	**Period of Coverage:** **2/10/14 - 2/9/15**
Requesting Agency: DTMB Supporting ORS – Application Support Team	**Date:** **09/18/2014**
DTMB PM: **Mike Bilek**	**Phone:** **517-636-4702**
DTMB Buyer: **Whitnie Zuker**	**Phone:** **517-284-7030**

Brief Description of Services to be provided:

ITB 0071141114B0000925 was awarded to one (1) PCO Vendor, Advocate Solutions, LLC (BPO # 071B3200059 through Change Notice #7) to support Project Control Office (PCO) Services to assist the Department of Technology Management and Budget (DTMB) Customer Services supporting the DTMB, MCSC, CEPI and Education PMO related to multiple projects.

As stated in the RFP/ITB # 0071141114B0000925, the State will provide the vendor a 30 day notification if additional resources are required and the vendor will provide a list of candidates with resumes within ten business days or a timeline that is mutually agreed upon with the State and the vendor

Resource Request

The following position was initially assigned to the project:

- One (1) full-time Sr. Project Manager, Dave Desrochers for an estimated 1984 hours (2/10/14- 2/9/15) at an not-to-excced hourly rate of $145.00/hour

The following additional position is now being requested by the State for the time frame of 9/29/2014 – 10/17/2014 to rebuild functionality to the Scanning and Indexing application portion of the Clarety application that DTMB supports for Office of Retirement Services (ORS). The additional cost to support the additional resources is expected to be $15,600.00

- One (1) Senior Business Analyst, Brian Dishaw, for no more than 120 hours (9/29/2014 – 10/17/2014) at a not-to-exceed hourly rate of $145.00.00

BACKGROUND:

ORS utilizes a custom-built desktop application that assists staff with the scanning and indexing of documents. After the ORS migration to the Windows 7 operating system, the scanning and indexing application would not work. Efforts were made at the time, and partial success was had in getting the application to run. ORS is now modifying the back-end server infrastructure to 64 bit operating systems and the scanning and indexing application is refusing to run on the new environment. The resources that were originally successful in getting the application to run after the Windows 7 migration are no longer available.

PROJECT OBJECTIVE:

This resource is needed to make the necessary changes to the scanning and indexing portion of the Clarety application so it can be fully restored. The effort needed to complete this request will take 3 weeks or less. This resource will work with the AST staff to fully restore functionality to the scanning and indexing application

SCOPE OF WORK/TASKS:

The Senior Business Analyst will provide the following, but not limited to, services to complete the project:

- Assist the rebuild of the scanning and indexing portion of the Clarety application. The resource will work with the DTMB AST technical and business leads so that DTMB AST fully understand what the issue is, how to fix it and maintain it without further vendor support.
- Oversee the installation of the program on the DTMB AST approved test environment.
- Oversee the installation of the program in the DTMB AST approved Disaster Recovery (DR) and Production environments.
- Test and verify program is working properly in all environments to DTMB AST acceptance.
- Create knowledge transfer document(s) to enable DTMB AST maintain the scanning and indexing application.

Senior Business Analyst Required Experience is:

- Documented experience in functionaling as a senior business analyst in successfully completed, recent projects
- Five years experience creating and maintaining process maps and data flow diagrams
- Five years experience creating SEM stage exit documents
- Five years experience creating testing plans
- Demonstrated experience in facilitating cross-functional discussions
- Strong written and verbal communication skills (English)

DELIVERABLES:

Deliverables will not be considered complete until the DTMB Project Manager have formally accepted. Resources will work with DTMB Project Manager to define deliverables.

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the

Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or

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

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

- All deliverables included in the State's Project Management Methodology (PMM)
- All deliverables included in the State's System Engineering Methodology (SEM)
- All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
- All Documentation must be complete and meet state standards
- All System documentation must meet DTMB standards

PROJECT CONTROL AND REPORTS:

The resource will communicate, in writing, with the DTMB Project Manager on a daily baisis of the progress of this project. The DTMB PM will report the progress in ChangePoint. Each daily progress report must contain the following:

- **Hours:** Indicate the number of hours expended during the day, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
- **Funds:** Indicate the the cumulative total to date for the project and remaining amount is sufficient to complete the project.
- **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.
State of Michigan Project Management Methodology (PMM)
State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid once the work has been successfully accepted by the DTMB project Manager. DTMB will pay CONTRACTOR upon receipt of properly completed invoice which shall be submitted to the billing address on the State issued purchase order. DTMB Accounts Payable area will coordinate obtaining the DTMB Project Manager approval. The invoice must reflect actual work completed by payment date, and must be approved by the DTMB Project Manager prior to payment. The invoice must describe and document to the State's satisfaction a description of the work performed, the completion of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Project Manager is:

Mike Bilek, IT Manager
Michigan Department of Technology, Management and Budget
7150 Harris Drive.
Dimondale, Mi
Phone: 517-636-4702
Email: bilekm@michigan.gov

The DTMB Buyer for this project is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall – 1st Floor
W. Allegan St.
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

DTMB RESPONSIBILITIES:

- DTMB will provide direction to vendor staff in regards to work effort and priorities.
- DTMB will provide telephone access for project-related calls originating from within the State's office.
- DTMB will provide access to copying equipment for project-related documents.
- DTMB will provide access to Facsimile equipment for items that are project related.
- DTMB will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at 7150 Harris Drive., Dimondale, Mi**.**

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 17
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$277,760.00	$6,522,505.00

Effective September 9, 2014 Per awarded ITB 0071141113B0000297 through Contract Change Notice #3, the following resource will be extended for the time period of 9/9/14 to 9/8/15 based on the State's work request (see attached amended SOW):

Named Resource: Rich Madle (previously Darlene Wells), Senior PCO Project Manager, at a rate of $140.00/hr. not to exceed 1,984 hours

This contract is also hereby INCREASED by $277,760.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
for
Eligibility and Enrollment
STATEMENT OF WORK TEMPLATE

RESOURCE EXTENSTION - 0071141113B0000297

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the Project Control Office (PCO), staff augmentation and project management support of various projects across DTMB and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: Information Technology (IT) Investment Fund and MiLAMP Program (Michigan Legacy Application Modernization) – Independent Verification and Validation Senior Project Manager (IV&V Sr. PM)	**Original Period of Coverage:** 9/9/2013-9/8/2014 **Extended Period of Coverage:** 9/9/2014-9/8/2015
Requesting Agency: Michigan Department of Technology Management Budget (DTMB)	**Date:** **8/29/2014**
Agency Project Manager: James McFarlane—General Manager (DTMB) State of Michigan	**Phone:** **517-241-1842**
DTMB Project Manager: **Viji Jayaraman**	**Phone:** **517-241-5792**
DTMB Buyer: **Whitnie Zuker**	**Phone:** **517-284-7030**

Brief Description of Services to be provided:
The purpose of this work request is to add additional funding to the already awarded ITB **0071141113B0000297** Contract# 071B3200059 through Change Notice #3, Contractor, Advocate Solutions, LCC, in the amount of $277,760.00 to replace the awarded resource Darlene Wells with Rich Madle and extend the period of coverage till 9/8/2015.

The initial estimated period of coverage was from 9/9/2013-9/8/2014 with the ability to extend if the State elects.

BACKGROUND:

The Information Technology Investment Fund (ITIF) is a special fund appropriated by the Legislature to enable the State of Michigan to modernize and deploy various critical IT

systems throughout the State. These projects include participation of not only DTMB-IT but also other State agencies. Some projects will be completed this fiscal year; others span several years. Some projects are funded solely by the IT Investment Fund; others involve funding from other sources. Additionally, this senior PM may also oversee the Independent Verification and Validation (IV&V) for any critical application that is considered part of the MI-LAMP (Michigan Legacy Modernization program). This program is a statewide initiative to modernize the most critical applications for the State of Michigan.

The State of Michigan solicited the services of an IV&V Project Manager to provide an objective evaluation of projects by applying standard methodology and measurements to project activities. This will help the State generate an accurate status for the projects being reviewed and will promote the timely handling of risks, issues, and changes. Part of the IV&V role includes project assurance as a planned, systematic review activity to determine a project is employing the processes necessary for success.

IV&V Project Manager plans and coordinates quality assurance for ITIF projects. This PM will be responsible for the quality assurance on major high profile projects such as the statewide Enterprise Resource Planning (ERP) implantation. The candidates must have strong soft skills: active listening, building trust, respect for differences/diversity, conflict resolution and negotiation, personal effectiveness, creative problem solving, strategic thinking and influencing skills. The PM will report to the ITIF program manager. Strong, hard stills must include use of some PCO PM descriptive skills here including tool methodologies, experience, and certifications.

PROJECT OBJECTIVE:

The resource will continue to *provide IV&V project management support for MILAMP modernization project. This includes reporting, budgeting, and maintaining project plans.*

SCOPE OF WORK:

The IV&V Project Manager is responsible for:

a. Monitor and assure project progress that outlines target to actuals,
b. Work with Agency project managers to assure that issues and risk management plans are being managed
c. Assure that project managers are managing scope, budget and costs of projects.
d. Perform all necessary "health check" on projects.
e. Create project assurance reports on a monthly basis
f. Assure common tools & reporting objectives are being met.

TASKS:

Technical support is required to assist with the following tasks:

- ***The IV&V project manager will be responsible for the following deliverables:***
  - *Conduct regular meetings with ITIIF project managers. The IV&V Project Manager helps develop reporting/communication mechanisms for the projects.*
  - *Mentor project managers as needed on the delivering a quality product.*
  - *Create, manage and implement quality assurance plans for high profile projects such as the ERP implementation.*
  - *Proactively mentor project manager identifying and managing risk and issues plans.*
  - *Establish a framework to produce quality assurance reporting. Assists in preparation of project status reporting that addresses, at a minimum, task status, deliverable completion, budget expenditure, completion estimate, resource assessments, schedule adjustments, problem/risk/issue identification and corrective action planning.*
  - *Train PMs and other state resources on performing quality assurance tasks as needed.*

- *Provides quality assurance on the project management aspects of the projects or programs.*
- *Assists with business/technical decisions related to the use of software to align to business needs and budget constraints*
- *Advises DTMB on managing contracts for development effort*
- *Helps develop and maintain an effective, customer-focused and usable communications process following currently established and new common directions for program/project reporting.*

REQUIRED KNOWLEDGE / SKILLS:

a. Managing quality assurance on large government projects– such as an ERP implementation would he highly preferred.
b. Must have extensive experience in providing quality assurance for a multi-million dollar program.
c. Must have excellent communications skills. A sample of a program level written communication report and a presentation must be submitted along with the resume.
d. Must have professional facilitation skills
e. Must have experience in creating program level risk and issue management plans.

Required Experience

a. 5 + years of program management experience
b. 5 years of recent experience in managing IT projects in a government environment
c. 5 years of experience creating and managing comprehensive project plans utilizing project management flows and tools.
d. 5 years of experience managing large, complex multi-year systems development projects
e. 5 years of experience performing scope management for projects, including a disciplined change control process.
f. 5 years of experience performing issues management across multiple Departments.
g. 5 years of experience creating and executing Implementation plans.
h. 5 years of experience creating Quality Assurance processes and plans.
i. 3 years of experience in verbal and written communication with clients and technical staff in English.
j. Excellent verbal and written communication skills
k. Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.
l. Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
m. Knowledge and understanding of the IT Governance Framework – COBIT
n. Knowledge and understanding of Information Technology Infrastructure Library (ITIL)

DELIVERABLES:

Deliverables will not be considered complete until the Agency and DTMB Program Managers have formally accepted them.

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of

Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:

Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them.

PROJECT CONTROL AND REPORTS:

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

1. ***Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project. The contractor may also be required to enter hours in an online tracking tool to support State of Michigan requirements.*
2. ***Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.*
3. ***Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.*

SPECIFIC AGENCY STANDARDS:

Agency standards, if any, in addition to DTMB standards.

PAYMENT SCHEDULE:

*Payment will be made on **Time and Materials** basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.*

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

EXPENSES:

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

PROJECT CONTACTS:

The Agency Project Manager is:

James McFarlane
Michigan Department of State
Lansing, MI 48909
Phone: 517-241-1842
E-Mail: mcfarlanej@michigan.gov

The DTMB Project Manager is:

Viji Jayaraman
MI Department of Technology, Management and Budget
425 W Ottawa
Lansing, MI 48909
Phone: 517-241-5792
E-Mail: jayaramanv@michigan.gov

The DTMB Buyer is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations – Constitution Hall Building – 3rd Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DTMB will provide direction to vendor staff in regards to work effort and priorities.
- DTMB will provide direction to vendor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide copying facilities for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, as deemed necessary.
- STATE will provide appropriate facilities to conduct the facilitated sessions to include:
    - Meeting-type facility
    - Adequate space for 20 attendees
    - Adequate space for a "U" seating arrangement
    - Ability to project vendor computer image (projector or monitor)
- All sessions and meetings with STATE Personnel will be held in the Lansing Michigan area.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work in State facilities in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate and must be approved by the DTMB Project Manager in advance.

The State will not pay overtime.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 16
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$1,577,960.00	$6,244,745.00

Effective August 25, 2014, Per ITB 0071141114B0001192; Contract Change Notice #15, additional resources, will be added to support the Statewide Integrated Governmental Management Applications (SIGMA) (formerly known as ERP Implementation) PCO Project. (see attached amended Statement of Work).

o One (1) full-time Senior Project Manager, Jill Redinger, for an estimated 4,648 hours (8/25/2014 – 11/18/2016) at a not-to-exceed hourly rate of $185.00.
o One (1) full-time Budgetary Tracking Analyst, TBD, for an estimated 4,488 hours (09/02/2014 – 10/28/2016) at a not-to-exceed hourly rate of $160.00.

Please also note that this contract is increased by $1,577,960. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
IT SERVICES
for
Project Control Office (PCO)
STATEMENT OF WORK

Enterprise Resource Planning (ERP) System
Additional Resource Request

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the Project Control Office (PCO), staff augmentation and project management support of various projects across The Department of Technology, Management and Budget (DTMB) and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

Project Title: Statewide Integrated Governmental Management Applications (SIGMA) (formerly known as ERP Implementation) Project Control Office (PCO)	**Period of Coverage:** 8/18/2014 – 11/30/2016
Requesting Agency: Department of Technology, Management, & Budget State Budget Office	**Date:** 7/28/2014

Brief Description of Services to be provided:
The purpose of this work request is to supplement resources to Project SIGMA PCO created through the competitively bid Pre-Qualified PCO process (RFP/ITB # 0071141114B0001192) and was awarded to Advocate Solutions (BPO # 071B3200059). The PCO was created to assist the Department of Technology Management and Budget (DTMB) Customer Services supporting the State Budget Office in providing project management oversight to Project SIGMA which will implement the statewide ERP System.

As stated in the RFP/ITB # 0071141114B0001192, the State will provide the awarded Contractor with a 30 day notification if additional resources are required and the awarded Contractor will then provide a list of candidates with resumes within ten business days or a timeline that is mutually agreed upon with the State and the Contractor.

Resource Request

<u>Project Control, Governance and Oversight</u>

The following positions were initially assigned to the project for the time frame of 6/30/14-1/31/17:

- One (1) full-time PCO Manager, Darlene Wells, for an estimated 5,125 hours at a not-to-exceed hourly rate of $195.00
- One (1) full-time Project Scheduler, Michael Mayes for an estimated 5,125 hours at a not-to-exceed hourly rate of $125.00.

The following positions are now being requested by the State for the time frame of August 2014 through October/November 2016. The additional cost to support the additional resources is expected to be $1,577,960.00

- One (1) full-time Senior Project Manager, Jill Redinger, for an estimated 4,648 hours (8/25/2014 – 11/18/2016) at a not-to-exceed hourly rate of $185.00.00
- One (1) full-time Budgetary Tracking Analyst, TBD, for an estimated 4,488 hours (09/02/2014 – 10/28/2016) at a not-to-exceed hourly rate of $160.00.00

The State reserves the right to reduce/extend hours of any assigned resource(s) and/or request additional resources to support Project SIGMA.

See Tasks and Staffing Skill Set Section for further details.

The PCO Manager and Senior Project Manager positions are deemed as Key Personnel as defined in Section 2.060 (Contract Management) of the primary contract.

PROJECT OBJECTIVE:
Establish a SIMGA System Implementation PCO responsible for the successful management and delivery of multiple projects with roles including, but not limited to, Project Control (Governance and Oversight). The State is now in need of assistance to maintain a Project Control Office to allow for the State to more accurately manage its resources across the many sub-projects that are anticipated within the ERP system implementation effort.

SCOPE OF WORK:
The Contractor will provide additional resources for PCO services for Project SIGMA for the time period specified.

- One (1) full-time Senior Project Manager, Jill Redinger, for an estimated 2,664 hours (8/25/2014 – 11/18/2016) at a not-to-exceed hourly rate of $185.00.00
- One (1) full-time Budgetary Tracking Analyst, TBD, for an estimated 2,504 hours (09/02/2014 – 10/28/2016) at a not-to-exceed hourly rate of $160.00.00

TASKS:
In addition to the following, see Staffing Skillsets Section.

The primary tasks for the Senior Project Manager role are, but not limited to:

- Project Management support to the Functional Team Leads
- Integrated Master Schedule support – individual teams, master plan
- Support for Contract Management, Issue Management, and Risk Management

The primary tasks for the Budgetary Tracking Analyst are, but not limited to:

- Budget/Finance - tracking, projections working with the State Budget Office, IT Investment Fund, Project Resource Tracking, Deliverable Payments, etc.
- Benefits Realization as it pertains to the business case. Understanding, monitoring, ensuring Agency accountability to decommissioning systems, efficiencies in operation, etc.

DELIVERABLES:
Resource(s) will work under the direction of the SIGMA Project Director. Deliverables for this project must adhere to the SOM SUITE standards, must be tracked using Changepoint (the State's Portfolio Management Software), and must comply with IT Investment Fund (ITIF) reporting requirements.

Deliverables will not be considered complete until the SIGMA Project Director has formally accepted them.

APPROVAL OF DELIVERABLES, IN GENERAL
(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of

Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the SIGMA Project Director throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

4. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

5. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

6. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.

7. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

8. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions.

SPECIFIC AGENCY STANDARDS:
The following are additional Terms & Conditions:
2.500 State Data, Privacy and Confidentiality

2.501 State Data

(a) Ownership. The State's data ("**State Data**," which shall also be known and treated by Contractor as Confidential Information) shall include: (a) the State's data collected, used, processed, stored, or generated as the result of the Services; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements listed herein; and (c) protected health information ("**PHI**") as that term is defined under the Privacy Rule, 45 CFR §160.103. State Data is and shall remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section shall survive the termination of this Contract.

(b) Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor shall: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and, (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section shall survive the termination of this Contract.

(c) Extraction of State Data. Contractor shall, within one (1) business day of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to

the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.

(d) Backup and Recovery of State Data. Unless otherwise described in the Statement of Work, as a part of the Services, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data in the event that the Services may be interrupted.

(e) Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor shall, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII and PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII and PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting the State's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section shall survive the termination of this Contract.

2.502 Non-Disclosure of Confidential Information

The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section shall survive the termination of this Contract.

(a) Meaning of Confidential Information. For the purposes of this Contract, the term "Confidential Information" shall mean all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom Of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (b) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (c) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (d) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data shall be deemed to be Confidential Information.

(b) Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other

than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and Subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a Subcontractor is permissible where: (a) use of a Subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's responsibilities; 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 or any Subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

(c) Cooperation to Prevent Disclosure of Confidential Information. Each party shall use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party shall advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

(d) Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

(e) Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party shall, within five (5) calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor shall return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any non-State Data Confidential Information is not feasible, such party shall destroy the non-State Data Confidential Information and shall certify the same in writing within five (5) calendar days from the date of termination to the other party.

2.503 Data Privacy and Information Security

(a) Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described herein, Contractor shall be responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and, (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case shall the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and shall at all times comply with all applicable State IT policies and standards.

(b) Audit by Contractor. No less than annually, Contractor shall conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.

(c) Right of Audit by the State. Without limiting any other audit rights of the State, the State shall have the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. During the providing of the Services, on an ongoing basis from time to time and without notice, the State, at its own expense, shall be entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

(d) Audit Findings. Contractor shall implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

(e) The State's Right to Terminate for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State reasonably determines that Contractor fails or has failed to meet its obligations under this Section.

PAYMENT SCHEDULE:
Payment will be made on a Time and Materials basis and all invoices must include the purchase order number. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining SIGMA Project Director approvals. All invoices should reflect actual work completed by payment date, and must be approved by the SIGMA Project Director prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:

The DTMB Buyer for this project is:
Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations - Constitution Hall Building – 1st Floor
5250 W. Allegan Street
Lansing, MI 48933
517-284-7030
Fax: 517- 335-0046
Email: ZukerW@michigan.gov

The DTMB SIGMA Project Director is:
Ruth Schwartz
Michigan Department of Technology, Management and Budget
Victor Center – 7th floor
201 Washington Square
Lansing, MI 48913
517-284-7585
Fax: 517- 284-7599
Email: schwartzr1@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:
- The SIGMA Project Director (or designee) will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work in State facilities in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

Original Staffing Skillsets:

1) **Project Control Office (PCO) Manager**

Full-time, on-site Senior Project Control Office Manager will provide the oversight and direction necessary to establish a fully functional Project Control Office and to manage the PCO staff and ongoing daily operations of the PCO.

The PCO Manager will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. The PCO Manager will also gather and report on Project Team performance and compliance.

The PCO Manager will work closely with the DTMB ERP System Implementation Project Manager in support of the State in meeting the timely delivery of quality information technology services for all stakeholders of the Project. The PCO Manager will be responsible for performing schedule, scope and technical control tasks.

The PCO manager will directly oversee all the PCO personnel.

Required Experience

1) Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $50,000,000 (excluding hardware/software costs) and whose timeline was at least 3 years.
2) 5 years of recent experience in managing IT projects (preferably within a government environment)
3) Documented 3 to 5 years experience in successfully managing the establishment and operations of a fully functioning Project Control Office or Project Control Office. A minimum of 2 such "establishments" is required for this particular project position.
4) Documented experience in successfully managing a PMO/PCO for an ERP project with a budget greater than $50,000,000 and duration of at least 3 years (including multiple stakeholders, PCO staff, multiple vendors, data conversions and multiple technologies).
5) Documented experience in performing Project Management, Quality Management, or other critical functions within complex Information Technology projects (preferably with budgets greater than $50,000,000 and multi-phase, multi-year implementations).
6) Professional certification in Project Management, such as Project Management Professional (PMP) certification from the Project Management Institute.

Desired Experience

7) Excellent written and verbal communication skills. Demonstrable presentation skills are necessary for this position. Skills in MS Project, MS Excel, MS Word, MS PowerPoint, required.
8) Demonstrated leadership ability in complex projects involving multiple vendors and in-house resources within all levels of an organization.
9) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
10) Knowledge and understanding of the IT Governance Framework – COBIT
11) Knowledge and understanding of Information Technology Infrastructure Library (ITIL)
12) Knowledge of accounting practices and terminology.

2) **Project Scheduler**

The project schedule will be responsible for the update of schedules for day-to-day tracking. This individual supports the PCO Manager using project management tools, techniques, and methodologies such as MS Project, MS Word, MS Excel, MS PowerPoint, Remedy and Tracker Tools to assist in the monitoring of individual tasks. The PCO Manager directs the daily activities of the Project Scheduler. The Project Scheduler does many of the administrative tasks needed to monitor and report on the status of a release.

Required Experience

A. 2 years experience managing projects on system development projects
B. 2 years experience with one or more structured development methodologies
C. 2 years experience in tracking and analyzing project related metrics
D. 2 years experience working in an environment with multiple concurrent projects utilizing shared and/or unshared pools of resources
E. 3 to 5 years experience in creating and managing detailed project plans and schedules for the day-to-day
F. tracking and oversight of deliverables within a project
G. 2 years experience in verbal and written communication with clients and technical staff in English

H. A history of working within a Project Control Office
I. Excellent verbal and written communication skills

Additional Staffing Skill Sets:

3) <u>Senior Project Manager</u>

Full-time, on-site Senior Project Manager to provide the overall management for ERP system implementation projects. This individual will provide management services for all project activities to ensure that the project will be completed on time, within budget, and within scope.

This individual will create and manage detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within the project using SOM Project Management Methodology. This individual will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. This individual also gathers and reports on vendor performance and compliance.

<u>Required Experience</u>

A. Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $50,000,000 (excluding hardware/software costs) and whose timeline was greater than 3 years
B. Documented experience in successfully managing an ERP project with a budget greater than $50,000,000 and duration of at least 3 years (including multiple stakeholders, PCO staff, multiple vendors, data conversions and multiple technologies).
C. Proven record of delivering projects on time and within budget
D. A history of managing a project in a multi-vendor environment
E. 5 years of recent experience in managing IT projects (preferably within a government environment)
F. 5 years experience creating and managing comprehensive project plans utilizing project management flows and tools
G. 5 years experience managing large, complex multi-year systems development projects
H. 5 years experience performing scope management for projects, including a disciplined change control process
I. 5 years experience performing issues management across multiple Departments
J. 5 years experience creating and executing Implementation plans
K. 5 years experience creating Quality Assurance processes and plans
L. 3 years experience in verbal and written communication with clients and technical staff in English.

<u>Desired Experience</u>

M. Excellent verbal and written communication skills
N. Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University
O. Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
P. Knowledge and understanding of the IT Governance Framework – COBIT
Q. Knowledge and understanding of Information Technology Infrastructure Library (ITIL)
R. Knowledge of accounting practices and terminology.

4) <u>Budgetary Tracking Analyst</u>

This position supports project implementation through planning, developing and monitoring overall program expenditures as they relate to the overall SIGMA project. This individual will ensure that that program has the capacity to track multiple funding streams and ensure that they are accounted for separately. This position relates to the financial management of the project.

<u>Required Experience</u>

A. 3-5 years experience working with system implementation project budgets
B. 3-5 years support for the financial planning, development and monitoring of program related expenditures
C. 3-5 years experience in Analyzing federal and state laws, policies and procedures, and other relevant materials to provide the information necessary for policy decision making
D. A history of working within a Project Control Office

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 15
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$1,640,065.00	$4,666,785.00

Effective July 7, 2014, this Contract is hereby increased by $1,640,065.00 and the following resources are incorporated per approved State's work request 0071141114B0001192 to support a Project Control Office (PCO) for the Enterprise Resource Planning (ERP) System for the estimated time frame of 07/7/14-1/31/17.

Darlene Wells - PCO Manager at $195.00/hour, not to exceed 5,125 hours; total cost of $999,440.00

Michael Mayes - Project Scheduler at $125.00/hour, not to exceed 5,125 hours; total cost of $640,625.00

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
IT SERVICES
for
Project Control Office (PCO)
STATEMENT OF WORK

Enterprise Resource Planning (ERP) System Work Request

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the Project Control Office (PCO), staff augmentation and project management support of various projects across The Department of Technology, Management and Budget (DTMB) and related project management activities.

The PCO will be used to monitor the status of on-going projects to ensure that projects stay on track to achieve the anticipated benefits.

In addition, the PCO will:

- Ensure consistent and accurate progress reporting on the costs and other critical resources consumed by the program.
- Provide stakeholders with timely assessments of project progress, with early identification and correction of project-level issues that may impact performance.
- Maintain visibility of key project information across the program.
- Ensure that the project portfolio remains in tune with changing business objectives and strategy.
- Identify lessons-learned and continually refine the PCO process.

Process for obtaining PCO Services

The State, after formalizing a comprehensive Work Request, will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation, payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the defined services and Terms and Conditions of the Primary Contracts listed below. Each award will be issued as a change notice to the applicable Primary Contract.

This is a PCO work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise	Lansing	MI	071B3200053

Services, Inc.			

Reminder: The following are requirements for PCO proposals:

- Bidders are limited to One (1) candidate resume per position, unless instructed otherwise
- Candidates MUST meet the minimum requirements of the position
- Two copies of each resume MUST be submitted (labeled Copy 1 & Copy 2)
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate Proposal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the Project Control Office (PCO) Program.

Project Title: ERP System Project Control Office (PCO)	**Period of Coverage:** 2/2014 – 11/30/2017
Requesting Agency: Department of Technology, Management, & Budget State Budget Office	**Date:** 1/28/2014

Brief Description of Services to be provided:
The purpose of this work request is to obtain quotations for Project Control Office (PCO) Services Consultants to assist the Department of Technology Management and Budget (DTMB) Customer Services supporting the State Budget Office in establishing a PCO for the Enterprise Resource Planning (ERP) System Implementation project.

Project Control Office Setup

Start-up staffing for PCO Task Area:
The following positions are what the State is asking for initially, but not all inclusive. The State reserves the right for additional resources throughout the time period of this request.

<u>Project Control, Governance and Oversight</u>

- PCO Manager (1)
- Project Scheduler (1)

Additional staffing for PCO Task Area:
The project will initially require a Project Control Office manager, followed shortly by a project scheduler, and optionally, in June 2014, by two senior project managers and a budgetary tracking analyst. The State's expectation is that the PCO Manager would assist in reviewing the resumes along with the ERP Implementation Project Directors to bring in the additional resources as needed. The State will provide the vendor a 30 day notification if additional resources are required and the vendor will provide a list of candidates with resumes within ten business days or a timeline that is mutally agreed upon with the State and the vendor.

The PCO Manager and Senior Project Manager positions are deemed as Key Personnel as defined in Section 2.060 (Contract Management) of the primary contract.

Other: Project Control Office Setup

The bidder must describe the approach to how it will specifically create, setup and implement a fully functional PCO for the ERP System Implementation project, within thirty (30) days of the execution of the contract.

The description should include:

- How the Contractor will establish the PCO and utilize the State's project management processes,

methodologies, and tools to maximize project team performance, minimize risk, and contain costs of systems and projects.

- How the contractor will provide oversight, monitoring of the project team and their progress, and reporting on status of deliverables critical for on-time, within budget delivery of specified systems and projects.

- How the Contractor will assume responsibility for performing at a minimum the functions of project planning, project schedule development and tracking, scope containment, including approaches for issue, change and risk management.

- How the contractor will create and maintain detailed resource driven project schedules that support project scope, costs, milestones, and deliverables.

- A project schedule including dates and milestones for the PCO start-up activities, to occur in the first thirty (30) days. Specific milestones to be completed and that are expected in the plan, include, but are not limited to the following:
    - Organizational chart for the Project Control Office
    - Key personnel presence at the designated State location
    - Roles and responsibilities for required Contractor and State resources
    - Understanding of project objectives, scope, and high level requirements
    - Risk assessment, including mitigation strategies
    - A work plan of the activities to be performed during the first three months after contract startup.

BACKGROUND:
Through a separate RFP (available on Buy4Michigan with bid number 0071141114B0000660 and alternate ID 084R4300001), the State of Michigan is seeking to acquire and implement an ERP System for executive, legislative, and judicial branch organizations.

The State has identified the following major areas of functionality, preferred phasing, and implementation targets:

	Date
Project Start Date:	July 1, 2014
Phase 1 Budget Preparation Implementation ▪ Begin production use of new Budget Preparation Module on August 1, 2015 ▪ To prepare the budget for the 2016-17 fiscal year which begins October 1, 2016	August 1, 2015
Phase 2 Core Financial Implementation ▪ Phase 2 is expected to start at the beginning of the project and run concurrently with Phase 1 ▪ Begin production use of Core Financials October 1, 2016	October 1, 2016 (first day of new State fiscal year)

▪ Accounts Payable and Disbursements (including EFT and some electronic vendor invoices) ▪ Accounts Receivable and Billing ▪ Budget Control ▪ Cash Reconciliation ▪ Cost Allocation ▪ Employee Time and Attendance ▪ Employee Travel and Expense Reimbursement ▪ Expenditure Tracking Against Debt Issues for IRS Reporting ▪ FHWA Billing (State Option) ▪ General Ledger and Financial Reporting ▪ Grants Management (Grantee Side) ▪ Grants Management (Grantor Side) ▪ Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds ▪ Labor (and Equipment Cost) Distribution ▪ MIDB (for all Phase 1 and 2 ERP Data) ▪ Positive Pay Banking (if feasible) ▪ Project Accounting ▪ Transparency & Accountability Portal ▪ Vendor Accounts Payable Web Inquiry ▪ Vendor Payment and EFT Web Registration ▪ Vendor Tax Reporting (1099 & 1042) and Backup Withholding	
Phase 3 Non-Core Financial Implementation	October 1, 2017
▪ Asset Management ▪ Facilities Management (State Option) ▪ Fleet Management (State Option) ▪ Real Estate (State Option) ▪ Inventory (State Option)	

The State is now in need of assistance to implement and maintain a PCO to allow for the State to more accurately manage its resources across the many sub-projects that are anticipated within the ERP System Implementation Program.

PROJECT OBJECTIVE:
Establish a ERP System Implementation PCO responsible for the successful management and delivery of multiple projects with roles including, but not limited to, Project Control (Governance and Oversight).

SCOPE OF WORK:
Create, setup and implement a fully functional PCO for the ERP System Implementation project, within thirty (30) days. Provide PCO services for this project for the time period.

TASKS:
See Staffing Skillsets Section

DELIVERABLES:
Resource(s) will work under the direction of the ERP Implementation Project Director(s). Deliverables for this project must adhere to the SOM SUITE standards, must be tracked using Changepoint (the State's Portfolio Management Software), and must comply with IT Investment Fund (ITIF) reporting requirements.

Deliverables will not be considered complete until the ERP Implementation Project Directors have formally accepted them.

APPROVAL OF DELIVERABLES, IN GENERAL

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Responses will be evaluated on the following criteria:

		Weight
1.	**Project Control Office Setup** Information for this criteria is detailed in the Project Control Office Setup section	20
2.	**Staffing Skillsets** Information for this criteria is detailed in the Staffing Skillsets section	80
TOTAL		**100**

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the ERP Implementation Project Directors throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.

4. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions.

SPECIFIC AGENCY STANDARDS:
The following are additional Terms & Conditions:
2.500 State Data, Privacy and Confidentiality

2.501 State Data

(a) Ownership. The State's data ("**State Data**," which shall also be known and treated by Contractor as Confidential Information) shall include: (a) the State's data collected, used, processed, stored, or generated as the result of the Services; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements listed herein; and (c) protected health information ("**PHI**") as that term is defined under the Privacy Rule, 45 CFR §160.103. State Data is and shall remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section shall survive the termination of this Contract.

(b) Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor shall: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and, (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section shall survive the termination of this Contract.

(c) Extraction of State Data. Contractor shall, within one (1) business day of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.

(d) Backup and Recovery of State Data. Unless otherwise described in the Statement of Work, as a part of the Services, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data in the event that the Services may be interrupted.

(e) Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor shall, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII and PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII and PHI as soon as practicable but no later than is required to

comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting the State's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section shall survive the termination of this Contract.

2.502 Non-Disclosure of Confidential Information

The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section shall survive the termination of this Contract.

(a) Meaning of Confidential Information. For the purposes of this Contract, the term "Confidential Information" shall mean all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom Of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (b) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (c) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (d) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data shall be deemed to be Confidential Information.

(b) Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and Subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a Subcontractor is permissible where: (a) use of a Subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's responsibilities; 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 or any Subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

(c) Cooperation to Prevent Disclosure of Confidential Information. Each party shall use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential

Information. Without limiting the foregoing, each party shall advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

(d) Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

(e) Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party shall, within five (5) calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor shall return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any non-State Data Confidential Information is not feasible, such party shall destroy the non-State Data Confidential Information and shall certify the same in writing within five (5) calendar days from the date of termination to the other party.

2.503 Data Privacy and Information Security

(a) Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described herein, Contractor shall be responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and, (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case shall the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and shall at all times comply with all applicable State IT policies and standards.

(b) Audit by Contractor. No less than annually, Contractor shall conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.

(c) Right of Audit by the State. Without limiting any other audit rights of the State, the State shall have the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. During the providing of the Services, on an ongoing basis from time to time and without notice, the State, at its own expense, shall be entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

(d) Audit Findings. Contractor shall implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

(e) The State's Right to Terminate for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State reasonably determines that Contractor fails or has failed to meet its obligations under this Section.

PAYMENT SCHEDULE:
Payment will be made on a Time and Materials basis and all invoices must include the purchase order number. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining ERP Implementation Project Directors approvals. All invoices should reflect actual work completed by payment date, and must be approved by the ERP Implementation Project Directors prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:

The DTMB Contract Administrator for this project is:

Whitnie Zuker
Michigan Department of Technology, Management and Budget
DTMB Purchasing Operations - Stevens T. Mason Building – 2nd Floor
530 W. Allegan Street
Lansing, MI 48933
517-335-5306
Fax: 517- 335-0046
Email: ZukerW@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:
- The ERP Implementation Project Director(s) will provide direction to vendor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work in State facilities in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

RIGHT TO OWNERSHIP:
Ownership of Work Product by State. All Deliverables shall be owned by the State and shall be considered works made for hire by the Contractor for the State. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

INFORMATION REQUIRED FROM CONTRACTORS

INFORMATION REQUIRED TO BE SUBMITTED WITHIN PROPOSAL

Staffing Candidates

1. Name and date of availability of the candidate for the PCO Manager and Project Scheduler positions.

2. The resume(s) of the actual individual(s) proposed for the PCO Manager and Project Scheduler positions.

3. Three (3) example resumes for the following Staffing Skillsets: Senior Project Manager, Project Manager, and Budgetary Tracking Analyst. The State is not expecting the vendor to commit these resources to this contract at proposal submittal; however, the resumes submitted should be for verifiable, actual candidates that are available to the vendor.

4. Two references for the proposed individuals, including the names and telephone numbers of the references. At least one of these references must be from a supervisor.

5. The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.

6. Verification of a candidate's permission to work in the United States.

7. Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.

8. A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.

9. During the response period, the Contractor may request any clarification needed on the Statement of Work.

PCO Startup

1. PCO setup approach.

2. Project plan for start-up activities including dates and milestones.

RATE PROPOSAL

1. All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price changes will be permitted during the base years of the agreement.

2. Pricing
   The skillsets identified below are anticipated resource needs for the start-up of the PCO. As additional resources or modifications to the resource hours below are needed, these changes will be addressed via the change management procedure identified within the primary contract.

Staffing Positions Required	Resource Name	Hourly Rate
PCO Manager		
Senior Project Manager	XXXXXXXXX	
Senior Project Manager	XXXXXXXXX	

Project Scheduler		
Budgetary Tracking Analyst	XXXXXXXXX	

PROPOSAL SUBMITTAL

Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

1. Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.

Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number

Staffing Skillsets (Detailed description of specific skill sets required for each position):

1) **Project Control Office (PCO) Manager**

Full-time, on-site Senior Project Control Office Manager will provide the oversight and direction necessary to establish a fully functional Project Control Office and to manage the PCO staff and ongoing daily operations of the PCO.

The PCO Manager will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. The PCO Manager will also gather and report on Project Team performance and compliance.

The PCO Manager will work closely with the DTMB ERP System Implementation Project Manager in support of the State in meeting the timely delivery of quality information technology services for all stakeholders of the Project. The PCO Manager will be responsible for performing schedule, scope and technical control tasks.

The PCO manager will directly oversee all the PCO personnel.

Required Experience

1) Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $50,000,000 (excluding hardware/software costs) and whose timeline was at least 3 years.
2) 5 years of recent experience in managing IT projects (preferably within a government environment)
3) Documented 3 to 5 years experience in successfully managing the establishment and operations of a fully functioning Project Control Office or Project Control Office. A minimum of 2 such "establishments" is required for this particular project position.
4) Documented experience in successfully managing a PMO/PCO for an ERP project with a budget greater than $50,000,000 and a duration of at least 3 years(including multiple stakeholders, PCO staff, multiple vendors, data conversions and multiple technologies).
5) Documented experience in performing Project Management, Quality Management, or other critical functions within complex Information Technology projects (preferably with budgets greater than $50,000,000 and multi-phase, multi-year implementations).
6) Professional certification in Project Management, such as Project Management Professional (PMP) certification from the Project Management Institute.

Desired Experience

7) Excellent written and verbal communication skills. Demonstrable presentation skills are necessary for this position. Skills in MS Project, MS Excel, MS Word, MS PowerPoint, required.
8) Demonstrated leadership ability in complex projects involving multiple vendors and in-house resources within all levels of an organization.
9) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
10) Knowledge and understanding of the IT Governance Framework – COBIT
11) Knowledge and understanding of Information Technology Infrastructure Library (ITIL)
12) Knowledge of accounting practices and terminology.

2) **Senior Project Manager**

Full-time, on-site Senior Project Manager to provide the overall management for ERP System Implementation projects. This individual will provide management services for all project activities to ensure that the project will be completed on time, within budget, and within scope.

This individual will create and manage detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within the project using SOM Project Management Methodology. This individual will create and use tools to monitor and report on schedule progress, resource utilization, issue

resolution/escalation, and process adherence. This individual also gathers and reports on vendor performance and compliance.

Required Experience

A. Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $50,000,000 (excluding hardware/software costs) and whose timeline was greater than 3 years
B. Documented experience in successfully managing an ERP project with a budget greater than $50,000,000 and a duration of at least 3 years (including multiple stakeholders, PCO staff, multiple vendors, data conversions and multiple technologies).
C. Proven record of delivering projects on time and within budget
D. A history of managing a project in a multi-vendor environment
E. 5 years of recent experience in managing IT projects (preferably within a government environment)
F. 5 years experience creating and managing comprehensive project plans utilizing project management flows and tools
G. 5 years experience managing large, complex multi-year systems development projects
H. 5 years experience performing scope management for projects, including a disciplined change control process
I. 5 years experience performing issues management across multiple Departments
J. 5 years experience creating and executing Implementation plans
K. 5 years experience creating Quality Assurance processes and plans
L. 3 years experience in verbal and written communication with clients and technical staff in English.

Desired Experience

M. Excellent verbal and written communication skills
N. Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University
O. Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
P. Knowledge and understanding of the IT Governance Framework – COBIT
Q. Knowledge and understanding of Information Technology Infrastructure Library (ITIL)
R. Knowledge of accounting practices and terminology.

3) Project Manager

Full-time, on-site Project Managers to provide the overall management for ERP System Implementation sub-projects. This individual will provide management services for all project activities to ensure that the project will be completed on time, within budget, and within scope.

This individual will create and manage detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within the project using SOM Project Management Methodology. This individual will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. This individual also gathers and reports on vendor performance and compliance.

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Required Experience

A. Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $5,000,000 (excluding hardware/software costs) and whose timeline was greater than 1 year
B. Documented experience in successfully managing IT projects (full project lifecycle) whose scope included rewriting or replacing a large, complex existing system.
C. Proven record of delivering projects on time and within budget
D. A history of managing a project in a multi-vendor environment

E. 3 years of recent experience in managing IT projects (preferably within a government environment)
F. 3 years experience creating and managing comprehensive project plans utilizing project management flows and tools
G. 3 years experience managing large, complex multi-year systems development projects
H. 3 years experience performing scope management for projects, including a disciplined change control process
I. 3 years experience creating and executing Implementation plans
J. 3 years experience creating Quality Assurance processes and plans
K. 3 years experience in verbal and written communication with clients and technical staff in English.

Desired Experience

L. Excellent verbal and written communication skills
M. Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University
N. Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
O. Knowledge and understanding of the IT Governance Framework – COBIT
P. Knowledge and understanding of Information Technology Infrastructure Library (ITIL)
Q. Preference will be given to those candidates who have managed Governmental ERP projects and have a working knowledge of accounting practices and terminology

4) Project Scheduler

The project schedule will be responsible for the update of schedules for day-to-day tracking. This individual supports the PCO Manager using project management tools, techniques, and methodologies such as MS Project, MS Word, MS Excel, MS PowerPoint, Remedy and Tracker Tools to assist in the monitoring of individual tasks. The PCO Manager directs the daily activities of the Project Scheduler. The Project Scheduler does many of the administrative tasks needed to monitor and report on the status of a release.

Required Experience

A. 2 years experience managing projects on system development projects
B. 2 years experience with one or more structured development methodologies
C. 2 years experience in tracking and analyzing project related metrics
D. 2 years experience working in an environment with multiple concurrent projects utilizing shared and/or unshared pools of resources
E. 3 to 5 years experience in creating and managing detailed project plans and schedules for the day-to-day
F. tracking and oversight of deliverables within a project
G. 2 years experience in verbal and written communication with clients and technical staff in English
H. A history of working within a Project Control Office
I. Excellent verbal and written communication skills

5) Budgetary Tracking Analyst

This position supports project implementation through planning, developing and monitoring overall program expenditures as they relate to the overall ERP System Implementation project. This individual will ensure that that program has the capacity to track multiple funding streams and ensure that they are accounted for separately. This position relates to the financial management of the project.

Required Experience

A. 2 years experience working with system implementation project budgets
B. 2 years support for the financial planning, development and monitoring of program related expenditures

C. 2 years experience in Analyzing federal and state laws, policies and procedures, and other relevant materials to provide the information necessary for policy decision making
D. A history of working within a Project Control Office

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

June 13, 2014

CHANGE NOTICE NO. 14
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$74,940.00	$3,026,720.00

Effective Immediately, this Contract is hereby amended to add an additional hours per each resource listed below for a total increase of $74,940.00 per approved State's work request 007114B0001778; Change Notice 11 of the Contract:

Original Resource Information:

- Tim Craig– Sr. Project Manager at $150.00/hour, not to exceed 950 hours.
- Donna McEvilly– Sr. Business Analyst at $105.00/hour, not to exceed 850 hours.
- Sara Duval– Sr. Business Analyst at $105.00/hour, not to exceed 850 hours

Revised Resource Information:

- Tim Craig– Sr. Project Manager at $150.00/hour, not to exceed 1045 hours.
- Donna McEvilly– Sr. Business Analyst at $105.00/hour, not to exceed 1139 hours.
- Sara Duval– Sr. Business Analyst at $105.00/hour, not to exceed 1139 hours

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

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 13

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

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PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$0.00	$2,683,940.00

Effective May 27, 2014 this Contract INCREASED by $267,840.00 and the following resource is incorporated into this contract based on the State's work request #007114B0001892 (see attached Statement of Work). 007114B001892 requested one (1) resource, a Senior Project Manager. This change notice assigns the following resource under this contract.

Name/Resource: Kathy Milligan – Sr. Project Manager at $135.00/hour, not to exceed 1984 hours.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
IT SERVICES
for
Project Control Office (PCO)
STATEMENT OF WORK

Department of Human Services Call Center

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the Project Control Office ("**PCO**"), staff augmentation, and project management support of various projects across the Department of Technoogy Management and Budget ("**DTMB**") and related project management activities.

Process for obtaining PCO Services

The State of Michigan ("**the State**" or "**State**") after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a PCO work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for PCO proposals:

- Contractors are limited to One (1) candidate per position.
- Candidates MUST meet the minimum requirements of the position.
- One copy of each resume MUST be submitted (labeled Copy 1).
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks).**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the Data Warehouse and Business Intelligence Program.

Project Title: Department of Human Services Call Center Project Control Office (PCO)	**Period of Coverage:** 5/16/14-5/15/15
Requesting Agency: DTMB at DHS	**Date:** 03/28/14
DTMB Buyer: David Hatch	**Phone:** 517-284-7044
Required Skill Category Requested: **One (1) Senior Project Manger**	

The Senior Project Manager (or "**Resource**") will coordinate activities of of the Department of Human Services ("**DHS**"), DTMB and contractor staffs in setting up a centralized call center within DHS dedicated to Bridges (eligibility determination system) client calls. The intent is to handle as many informational queries as possible from a centralized location. This will relieve routine case management duties from DHS caseworkers allowing them to focus on more specialized case management tasks. This position will also coordinate monthly reporting for executive stakeholder meetings.

See Skillsets section below for the experience required to fulfill this position.

BACKGROUND:

The Senior Project Manger Resource will be part of a project team with the goal of creating a DHS call center. The purpose of this center is to reduce the occurrences of DHS field staff answering general or routine client questions; questions that detract from mission critical activities such as determining eligibility for public assistance benefits, or case management that leads to enhanced client self-sufficiency. Initial estimates project an annual call volume of approximately nine (9) million calls, with a portion of those calls handled through existing Integrated Voice Response (IVR) resources.

Call center staff will resolve calls by providing requested information to callers; or if not able to resolve calls, forward the call or initiate a work task for DHS field staff to complete. Call center staff must be able to provide answers to callers questions regarding all DHS administered public assistance programs in a consistent, timely and culturally-competent manner. Callers will be given the option to speak with a Customer Service Representative (CSR) that is fluent in English, Spanish or Arabic. The contractor is responsible to provide service for all other languages and may choose to use over-the-phone interpretation services.

Call center staff will also mail, email, or otherwise disseminate DHS-approved and supplied informational materials and forms requested by clients, community partners or the general public, in a timely manner.

PROJECT OBJECTIVE:

The Senior Project Manager will coordinate planning, collaboration, reporting and execution activities across teams implementing the DHS call center. Establish a reporting and accountability matrix between the Call Center Project Manager ("**CCPM**"), the Agency Project Manager, and this position. High level objectives include,but not limited to:

- Project control, governance , issue escalation and resolution and oversight.
- Coordination of strategic and architectural technology services between contractor and DTMB.
- Coordination of DHS resources tasked with developing call center work plan, call assignment and follow-up.
- Coordination of post go-live metrics in conjunction with CCPM.
- Enterprise executive reporting and briefings.
- Master project scheduling – this will require coordination with the CCPM.

The estimated time period for this resource will be 1 year with the possible option to extend.

SCOPE OF WORK/TASKS:

The Senior Project Manager will use a tailored SUITE methodology to document project progress and procedures. Task include, but are not limited to:

- Coordinate the activities of staffs across the call center contractor, DTMB and DHS.
- Create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence.
- Gather and report on Project Team performance and compliance**.**
- Directly oversee project managers supporting this project, from both the State side and contractor side.
- Provide executive level reports and issue escalation to the DHS Executive Steering Committee.

DELIVERABLES:

The Senior Project Manager will work under the direction of the DHS Project Manager. Deliverables for this project must adhere to State SUITE standards. Deliverables will not be considered complete until the DTMB Project Manager(s) and Agency Project Manager have formally accepted them. Deliverables for this project include but are not limited to:

- Develops project documentation, including but not limited to:
  - Project scope statements
  - Cost estimates
  - Human resource requirements

- Work plans
- Time schedules
- Risk plans
- Communication plans
- Monthly Project Status Reports

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Physical Deliverables, Written Deliverables, and Service Deliverables ("**Deliverables**") require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:

The State Review Period for approval of Service Deliverables is governed by the applicable Statement of

Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

DELIVERABLE ACCEPTANCE CRITERIA:
Resource will work with DHS Project Manager to develop formal acceptance criteria.

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the Agency and DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.
3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
4. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.
5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC AGENCY STANDARDS:
Agency standards, if any, in addition to DTMB standards.

PAYMENT SCHEDULE:
Payment will be made on a Time and Materials and all invoices must include the purchase order number basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACT:
The DTMB Buyer is:

David Hatch
DTMB – Procurement

Buyer, IT Division
Constitution Hall – 1st Floor
525 West Allegan
Lansing, MI 48913
Phone (517) 284-7044
Fax (517) 335-0046
hatchd@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DHS will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work in 235 S Grand Ave n Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

SKILL SET
Responses will be evaluated on the following criteria:

	Skill Sets	**Weight**
1.	Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) with a budget greater than $1,000,000 (excluding hardware/software costs) and a timeline greater than three (3) years.	15
2.	Five (5) years of recent experience managing IT projects in a government environment.	15
3.	Three (3) to five (5) years experience successfully managing the establishment and operation of a fully functioning Project Management Office.	15
4.	Experience should include at least two (2) years of experience implementing call center projects.	15
5.	Experience should include at least two (2) years of experience implementing call center projects leveraging several of the following technologies: • Public Switched Telephone Networks (PSTN) • Voice Over IP (VOIP) • Computer Telephoney Integration (CTI) Screen Pops • Virtual Hold • Call Recording • Call Agent Reporting • Call Queing	15
6.	Excellent written and verbal communication skills. Three (3) years experience in verbal and written communication with clients and technical staff in English.	10
7.	A current professional certification in Project Management, such as the Project Management Professional (PMP) certification.	5
8.	Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI).	5
9.	Knowledge and understanding of the IT Governance Framework – COBIT.	5
	TOTAL	**100**

INFORMATION REQUIRED FROM CONTRACTORS

CANDIDATE INFORMATION

- Name and date of availability of the candidate for each requested position.
- The resume(s) of the actual individual(s) proposed

- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price changes will be permitted.

Staffing Positions Required	Estimated Hours
Senior Project Manager	1984

PROPOSAL SUBMITTAL

Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
  - Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
  - All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 12

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Advocate Solutions, LLC	Frank Carchedi	info@teamadvocate.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$0.00	$2,683,940.00

Effective immediately, the vendor name for this contract has been changed to Advocate Solutions, LLC. Address and FEIN number remain the same. All other terms, conditions, pricing and specifications remain the same. Per vendor request and DTMB Procurement approval.

FOR THE CONTRACTOR:	FOR THE STATE:
Advocate Solutions, LLC	
Firm Name	Signature
	Jeff Brownlee, Chief Procurement Officer
Authorized Agent Signature	Name/Title
	DTMB Procurement
Authorized Agent (Print or Type)	Enter Name of Agency
Date	Date

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

May 8, 2014

CHANGE NOTICE NO. 11

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$321,000.00	$2,683,940.00

This Contract INCREASED by $321,000.00 and the following resource is incorporated into this contract based on the State's work request #007114B0001778 (see attached Statement of Work). 007114B001778 request five (5) resources. A split award was made between three (3) vendors. This change notice is to assign three out of the five resources under this contract.

Effective May 12, 2014:
Name Resource: Tim Craig– Sr. Project Manager at $150.00/hour, not to exceed 950 hours.

Effective May 27, 2014:
Name Resource: Donna McEvilly– Sr. Business Analyst at $105.00/hour, not to exceed 850 hours.
Name Resource: Sara Duval– Sr. Business Analyst at $105.00/hour, not to exceed 850 hours

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

Process for obtaining Project Control Office (PCO) Services

The State after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a Project Control Office (PCO) work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for Project Control Office (PCO) proposals:

- Contractors are limited to One (1) candidate per position.
- Candidates MUST meet the minimum requirements of the position.
- One copy of each resume MUST be submitted (labeled Copy 1).
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks).**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.	
Project Title: **Legacy System Modernization Project Team**	**Estimated Period of Coverage:** **4/21/14 – 4/20/15**
Requesting Agency: **DTMB at Treasury**	**Date:** **4//09/14**
DTMB Buyer: **Whitnie Zuker**	**Phone:** **517-284-7030**

Required Skill Category Requested:

- **Three (3) Business Analysts**
- **One (1) Data Architect / Modeler**
- **One (1) Project Manager**

The resources selected for this engagement will participate in projects to modernize (plan, design, re-write and implement) legacy applications that are in use by the Michigan Department of Treasury.

See Staffing Skillsets section below for further details to full-fill this position.

BACKGROUND:

The Michigan Department of Technology, Management & Budget Customer Services, supporting the Department of Treasury is replacing legacy applications with current technology. This includes the re-write of applications that use programming languages that are or will be obsolete and languages that are being taken out of the inventory of supported programming tools.

PROJECT OBJECTIVE:

The resources will be assigned to participate in projects to modernize (plan, design, re-write and implement) legacy applications that are in use by the Michigan Department of Treasury. The estimated time period for this resource will be 4/21/14 – 4/20/15.

SCOPE OF WORK/TASKS:

Computer applications that will be converted to Microsoft Dot Net include, but are not limited to, the following:

- Tax Compliance Bureau taxpayer audit discovery
- Hearings Tracking
- Treas LAN security administration
- Legacy computer applications as directed by the Treasury Client and/or DTMB

Business Analysts (Senior Level):

Qualified and selected technical personnel will be expected to perform the following tasks, typical of duties performed by senior business analysts. Functional and technical management may expand or reduce this list of duties as necessary to serve the client. The tasks include, but are not limited to the following:

- Analyze, design and document IT solutions. May review and advise on the design and development solutions contributed by others.
- Work with clients to gather, organize and document requirements for information technology (IT) solutions.
- Translate functional business requirements into clear functional specifications, may revise specifications as needed throughout project lifecycle.
- Participate in design of databases and / or data repositories with customer, developers, architects, managers and other analysts.
- Design, develop, and validate test data, test plans, test scripts and other verification based documentation for applications and systems. Execute test plans and document the results.
- Work with the customer, functional managers and personnel, technical managers and personnel to develop / contribute to IT solution documentation, including Project Management Methodology and Software Engineering Methodology documentation
- Participate in and document work related to structured walkthroughs
- Participate in project planning, estimating, budgeting, scheduling, structured walkthroughs, issue tracking, and project execution. Follows the DTMB SUITE methodology for project management and software engineering. (Public version of SUITE is available at http://www.michigan.gov/dtmb/0,5552,7-150-56355-95218--,00.html)
- Perform and / or participate in the full testing lifecycle, typically involving the following or similar types of testing: unit, function, integration, performance, system and standards, user acceptance and regression testing. Document results
- Perform other business analyst tasks for legacy application replacement as directed by functional manager.

Data Architect And Modeler (Intermediate To Senior Level):

Qualified and selected technical personnel will be expected to perform the following tasks, typical of duties performed by an intermediate to senior level data architect and modeler. Functional and technical management may expand or reduce this list of duties as necessary to serve the client. The tasks include, but are not limited to the following:

- Analyzes customer's business and data flow , data relationships, current system capabilities, and requirements
- Develops the logical data model for new systems: databases, data structures and / or data repositories. May work with customer, developers, architects, managers and other analysts to derive these models.
- Assists the application / enterprise architects, database administrator and developers in the physical design of databases, data structures and data repositories.
- May create schema objects and data types for applications.
- Works with the customer, functional and technical team members to create data dictionaries, structural metadata and other artifacts describing and defining data
- Assists with data extract, transform and load (ETL) design, development and implementation processes.
- Prepare documentation to capture requirements, working versions and final versions of logical and physical databases, data structures and data repositories.
- Participate in project planning, estimating, budgeting, scheduling, structured walkthroughs, issue tracking, and project execution. Follows the DTMB SUITE methodology for project management and software engineering. (Public version of SUITE is available at http://www.michigan.gov/dtmb/0,5552,7-150-56355-95218--,00.html)
- Perform and / or participate in the full testing lifecycle, typically involving the following or similar types of testing: unit, function, integration, performance, system and standards, user acceptance and regression testing.
- Perform other data architect / data modeler tasks for legacy application replacement as directed by functional manager

Project Manager (Senior Level):

Qualified and selected technical personnel will be expected to perform the following tasks, typical of duties performed by a senior level project manager. Functional and technical management may expand or reduce this list of duties as necessary to serve the client. The tasks include, but are not limited to the following:

- Leads the planning, managing and controlling of all project activities from initiation and planning through project close out.
- Responsible for working with the sponsor, client, and project team members to develop the project charter, project schedule, resource allocation plan, communication plan, risk management plan, budget/cost management plan, change management plan, and other methodology documentation and processes as applicable to the project.
- Works with the appropriate functional and technical managers to facilitate structured walkthrough and project stage exit sessions, with ultimate client acceptance of the project.
- Responsible for capturing, monitoring and reporting project information and metrics in the ChangePoint Management System.
- Assists and advises project stakeholders and team members through regular status meetings, reports and other communications.
- Maintains the project issues and risks logs. Actively follows-up on project issues and risks to ensure timely resolution and mitigation. Escalates issues, risks and needs to higher management as appropriate.
- Lead and participate in project planning, estimating, budgeting, scheduling, structured walkthroughs, issue tracking, and project execution. Follows the DTMB SUITE methodology for project management and software engineering. (Public version of SUITE is available at http://www.michigan.gov/dtmb/0,5552,7-150-56355-95218--,00.html)
- Coordinate the full testing lifecycle, typically involving the following or similar types of testing: unit, function, integration, performance, system and standards, user acceptance and regression testing.
- Perform other project manager tasks for legacy application replacement as directed by functional manager

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include, but not limited to:

- Microsoft .NET (a.k.a. Dot Net) coding
- Programming documentation
- Technical programming work as directed by functional manager
- Software Engineering Methodology (SEM) Documentation. Some primary examples include, but are not limited to, Configuration Management Plan, Security Assessment, Enterprise Assessment, Hosting Solution, Maintenance Plan, Transition Plan, Installation Plan, Testing Plans and Scripts, Status Reports/ Results Reports,
- Requirements Specifications, Functional Design Specifications, System Design Specifications
- Logical and physical data models and data dictionaries
- Project Management Methodology documentation and processes. Some primary examples include, but are not limited to, Project Charter, Project Plan, Lessons Learned, Close-Out Report, Status Reports, Dashboard Reporting and utilization of the ChangePoint Project Management System.
- Final, complete IT solution approved by client.
- All work to be performed within applicable State of Michigan and Departmental standards

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work/Purchase Order following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the

State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

DELIVERABLE ACCEPTANCE CRITERIA:
All project work will be deemed acceptable by the functional manager to whom the project team reports. All work to be performed within applicable State of Michigan and Departmental standards.

PROJECT CONTROL AND REPORTS:
Weekly time reporting will be submitted by the project team to the functional manager to whom they report. The functional manger will specify the required reporting to the project team and provide training or administrative support sufficient for the time reporting.

In addition, the functional manager may require a bi-weekly progress report that must be submitted throughout the life of this work. This report may be submitted with the billing invoice. Each bi-weekly progress report may contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.

4. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions.

SPECIFIC AGENCY STANDARDS:

- State of Michigan Project Management Methodology (PMM)
- State of Michigan Systems Engineering Methodology (SEM)
- Agency standards, if any, in addition to DTMB standards.

See v1.1 051613 for Treasury standards and other items in Exhibit 1.

Treasury requires the following:

1. Pre-employment background and criminal history check
2. All prospective employees must be tested for illegal drugs and must not be hired unless negative test results have been received. Illegal drugs include, but are not limited to, marijuana, cocaine, amphetamines, PCP (phencyclidine), and opiate (including heroin, morphine and codeine).
3. Contractor acceptance of Exhibit 1 (Safeguard Requirements of Confidential Data).

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Buyer for this project is:

Whitnie Zuker
DTMB – Procurement
Buyer, IT Division
Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

STATE RESPONSIBILITIES:

- DTMB will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work at Treasury Operations Center in Dimondale, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

SKILL SET
Responses will be evaluated on the following criteria:

	Senior Business Analyst Skill Sets	**Weight**
1.	Documented experience in performing requirements gathering sessions for systems implementations.	20
2.	5 years experience in systems analysis and design working with Windows operating systems, Oracle and/or Microsoft SQL Server databases and a wide range of web development technologies, such as: .NET, Web Services, XML	20
3.	5 years experience in Enterprise middleware software like (but not limited to) messaging, workflow and business process automation solutions	20
4.	5 years (combined) experience working with Oracle, and Microsoft SQL databases	20
5.	2 years experience in current Web technologies	20
	TOTAL	**100**

	Intermediate To Senior Level Data Architect And Modeler Skill Sets	**Weight**
1.	5 years experience gathering and documenting business and functional requirements for complex systems	15
2.	3 years leading review sessions to discuss draft documents and determine the appropriate revisions	10
3.	5 years experience create usability test plans	10
4.	3 years experience in creating test scenarios and testing scripts	5
5.	3 years experience documenting the results of usability testing	10
6.	3 years experience in developing solution architecture from business requirements, information architecture, and technical architecture	15
7.	3 years experience in developing business process models	15
8.	3 years experience in working with information architectures	20
	TOTAL	**100**

	Senior Project Manager Skill Sets	**Weight**
1.	5 years experience managing large, complex multi-year systems development projects	15
2.	Proven record of delivering projects on time and within budget	10
3.	5 years of recent experience in managing IT projects in a government environment	20
4.	5 years experience creating and managing comprehensive project plans utilizing project management flows and tools.	15
5.	5 years experience performing scope management for projects, including disciplined change control and issue management.	15
6.	5 years experience creating and executing Implementation plans.	15
7.	Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.	10
	TOTAL	**100**

INFORMATION REQUIRED FROM CONTRACTORS

CANDIDATE INFORMATION

- Name and date of availability of the candidate.
- The resume(s) of the actual individual(s) proposed
- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.

Skill Levels Required	Estimated Hours
Sr. Business Analyst #1	850
Sr. Business Analyst #2	850
Sr. Business Analyst #3	750
Sr. Project Manager	950
Intermediate To Senior Level Data Architect And Modeler	580

PROPOSAL SUBMITTAL

Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
    - Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
    - All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)

Exhibit 1
Safeguard Requirements of Confidential Data

This section sets forth the safeguard requirements for handling, storage, and processing of confidential tax information for a Contractor and their subcontractor(s) and is incorporated as an integral part of the Contract. It will facilitate administration and enforcement of the laws of the State of Michigan applicable to the State of Michigan and in a manner consistent with the applicable statutes, regulations, published rules and procedures or written communication.

I. Authority

Authority for the Michigan Department of Treasury to require that this section be included in the Contract is contained in l941 PA 122, as amended, MCL 205.28(1)(f), which states in part that subject to the same restrictions and penalties imposed upon department employees on the treatment of confidential information, a private contractor or its employees are strictly prohibited from disclosing taxpayer information to a third party. The prohibition against disclosure does not bar an employee of a private contractor with whom the State of Michigan (State) contracts that processes tax returns or payments pursuant to the Contract from having access to confidential information that is reasonably required for the processing or collection of amounts due this State.

II. Confidentiality

It is agreed that all information exchanged under this section will be kept confidential in accordance with the confidentiality provisions contained within section MCL 205.28(1)(f) and MCL 205.28(2) of the Michigan Department of Treasury Revenue Act, which state in part;

> "Except as otherwise provided in this subdivision, an employee, authorized representative, or former employee or authorized representative of the department or anyone connected with the department will not divulge any facts or information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the department for a tax administered by the department."
> "A person who violates subsection (1)(e), (1)(f), or (4) is guilty of a felony, punishable by a fine of not more than $5,000.00, or imprisonment for not more than 5 years, or both, together with the costs of prosecution. In addition, if the offense is committed by an employee of this state, the person will be dismissed from office or discharged from employment upon conviction."

All information obtained by either Treasury or Contractor will not be disclosed except as necessary for the proper administration of and execution of the Contract. In the event, confidentiality statutes are amended, the State will notify Contractor of any changes.

No employee, agent, authorized representative or legal representative of Contractor will disclose any information obtained by virtue of this section to any other division within their company or any other governmental agency, department or unit within such governmental agency, to any other state or nation, or unauthorized third party. No tax returns or tax return information provided to Contractor will be duplicated or disseminated within or outside the company without the written approval of the Contract Administrator. Michigan's tax returns and tax return information remain the property of the Department of Treasury.

Contractor may use a taxpayer's name, address and Social Security number or employer identification number to the extent necessary in connection with the processing and mailing of forms for any report or return required in the administration of any tax in the performance of the Contract.

Information received by the Michigan Department of Treasury from the U.S. Internal Revenue Service, pursuant to section 6103(d) of the Internal Revenue Code or any other U.S. federal Agency will only be subject to the exchange if received as part of the State of Michigan tax return filing requirements.

III. Procedure for Security

At a minimum, Contractor will safeguard any tax return information obtained under the Contract as follows:

A. Access to the tax returns and tax return information will be allowed only to those authorized employees and Officials of Contractor who need the information to perform their official duties in connection with the uses of the information authorized in the Contract. The Contractor will be responsible for ensuring that each employee

authorized to access Michigan tax information has signed the *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) and provide a copy to the Department of Treasury, Disclosure Officer and Contract Administrator.

B. Any records created from tax returns and tax return information will be stored in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.

C. All personnel who will have access to the tax returns and to any records created by the tax return information will be advised of the confidential nature of the information, the safeguards required to protect the information and the civil and criminal sanctions for noncompliance contained in MCL 205.28(1)(f) and (2).

D. All confidential information, which includes, but is not limited to, data stored electronically and any related output and paper documents will be secured from unauthorized access and with access limited to designated personnel only. Michigan tax return information will not be commingled with other information. Further, when appropriate, Michigan tax return information will be marked as follows:

CONFIDENTIAL-MICHIGAN TAX RETURN INFORMATION
Protect at all times. Do not disclose.
MI tax information is exempt from disclosure
under the Freedom of Information Act.

E. The records will be transported under appropriate safeguards as defined in the Contract.

F. The Department of Treasury, Disclosure Officer or Contract Administrator may make onsite inspections or make other provisions to ensure that adequate safeguards are being maintained by the Contractor.

G. The Michigan Department of Treasury, Office of Privacy and Security, may monitor compliance of systems security requirements during the lifetime of the Contract.

H. Contractor will also adopt policies and procedures to ensure that information contained in their respective records and obtained from Treasury and taxpayers will be used solely as provided in the Contract.

IV. Computer System Security of Tax Data

The identification of confidential tax records and defining security controls are intended to protect Treasury tax return information from unlawful disclosure, modification, destruction of information and unauthorized secondary uses.

Computer system security and physical security of tax data stored and processed by Contractor must be in compliance with the following security guidelines and standards established by the Michigan Department of Treasury as follows (these guidelines apply to any computer system developed by Contractor, either through its own systems staff, or through a contractor, subcontractor or vendor):

A. Controlled Access Protection –Common Criteria (C2)

All computer systems processing, storing and transmitting Michigan tax information must have computer access protection controls – (C2). These security standards are delineated in the "Common Criteria for Information Technology Security Evaluation" (CCITSE) at http://www.radium.ncsc.mil/tpep/library/ccitse/cc_over.html. To meet these standards, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance, and documentation.

1) **Security Policy** – A security policy is a written document describing the system in terms of categories of data processed, users allowed access and access rules between the users and the data. Additionally, it describes procedures to prevent unauthorized access by clearing all protected information on objects before they are allocated or reallocated out of or into the system. Further protection must be provided where the computer system contains information for more than one program/project, office, or Agency and those personnel do not have authorization to see all information on the system.

2) **Accountability** – Computer systems processing Michigan tax information must be secured from unauthorized access. All security features must be available (audit trails, identification and authentication) and activated to prevent unauthorized users from indiscriminately accessing Michigan tax information. Everyone who accesses computer systems containing Michigan tax information is accountable. Access controls must be maintained to ensure that unauthorized access does not go undetected. Computer

programmers and contractors who have a need to access databases, and are authorized under the law, must be held accountable for the work performed on the system. The use of passwords and access control measures must be in place to identify who accessed protected information and limit that access to persons with a need to know.

a) On-line Access –Users will be limited to any Treasury on-line functions, by limiting access through functional processing controls and organization restrictions.

Any employee granted access privileges through the Contractor's Security Administrator will be approved for access and viewing rights to Treasury on-line systems by the Department of Treasury Disclosure Officer. The on-line access will be provided by Treasury's Office of Security.

b) Operating Features of System Security

Contractor must meet the following levels of protection with respect to tax return information. Individual user accountability must be ensured through user identification number and password.

i. Access rights to confidential tax information must be secured through appropriate levels of authorization.

ii. An audit trail must be maintained of accesses made to confidential information.

iii. All confidential and protected information must be cleared from a system before it is used for other purposes not related to the enforcement, collection or exchange of data not covered by this section or by an addendum to this Contract.

iv. Hard copies made of confidential tax return information must be labeled as confidential information.

v. Confidential Treasury tax information will be blocked or coded as confidential on system.

vi. Any computer system in which Michigan tax return information resides must systematically notify all users upon log-in of the following disclosure penalties for improperly accessing or making an authorized disclosure of Michigan tax return information:

NOTICE TO STATE AGENCY EMPLOYEES AND AUTHORIZED REPRESENTATIVES

This system contains Michigan Department of Treasury tax return information. ***DO NOT DISCLOSE OR DISCUSS MICHIGAN RELATED TAX RETURN INFORMATION*** *with unauthorized individuals. The Michigan Department of Treasury Revenue Act, MCL 205.28(10(f)(1), (2), prohibits such disclosure. A person making a willful unauthorized disclosure or inspection (browsing) of tax return information may be charged with the following Michigan penalties:*

MICHIGAN PENALTIES

The Michigan Revenue Act imposes criminal penalties up to $5,000 and/or imprisonment for 5 years, plus costs and dismissal from employment if it is found that an employee has made an unauthorized disclosure of a tax return or tax return information or divulged audit selection or processing parameters.

This statement is subject to modification. A confidentiality statement, subject to modification, as needed, will be sent annually by the Security Administrator to all employees, contractors, and legal representatives of Contractor.

3) **Assurance** – Contractor must ensure that all access controls and other security features are implemented and are working when installed on their computer system. Significant enhancements or other changes to a security system must follow the process of review, independent testing, and installation assurance. The security system must be tested at least annually to assure it is functioning correctly. All anomalies must be corrected immediately.

a) The Contractor must initiate corrective action for all non-conformities as soon as detected and immediately advise the Contract Administrator. Notice of the corrective action must be provided to the

Contract Administrator. All non-conformities must be reported to the Contract Administrator with the following:

a. Duration of non-conformity/interruption
b. Reason for non-conformity/interruption
c. Resolution.

b) All non-conformities to the specifications/tasks of the Contract must be corrected within four (4) hours. The State recognizes there will be instances when adherence to this time frame will not be possible. However, the State will only tolerate this on an exception basis. To request an exception to this time frame, the Contractor must submit a detailed project plan to address the non-conformity within four (4) hours to the Contract Administrator for approval.

4) **Documentation** – Design and test documentation must be readily available to the state. The developer or manufacturer should initially explain the security mechanisms, how they are implemented and their adequacy (limitations). This information should be passed on to the security officer or supervisor. Test documentation should describe how and what mechanisms were tested and the results. If recognized organizations/tests/standards are used, then a document to that effect will suffice. For example, a system that has been tested and certified as meeting certain criteria may have a document stating this fact, without detailed tests/results of information. Contractor, however, must ensure the documentation covers the exact system and that it includes the specific computer system used by Contractor.

Additionally, documentation must include a security administrator's guide. The security administrator's guide is addressed to the System's Administrator and Security Officer and will describe the protection mechanisms provided by the security system, guidelines on their use and how they interact. This document will present cautions about security functions and describe privileges that should be controlled when running a secure system. The document will be secured and locked at all times with access rights only by the Systems Administrator and Security Officer.

Note: When a security system is designed or purchased for a specific computer or computer system, the security mechanisms must be reviewed by the State to ensure that needed security parameters are met. An independent test should be implemented on the specific computer or computer system to ensure that the security system meets the security parameters within this contract and developed with the computer system. The test may be arranged by the developer but must be done by an independent organization. Contractor must assign responsible individuals (Security Officers) with knowledge of information technology and applications to oversee the testing process. These individuals must be familiar with technical controls used to protect the system from unauthorized entry.

Finally, contingency and backup plans must be in place to ensure protection of Michigan tax information.

V. Electronic Transmission of Michigan Tax Information

The two acceptable methods of transmitting Michigan tax information over telecommunications devices are encryption and the use of guided media. Encryption involves the altering of data objects in a way that the objects become unreadable until deciphered. Guided media involves the use of protected microwave transmitting or the use of end to end fiber optics.

The Department of Technology, Management and Budget (DTMB) has defined encryption standards in DTMB Technical Standard 1340.00.07 which must be used to provide guidance for encryption, message authentication codes or digital signatures and digital signatures with associated certification infrastructure.

Unencrypted, cable circuits of fiber optics are an alternative for transmitting Michigan tax information. Adequate measures must be taken to ensure that circuits are maintained on cable and not converted to unencrypted radio transmission. Additional precautions will be taken to protect the cable, i.e., burying the cable underground or in walls or floors and providing access controls to cable vaults, rooms and switching centers.

A. **Remote Access**

Accessing databases containing Michigan tax information from a remote location – that is, a location not directly connected to the Local Area Network (LAN) will require adequate safeguards to prevent unauthorized entry.

For dial up access, the system must require an identification security card that requires both PIN and card in possession. According to DTMB- Procedure 1410.17 (4.1), dial in access into any connected state network will only be permitted after a dial-in user has been authenticated. Authentication is provided through ID and password.

B. **Portable Computer Devices**
Any entrusted confidential information collected or accessed during this Contract must be encrypted when stored on all storage devices and media. This includes, but not limited to, disk drives for servers and workstations, and portable memory media (PDAs, RAM drives, memory sticks, etc.).

VI. Record Keeping Requirements for Information Received in a Paper Format

Each Contractor employee or contractor requesting and receiving information will keep an accurate accounting of the information received. The audit trail will be required which will include the following information:

a. Taxpayer's name
b. Identification number
c. Information requested
d. Purpose of disclosure request
e. Date information received
f. Name of Agency/Division and employee making request
g. Name of other employees who may have had access
h. Date destroyed
i. Method of destruction

A. **Electronic Media**
Contractor will keep an inventory of magnetic and electronic media received under the Contract.

Contractor must ensure that the removal of tapes and disks and paper documents containing Michigan tax return information from any storage area is properly recorded on charge-out records. Contractor is accountable for missing tapes, disks, and paper documents.

B. Recordkeeping Requirements of Disclosure Made to State or Federal Auditor General
When disclosures are made by Contractor to State or Federal Auditors, these requirements pertain only in instances where the Auditor General's staff extracts Michigan tax returns or tax information for further review and inclusion in their work papers. Contractor must identify the hard copies of tax records or if the tax information is provided by magnetic tape format or through other electronic means, the identification will contain the approximate number of taxpayers' records, the date of inspection, the best possible description of the records and the name of the Auditor(s) making the inspection.

The Office of Privacy and Security must be notified, in writing, of any audits done by auditors, internal or otherwise, of Contractor that would involve review of Treasury processing parameters.

VII. Contract Services

The following language will be included in any contract entered into by Contractor with a subcontractor if the subcontractor will process Michigan tax return information provided under this Safeguard Provision.

A. The identification of confidential tax records and defining security controls are intended to protect Treasury tax return information from unlawful disclosure, modification, destruction of information and unauthorized secondary uses.

B. Definition of Treasury Tax Return Information
<u>Treasury tax return information is defined in RAB 1989-39 as follows:</u>

Taxpayer's identity, address, the source or amount of his/her income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, over assessments, or tax payments whether the taxpayer's return was, is being or

will be examined or subject to their investigation or processing, or any other data, received by, recorded by, prepared by, furnished to or collected by the agency with respect to a return or with respect to the determination of the existence, or liability (or the amount thereof) of any person under the tax laws administered by the Department, or related statutes of the state for any tax, penalty, interest, fine, forfeiture, or other imposition or offense. The term "tax return information" also includes any and all account numbers assigned for identification purposes.

C. An acknowledgment that a taxpayer has filed a return is known as a "fact of filing" and may not be disclosed. All tax return data made available in any format will be used only for the purpose of carrying out the provisions of the Contract between Contractor and the sub-contractor. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract between Contractor and the subcontractor. In addition, all related output will be given the same level of protection as required for the source material.

D. The subcontractor will certify that the data processed during the performance of the Contract between Contractor and the subcontractor will be completely purged from all data storage components of the subcontractor's computer facility, and no output will be retained by the subcontractor at the time the work is completed. If immediate purging of all data storage components is not possible, the subcontractor will certify that any Michigan data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

E. Destruction of tax data, including any spoilage or any intermediate hard copy printout which may result during the processing of Michigan tax return information, will be documented with a statement containing the date of destruction, description of material destroyed, and the method used.

F. Computer system security and physical security of tax data stored and processed by the subcontractor must be in compliance with security guidelines and standards established by this contract. See section VI (Record Keeping Requirements for Information Received in Paper Format) for more details.

G. The Contractor will be responsible for ensuring that each employee authorized to access Michigan tax information has signed the *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) and provide a copy to the Department of Treasury, Office of Privacy and Security and the Contract Compliance Officer.

H. No work involving information furnished under the contract between Contractor and a subcontractor will be further subcontracted without the specific approval of the Michigan Department of Management and Budget. Contractor and approved subcontractors handling Michigan tax return information will be required to sign the *Vendor, Contractor or Subcontractor Confidentiality Agreement* provided by Treasury, (Form 3337, see Attachment A). The original agreements will be returned to the Office of Privacy and Security for the Department of Treasury and a copy sent to the Contract Compliance Officer.

VIII. Transport of Tax Information

In the event, it is necessary to transport confidential tax return information the Contractor is responsible for holding the carrier responsible for safeguarding the records. The Contractor must obtain a signed *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) for each carrier employee who has access to Michigan tax return information. The original agreements will be returned to the Department of Treasury, Office of Privacy and Security and a copy sent to the Contract Administrator.

If it is necessary to transfer records and responsibility for transport to a third carrier due to a mishap during transportation, the Contractor is responsible for ensuring safeguard standards remain enforce.

Any such incidents must be reported to the Contract Administrator immediately.

IX. Disposal of Tax Information

Materials furnished to Contractor, such as tax returns, remittance vouchers, W-2 reports, correspondence, computer printouts, carbon paper, notes, memorandums and work papers will be destroyed by burning, mulching, pulverizing or shredding. If shredded, strips should not be more than 5/16-inch, microfilm should be shredded to effect a 1/35-inch by 3/8-inch strip, and pulping should reduce material to particles of one inch or smaller.

Disk media must be destroyed by overwriting all data tracks a minimum of three times or running a magnetic strip over and under entire area of disk at least three (3) times. If the CD or DVD cannot be overwritten it must be destroyed in an obvious manner to prevent use in any disk drive unit and discarded. Hand tearing, recycling, or burying information in a landfill are unacceptable methods of disposal. Electronic data residing on any computer systems must be purged based on Treasury's retention schedule.

Contractor and its subcontractor(s) will retain all confidential tax information received by Treasury only for the period of time required for any processing relating to the official duties and then will destroy the records. Any confidential tax information that must be kept to meet evidentiary requirements must be kept in a secured, locked area and properly labeled as confidential return information. See Procedure for Security (Section V of this section) for more details.

X. Security Responsibility

Contractor will designate a security person who will ensure that each individual having access to confidential tax information or to any system which processes Michigan tax return information is appropriately screened, trained and executes a *Vendor, Contractor or Subcontractor Confidentiality Agreement* (Form 3337, see Attachment A) before gaining access or transaction rights to any process and computer system containing Treasury tax return information.

Each Contractor or their subcontractor(s) employees' access and transaction rights will be reviewed periodically to ensure that there is a need to know Treasury tax return information displayed in any media.

Michigan tax return information will be made available only to individuals authorized by the Contract. State and Contractor will maintain a list of persons authorized to request and receive information and will update the list as necessary**.** A copy of the list must be furnished to the Michigan Department of Treasury Office of Privacy and Security and the Contract Compliance Officer.

XI. Effective Date

These Safeguard requirements will be reviewed whenever the Contract modifications include specifications or processes that affect tax data.

Attachment A

Reset Form

Michigan Department of Treasury
3337 (Rev. 01-12)

Vendor, Contractor or Subcontractor Confidentiality Agreement

The Revenue Act, Public Act 122 of 1941, MCL 205.28(1)(f), makes all information acquired in administering taxes confidential. The Act holds a vendor, contractor or subcontractor and their employees who sell a product or provide a service to the Michigan Department of Treasury, or who access Treasury data, to the strict confidentiality provisions of the Act. Confidential tax information includes, but is not limited to, information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the Michigan Department of Treasury for a tax administered by the department.

INSTRUCTIONS. Read this entire form before you sign it. If you do not complete this agreement, you will be denied access to Michigan Department of Treasury and federal tax information. After you and your witness sign and date this form, keep a copy for your records. Send the original to the address listed below.

Company Name and Address (Street or RR#, City, State, ZIP Code)		Last Name	First Name
		Driver License Number/Passport Number	Telephone Number
State of Michigan Department	Division	Subcontractor Name if Product/Service Furnished to Contractor	
Describe here or in a separate attachment the product or service being provided to the State of Michigan Agency (Required).			

Confidentiality Provisions. It is illegal to reveal or browse, except as authorized:

- All tax return information obtained in connection with the administration of a tax. This includes information from a tax return or audit and any information about the selection of a return for audit, assessment or collection, or parameters or tolerances for processing returns.
- All Michigan Department of Treasury or federal tax returns or tax return information made available, including information marked "Official Use Only". Tax returns or tax return information shall not be divulged or made known in any manner to any person except as may be needed to perform official duties. Access to Treasury or federal tax information, in paper or electronic form, is allowed on a **need-to-know** basis only. Before you disclose returns or return information to other employees in your organization, they must be authorized by Michigan Department of Treasury to receive the information to perform their official duties.
- Confidential information shall not be disclosed by a department employee to confirm information made public by another party or source which is part of any public record. 1999 AC, R 2005.1004(1).

Violating confidentiality laws is a felony, with penalties as described:

Michigan Penalties
MCL 205.28(1)(f) provides that you may not willfully browse any Michigan tax return or information contained in a return. Browsing is defined as examining a return or return information acquired without authorization and without a **need to know** the information to perform official duties. Violators are guilty of a **felony** and subject to **fines of $5,000 or imprisonment for five years, or both**. State employees will be discharged from state service upon conviction.

Any person who violates any other provision of the Revenue Act, MCL 205.1, et seq., or any statute administered under the Revenue Act, will be guilty of a misdemeanor and **fined $1,000 or imprisonment for one year, or both**, MCL 205.27(4).

Federal Penalties
If you willfully disclose federal tax returns or tax return information to a third party, you are guilty of a **felony with a fine of $5,000 or imprisonment for five years, or both, plus prosecution costs** according to the Internal Revenue Code (IRC) §7213, 26 USC 7213.

In addition, inspecting, browsing or looking at a federal tax return or tax return information without authorization is a **felony violation** of IRC §7213A subjecting the violator to a **$1,000 fine or imprisonment for one year, or both, plus prosecution costs**. Taxpayers affected by violations of §7213A must be notified by the government and may bring a civil action against the federal government and the violator within two years of the violation. Civil damages are the **greater of $1,000 or actual damages** incurred by the taxpayer, plus the costs associated with bringing the action, 26 USC 7431.

Failure to comply with this confidentiality agreement may jeopardize your employer's contract with the Michigan Department of Treasury.

Certification

By signing this Agreement, I certify that I have read the above confidentiality provisions and understand that failure to comply is a felony.

Print name of employee signing this agreement	Signature of person named above	Date signed
Print Witness Name (Required)	Signature of Witness (Required)	Date signed

Submit your form to the following address:
Office of Privacy and Security/ Disclosure Unit
Michigan Department of Treasury
430 W. Allegan Street
Lansing, MI 48922

Questions, contact the **Office of Privacy and Security by telephone, (517) 636-4239; fax, (517) 636-5340; or email: Treas_Disclosure@michigan.gov**

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 10

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$238,080.00	$2,362,940.00

Effective immediately, this Contract INCREASED by $238,080.00 and the following resource is incorporated into this contract based on the State's work request #007114B0001672:

Name Resource: Deb Mosher– Sr. Project Manager at $120.00/hour, not to exceed 1984 hours.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

Process for obtaining Project Control Office (PCO) Services

The State after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a Project Control Office (PCO) work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for Project Control Office (PCO) proposals:

- Contractors are limited to One (1) candidate per position.
- Candidates MUST meet the minimum requirements of the position.
- One copy of each resume MUST be submitted (labeled Copy 1).
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks).**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.	
Project Title: Multiple Projects managed by PMO at MDOT	**Estimated Period of Coverage:** **4/15/14 – 4/14/15**
Requesting Agency: DTMB at MDOT	**Date:** **3/31/14**
DTMB Buyer: **Jarrod Barron**	**Phone:** **517-974-7045**

Required Skill Category Requested:

One (1) Senior Project Manager

The resource selected for this engagement manages individual Information Technology (IT) projects at Michigan Department of Transportation (MDOT). These projects may include large application development efforts, smaller utility development, purchase and implementation of commercial off-the-shelf (COTS) software, infrastructure projects, and maintenance or enhancement projects. This project manager is responsible for ensuring that projects adhere to state of Michigan standard methodologies including the State Unified Information Technology Environment (SUITE), Systems Engineering Methodology (SEM), and Project Management Methodology (PMM).

This Senior Project Manager role encompasses:

a. Work with Agency project managers to facilitate the development of project scope definitions.
b. Maintain project level budgets, set standards for project level budget data reporting, and create reports of projects level budgets. These reports will be produced for the executive level management as well as detailed level reports on an as needed basis.
c. Create project level risk and issue management plans. They will coordinate and produce project level resource reports.
d. Create and maintain a business plan and return on investment data for projects.
e. Create project presentations and progress reports on a monthly basis

See Staffing Skillsets section below for further details to full-fill this position.

BACKGROUND:

DTMB Agency Services supporting MDOT oversee a portfolio of more than 200 software applications. These applications include small-scale utilities, department-wide systems, mission-critical department applications, and complex multi-agency systems. In addition to overseeing the software portfolio, DTMB Agency Services:

- Manages Legacy Application Modernization Program (LAMP) projects
- Manages large application development projects
- Manages MDOT's annual infrastructure program
- Manages Small New Technologies program
- Supports MDOT's annual application maintenance program

PROJECT OBJECTIVE:

This resource will be assigned to one or more projects depending on the priorities determined at an IT Portfolio level in the MDOT Construction and Delivery Area. The estimated time period for this resource will be 4/14/14 – 4/13/15 with the possible option to extend.

SCOPE OF WORK/TASKS:

Provide senior project management for IT projects completed by DTMB on behalf of MDOT, ensuring that the work adheres to state of Michigan standard methodologies.

- Provides recommendations for improvement of project management processes currently in use
- Performs training, mentoring, and knowledge transfer as assigned
- Manages and oversees large, long range, or multiple complex projects
- Assigns work to project team member to meet project or program objectives
- Establishes and monitors program or project priorities, objectives, and procedures, determining area objectives, targets of service, and resource needs allocation.
- Provides leadership and direction to the project team to ensure successful project completion
- Develops and maintains records, prepares reports, and composes correspondence relative to the work
- Serves as a liaison between DTMB and MDOT customer/users concerning requests, standards, and other program and project matters.
- Coordinates work activities by scheduling staff assignments, setting work priorities, and directing the work of assigned employees, (including contractual) in the development of new information technology systems and enhancements to existing systems.
- Uses state of Michigan standard methodologies such as the State Unified Information Technology Environment (SUITE), Systems Engineering Methodology (SEM), and Project Management Methodology (PMM) in the maintenance, development, enhancement, and deployment of information technology systems
- Maintains awareness of emerging technologies and project management techniques

DELIVERABLES:
Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them. Deliverables for this project include:

- Develops project documentation, including but not limited to:
  - Project scope statements
  - Cost estimates
  - Human resource requirements
  - Work plans
  - Time schedules
  - Risk plans
  - Communication plans
  - Monthly Project Status Reports

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.

(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).

(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

PROCESS FOR APPROVAL WRITTEN DELIVERABLES:

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work/Purchase Order following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a

form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

DELIVERABLE ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

1. All deliverables included in the State's Project Management Methodology (PMM).
2. All deliverables included in the State's System Engineering Methodology (SEM).
3. All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them.
4. All Documentation must be complete and meet state standards.

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the Agency and DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.
3. **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
4. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.
5. **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions.

SPECIFIC AGENCY STANDARDS:

- Agency standards, if any, in addition to DTMB standards.
- State of Michigan Project Management Methodology (PMM)
- State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by

payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Buyer for this project is:

Jarrod Barron
DTMB – Procurement
Buyer, IT Division
Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7045
Fax: 517-335-0046
Email: barronj1@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DTMB will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work in State facilities in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.
SKILL SET
Responses will be evaluated on the following criteria:

	Skill Sets	**Weight**
1.	Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $10,000,000 (excluding hardware/software costs) and whose timeline was greater than 3 years.	10
2.	A history of managing a project in a multi-vendor environment.	10
3.	5 years of recent experience in managing IT projects in a government environment.	10
4.	5 years experience creating and managing comprehensive project plans utilizing project management flows and tools.	10
5.	5 years experience managing large, complex multi-year systems development projects.	10
6.	5 years experience performing scope management for projects, including a disciplined change control process.	10
7.	5 years experience performing issues management across multiple Departments.	10
8.	5 years experience creating and executing Implementation plans.	10
9.	5 years experience creating Quality Assurance processes and plans.	10
10.	3 years experience in verbal and written communication with clients and technical staff in English.	5
11.	A current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.	3
12.	Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI).	2
	TOTAL	**100**

INFORMATION REQUIRED FROM CONTRACTORS

CANDIDATE INFORMATION

- Name and date of availability of the candidate.
- The resume(s) of the actual individual(s) proposed
- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.
- **For funding purposes, the State requests that the hourly rate for the Senior Project Manger be less than $150.00 per hour.**

Skill Levels Required	Estimated Hours
Senior Project Manager	1984

PROPOSAL SUBMITTAL

Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
    - Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
    - All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 9

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,680.00	$2,124,860.00

Effective immediately, this Contract INCREASED by $287,680.00 and the following resource is extended contract based on the State's award ITB:JK-PCO-0001:

Name Resource: Chris Drew-PCO Manager at $145.00/hour, not to exceed 1984 hours.

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

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 8

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$238,080.00	$1,837,180.00

Effective immediately, this Contract INCREASED by $238,080.00 and the following resource is incorporated into this contract based on the State's work request #007114B0001529:

Name Resource: Milan Talreja – Sr. Project Manager at $120.00/hour, not to exceed 1984 hours.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PCO SERVICES
STATEMENT OF WORK (SOW)TEMPLATE

A Pre-Qualification Program was developed to provide a mechanism for the creation and startup of the PCO, staff augmentation and project management support of various projects across DTMB and related project management activities.

Process for obtaining Project Control Office (PCO) Services

The State after formalizing a comprehensive Work Request will facilitate a second tier selection process for each Contracting effort. This PCO Work Request template will identify the statement of work, category of service, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

Awards made as a result of any formal Work Request for PCO Services will be subject to the Terms and Conditions of the Primary Contracts listed above. Each award will be issued as a change notice to the applicable Primary Contract.

This is a Project Control Office (PCO) work request. Only the pre-qualified Contractors listed below may submit proposals.

Contractor Name	City	State	Contract Number
Compuware Corporation	Detroit	MI	071B3200054
Dewpoint	Lansing	MI	071B3200057
Government Consulting Resources, Ltd. (GCR)	Columbus	OH	071B3200059
Government Solutions, Inc. CSG	Chicago	IL	071B3200056
HP State & Local Enterprise Services, Inc.	Lansing	MI	071B3200053

Reminder: The following are requirements for Project Control Office (PCO) proposals:

- Contractors are limited to One (1) candidate per position
- Candidates MUST meet the minimum requirements of the position
- **All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)**
- Rate proposal must be submitted according to instructions in the Information Required from Contractors Section, Rate and Proposal submittal.

Failure to adhere to any of the above requirements may result in the contractor being disqualified.

This request is issued under your Contract with the Michigan Department of Technology, Management and Budget, Purchasing Operations, as established under the PCO Program.

Project Title: **Medical Marihuana Project**	**Estimated Period of Coverage:** **3/24/14-3/23/15**
Requesting Agency: **DTMB/LARA – Bureau of Health Care Services**	**Date:** **3/13/14**
DTMB Buyer: **Whitnie Zuker**	**Phone:** **517-284-7030**

Project Control Office Setup

Start-up staffing:
The following position is what the State is asking for initially, but not all inclusive. The State reserves the right for additional resources throughout the time period of this request of 3/24/14-3/23/15 and the right to extend the time period to support the Medical Marihuana Project (MMP) project.

Initial Required Skill Category Requested:

1) **Senior Project Manager**

See Skill Set Section below for further details to full-fill this position.

BACKGROUND:

The Medical Marihuana Project (MMP) project is a project to replace the current electronic licensing system being used by MMP. The current system is known as L2K, as provided by System Automation Inc. The L2K system is used by MMP to input and track applications for Medical Marihuana Registry Cards. The term "application" will be used to describe the physical application for approval and issue of a "card" that allows a person to possess and use medical marihuana.

The current system has processing limitations that require the agency to employ work-arounds to the system in order to process the breadth of application types issued by the agency. These limitations require the agency to manually process some of its application types through the process.

As a remedy to the current situation, MMP has investigated and discovered a system called Siebel, which is an Oracle product that will allow processing of all of the current registration types and will handle the future registration needs, as projected by the agency management.

This project Charter will outline the purchase, configuration and implementation of the Siebel/Oracle product for MMP. This will also provide high level details of the infrastructure and security requirements for the project. Resources required the implementation tasks within the State of Michigan will be included in this document and are provided as part of the overall estimate of costs associated with the project.

As a general overview of the processing requirements:
Medical Marihuana Program issues registrations, in the form of cards, to both Patients and Caregivers. Currently, the agency supports 130,000 registered Patients and 30,000 registered Caregivers. The current demand on the system in order to support patient and caregivers requires the processing of 8,000 to 13,000 applications for new cards or renewals per month. Renewals and applications are 100% processed through the current system via receipt of hardcopy documentation packages received from various mail and parcel post carriers.

The Medical Marihuana Program processes these packages through the system manually, utilizing 30 agency personnel to move, file, input and process the packages. As part of the processing, various systems are accessed or utilized to verify data provided is accurate, to research history of patients and caregivers within other State of Michigan systems, for electronic scanning and storage of documents and to print documents and card that are sent out to Applicants/Patients and Caregivers.

Summary of Medical Marihuana Program needs:
- MMP Patient and Caregiver Database
- Migration from L2K to Siebel/Oracle product
- Revenue Acceptance via Customer Web Portal
- Navision interface from web portal to MMP Database
- Interface from system to automated printing services and equipment
- Interface from Siebel to Document Management System
- Interface to external databases for verification purposes related to patient and caregiver status and background
- Web based portal for application processing

PROJECT OBJECTIVE:
The Senior level Project Manager will use a tailored SUITE methodology to document project progress and procedures for the Department of Technology, Management and Budget (DTMB) to support LARA – Bureau of Health Care Services Medical Marihuana Project (MMP) project. The estimated time period for this resource will be 3/24/14-3/23/15 with the possible option to extend.

SCOPE OF WORK/TASKS:
The Senior project manager will use a tailored SUITE methodology to document project progress and

procedures. There are seven phases for the work and deliverables on this project.

Phase I - Project Planning - The deliverables for this phase are as follows:

1. Project Charter / Project plans / schedule
2. Statement of Work – All deliverables in SOW to be monitored and achieved throughout phases.

Phase II - Requirements Verification and Validation - The deliverables for this phase are as follows:

1. Express SEM 402 Business Requirements Documents / reporting
2. Update EA and Technical Requirements Documents
3. Updated Project Plans (Include DTMB 170 Security Assessment)
4. Base Configuration design in development environment.
5. Determine Gaps between systems and Seibel/Oracle
6. Determine enhancements (if required)

Phase III – Functional Design of the New System - The deliverables for this phase are as follows:

1. Functional Design document SEM 501(Update only SOM environment)
2. Updated project plans / schedule / updated cost Estimate
3. Training Plan and training schedule for internal staff.

Phase IV – System Design

1. Design document / EA assessments
2. Security assessments DIT-170
3. Oracle Base Configuration design in development environment.
4. Oracle to Design enhancements or configurations as identified
5. Updated project plans /schedule

Phase V - Construction of the New System - The deliverables for this phase are as follows:

1. Software Configuration Documentation
2. Test Plan, including test scripts and schedule
3. Oracle to Setup Base Configuration design in development environment.
4. Test / evaluate business process in development environment.
5. Oracle to Code/Configure enhancements if needed
6. Updated Project plans /schedule

Phase VI -Testing of the New System - The deliverables are as follows:

1. Establish an interactive Bug tracking system to follow problems with Seibel/Oracle and perform and document testing

Phase VII - Placing the New System in Production - The deliverables are as follows:

1. Installation and configuration of the new application to the production environment
2. Provision of all system interfaces/integration required in the production environment

3. Data conversion (mapping) of all necessary data

Technical support is required to assist with the following tasks:

The Senior Project Manager specific tasks may include but are not limited to:

- Maintain and update Detailed Project Plan – Plan should include milestones, tasks (work breakdown structure), hours, durations, schedule, and resource allocation. Detailed task level plans and schedules must be created for each release deployment. Note: This is the detailed task plan to be developed with the input of the Project Team.
- Maintain Project budget.
- Manage Risk Management Plan and address any issues that arise.
- Manage project Quality.
- Manage communication and maintain Communication Plan.
- Manage all Change Control requests and changes needed to project, plan & schedule in their regards.
- Develop and support a formal Work Approval Process (WAP).
- Create and Present Weekly status reports – to project team and sponsors.
- Facilitation of and materials preparation for meetings, including: Weekly status meetings for managers and team leaders, bi-weekly leadership meeting and weekly planning meetings.
- Participation in and materials preparation for Executive Leadership meetings, as requested by the Implementation contractor or DTMB Project Manager.
- Performance metrics including score cards, earned value analysis, project evaluation, resource usage, defects found and resolved in testing, defects introduced into production, analysis of Implementation contractor warranty work, and analysis of application down time.
- Facilitation of and materials preparation for close-out of each release, including archival of all project data, lessons learned sessions, and close-out of any open action items.
- Ad hoc reports requested by the State Project Manager(s).
- Ensure all requirements from the federal government are met.

DELIVERABLES:
The senior project manager will receive direction from DTMB and will be self-managed to execute project deliverables. Deliverables will not be considered complete until the Agency and DTMB Project Managers have formally accepted them. Resources will work with DTMB Project Manager to define deliverables.

Deliverables for this project include:
- All deliverables included in the State's Project Management Methodology (PMM)
- All deliverables included in the State's System Engineering Methodology (SEM)
- Monthly Budget
- Status Reports

APPROVAL OF DELIVERABLES, IN GENERAL:

(a) All Deliverables (Physical Deliverables, Written Deliverables, and Service Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in Section 6.3, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

(b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed.
(c) Prior to commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable have been delivered without material deficiencies. If the State determines that the Deliverable has material deficiencies, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State and Contractor receive the Deliverable and agree that the Deliverable is ready for use and, where applicable, Contractor has provided certification in accordance with Section 6.3(a).
(d) The State will approve in writing a Deliverable upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.
(e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep any resulting Contract(s) in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract(s) price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
(f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

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

PROCESS FOR APPROVAL OF SERVICE DELIVERABLES:
The State Review Period for approval of Service Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty- five (45) Business Days for a Service Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

PROCESS FOR APPROVAL OF PHYSICAL DELIVERABLES:
The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work/Purchase Order (failing which the State Review Period, by default, shall be forty-five (45) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the

State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

ACCEPTANCE CRITERIA:
Resource will work with DTMB Project Manager to develop formal acceptance criteria. Acceptance criteria for this project may include, but are not limited to:

1. All deliverables included in the State's Project Management Methodology (PMM)
2. All deliverables included in the State's System Engineering Methodology (SEM)
3. All Deliverables will not be considered complete until DTMB Project Manager has formally accepted them
4. All Documentation must be complete and meet state standards

PROJECT CONTROL AND REPORTS:
A bi-weekly progress report must be submitted to the Agency and DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

1. **Hours**: Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.

2. **Accomplishments**: Indicate what was worked on and what was completed during the current reporting period.

3. **Funds**: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

SPECIFIC AGENCY STANDARDS:

- Agency standards, if any, in addition to DTMB standards.
- State of Michigan Project Management Methodology (PMM)
- State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:
Payment will be made on a time and material basis and will be paid monthly. DTMB will pay CONTRACTOR upon receipt of properly completed invoices which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

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

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

PROJECT CONTACTS:
The DTMB Buyer for this project is:

Whitnie Zuker
DTMB – Procurement
Buyer, IT Division
Constitution Hall – 1st Floor
525 W. Allegan Street
Lansing, MI 48933
Phone: 517-284-7030
Fax: 517-335-0046
Email: zukerw@michigan.gov

DTMB/AGENCY RESPONSIBILITIES:

- DTMB will provide direction to Contractor staff in regards to work effort and priorities.
- STATE will provide telephone access for project-related calls originating from within the State's office.
- STATE will provide access to copying equipment for project-related documents.
- STATE will provide access to Facsimile equipment for items that are project related.
- STATE will provide computer hardware and software for consultants, *as deemed necessary*.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Resources will work at Phoenix Building 3rd floor; 222 N. Washington Ave., Lansing, MI

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:
Normal work hours are eight (8) hours a day, forty (40) hours a week. Additional hours may be necessary based on business needs. These hours may vary and will be paid at the same base hourly rate.

The State will not pay overtime.

SKILL SET

The skillsets identified below are anticipated resource needs for the start-up of the project. If additional modifications to the resource hours below are needed, these changes can be addressed via the change management procedure identified within this SOW.

<u>Senior Project Manager</u>

Responses will be evaluated on the following criteria:

Prior Experience and validation of references.

- 5 years experience managing large, complex multi-year systems development projects. (20 points)
- Proven record of delivering projects on time and within budget.(20 points)
- 5 years experience creating and managing comprehensive project plans utilizing project management flows and tools. (SUITE) (20 points)
- 3 years experience in verbal and written communication with clients and technical staff in English. (20 points)
- Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI) (20 points)

INFORMATION REQUIRED FROM CONTRACTORS

INFORMATION REQUIRED

- Name and date of availability of the candidate.
- The resume(s) of the actual individual(s) proposed
- The results of two reference checks that the Contractor has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- The results of a criminal background check and any additional screening required by a specific work statement to meet agency requirements upon award.
- Verification of a candidate's permission to work in the United States.
- Payment Rate for each resume submitted. Payment rates may not exceed the rates in the Contract. However, the Payment rates may be less, depending on the State's requirements, nature of the job market, and candidate's abilities.
- A signed commitment letter from the individual referencing the SOW number, with the candidate's name, signature, and date. Blanket commitment letters for all ITB's will not be accepted.
- During the response period, the Contractor may request any clarification needed on the Statement of Work.

RATE PROPOSAL

- All rates quoted in contractor's response to this work request will be firm for the duration of the contract. No price increases will be permitted.
- **For funding purposes, the State requests that the hourly rate for the Senior Project Manger be less than $120.00 per hour.**

Skill Levels Required	Estimated Hours
Senior Project Manager	1984

PROPOSAL SUBMITTAL
Submit 1 copy of each qualified name and resume and 1 copy of the Rate Proposal in accordance with the following instructions:

- Submit all bids ELECTRONICALLY via BUY4MICHIGAN NO LATER THAN 3:00 P.M. ON THE DUE DATE AS INDICATED ON BUY4MICHIGAN.
    - Submit with your proposal a signed cover letter with the company name, contact name and phone number, contact email address, vendor ID number, and ITB number
    - All resumes submitted must be sent "blind" (not on company letterhead and without logos or identifying company marks)
    - Be certain to enter the unit cost (hourly rate) within the BUY4MICHIGAN Item Information tab. Select "No" with in **No Bid** Item line.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 7

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-335-5306	zukerw@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,680.00	$1599,100.00

Effective immediately, this Contract INCREASED by $287,680.00 and the following resource is incorporated into this contract based on the State's work request #0071141114B0000925:

Name Resource: Dave Desrochers – Sr. Project Manager at $145.00/hour, not to exceed 1984 hours.

Please also note the buyer has been changed to Whitnie Zuker. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

October 3. 2013

CHANGE NOTICE NO. 6

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$212,284.00	$1,311,420.00

Effective immediately, this Contract is INCREASED by $212,284.00.

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

Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

August 30, 2013

CHANGE NOTICE NO. 4

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,680.00	$811,456.00

Effective immediately, the following resource is incorporated into this contract, based on the State's work requests 0071141113B0000060:

Named Resource: Sue Ann Lipinski at a rate of $145.00/hr. not to exceed 1,984 hours

State's Work Request: 0071141113B0000060 for One (1) Senior PCO Project Manager.

This contract is also hereby INCREASED by $287,680.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

August 30, 2013

CHANGE NOTICE NO. 3

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		November 30, 2017

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$277,760.00	$811,456.00

Effective immediately, the following resource is incorporated into this contract, based on the State's work requests 0071141113B0000297:

Named Resource: Darlene Wells at a rate of $140.00/hr. not to exceed 1,984 hours

State's Work Request: 0071141113B0000201 for One (1) Senior PCO Project Manager.

This contract is also hereby INCREASED by $277,760.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

August 14, 2013

CHANGE NOTICE NO. 2

to

CONTRACT NO. 071B3200059

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ 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
☒ No ☐ Yes	☐	☐		November

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$246,016.00	$533,696.00

Effective immediately, the following resource is incorporated into this contract, based on the State's work requests 0071141113B0000201:

Named Resource: Mark Pine at a rate of $140.00/hr. not to exceed 1,757 hours

State's Work Request: 0071141113B0000201 for One (1) Senior PCO Project Manager.

This contract is also hereby INCREASED by $246,016.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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. 1
to
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:

DESCRIPTION: **PRE-QUALIFIED IT SERVICES CONTRACT PROGRAMMER**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
December 1, 2012	November 30, 2017	5, 1 Year Options	November 30, 2017
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A

ALTERNATE PAYMENT OPTIONS:	AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other	☒ Yes ☐ 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
☒ No ☐ Yes	☐	☐		

VALUE/COST OF CHANGE NOTICE:	ESTIMATED REVISED AGGREGATE CONTRACT VALUE:
$287,680.00	$287,680.00

Effective February 11, 2013, the following resource is incorporated into this contract, based on the State's work requests ITB-JK-PCO-0001:

Named Resource: Christopher Drew at a rate of $145.00/hr. not to exceed 1984 hours
State's Work Request: #ITB-JK-PCO-0001 for One (1) Senior PCO Project Manager.
Vendor's Work Request Response: Dated January 3, 2013 to work request ITB-JK-PCO-0001.

This contract is also hereby INCREASED by $287,680.00. All other terms, conditions, specifications and pricing remain the same. Per vendor and agency agreement and the approval of DTMB Procurement.

Form No. DTMB-3522 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

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

February 14, 2013

NOTICE
OF
CONTRACT NO. 071B3200059
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Government Consulting Resources, Ltd.	Frank Carchedi	fcarchedi@gcrltd.com
762 S. Pearl Street	TELEPHONE	CONTRACTOR #, MAIL CODE
Detroit, MI 48226	614-444-5144	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	DTMB	Barb Dawson	517-241-4528	dawsonb3@michigan.gov
BUYER:	DTMB	Joe Kelly	517-373-3993	kellyj11@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Descriptive Contract Title (Not always the same language as provided in MAIN)			
Pre-Qualified IT Services Contract Programmer			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
5 years	December 1, 2012	November 30, 2017	5, 1 Year Options
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☒ YES ☐ NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			
MISCELLANEOUS INFORMATION:			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION:	$0.00		

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the solicitation # 084R2200131. Orders for delivery will be issued directly by the Department of Technology, Management & Budget through the issuance of a Purchase Order Form.

Form No. DTMB-3522 (Rev. 4/2012)

Notice of Contract #: 071B3200059

FOR THE CONTRACTOR:	FOR THE STATE:
Government Consulting Resources, Ltd.	
Firm Name	Signature
	Greg Faremouth, IT Division Director
Authorized Agent Signature	Name/Title
	DTMB Procurement
Authorized Agent (Print or Type)	Enter Name of Agency
Date	Date

Article 1 – Statement of Work (SOW)

1.000 Project Identification

1.001 Project Request

The purpose of this contract is to provide a source of pre-qualified information technology services vendors for providing Project Control Office (PCO) services to support the Department of Technology, Management and Budget (DTMB) and members of the State of Michigan Extended Purchasing Program (MiDEAL). IT has new and on-going information technology projects that require resources exceeding the available staff resources.
The Project Control Office (PCO) is maintained and hosted by the Department of Technology, Management and Budget (DTMB) and currently supports multiple agenciesThe State of Michigan wishes to continue to host and administer any replacement systems with existing State staff in existing State facilities.

1.100 Scope of Work and Deliverables

1.101 In Scope

Providing staff augmentation and project development support for Project Control Office (PCO) services.

1.103 Environment

The links below provide information on the State's Enterprise IT policies, standards and procedures which includes security policy and procedures, IT strategic plan, eMichigan web development and the State Unified Information Technology Environment (SUITE).

All services and products provided in this Contract must comply with all applicable State IT policies and standards. The Contractor must request any exception to State IT policies and standards in accordance with DTMB processes. The State may deny the exception request or seek a policy or standards exception.

Enterprise IT Policies, Standards and Procedures:
http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html

Enterprise IT Security Policy and Procedures:
All computer information systems and applications operate in a secure manner and comply with State Enterprise IT Security Policy and Procedures as found on the website:
http://www.michigan.gov/dit/0,1607,7-139-34305-108216--,00.html

The State's security environment includes:

- DTMB Single Login.
- DTMB provided SQL security database.
- Secured Socket Layers.
- SecurID (State Security Standard for external network access and high risk Web systems)

IT Strategic Plan:
http://www.michigan.gov/dit/0,1607,7-139-30637-135173--,00.html

IT eMichigan Web Development Standard Tools:

http://www.michigan.gov/documents/Look_and_Feel_Standards_2006_v3_166408_7.pdf

The State Unified Information Technology Environment (SUITE):
Includes standards for project management, systems engineering, and associated forms and templates – must be followed: http://www.michigan.gov/suite

Agency Specific Technical Environment
The agencies that use the Teradata use a range of databases and operating systems including Oracle on HP/UX, Solaris and Windows, SQL/Server on Windows and My SQL on Linux.

The State supports a common Business Objects reporting/query system that is used by several agencies to access the data warehouse. It runs on HP/UX with an Oracle 10g repository.

Three of the agencies (DCH, Treasury, and SCAO) use BI/Query to access the data warehouse.

1.104 Work and Deliverables
Deliverables described in section 1.104 are not all inclusive.

Project Control Office (PCO) Services
Requirements:

The State requires PCO services. In some cases this will be to support agencies without sufficient DTMB support to enable them to accomplish this with state staff. In other cases the agency has extensive DTMB support, but requires staff augmentation to assist them to deal with agency demand for services. In yet others an agency may ask for the pre-qualified PCO service Contractor to quote and build a system for the agency to maintain.

Pre-qualified Contractors will be required to sign this Primary Contract with DTMB Purchasing Operations.

The Primary Contracts and any resulting Work Contracts will be written so as to incorporate by reference all the terms of this Contract. DTMB may include additional terms and conditions within their specific Work Request. There is no stated or implied guarantee that Work Contracts will be awarded to any pre-qualified Contractor(s) by the SOM.

Establishment of a fully functional Project Control Office (PCO)

Establish and implement project management and processes, methodologies, and tools to maximize project team performance, minimize risk, and contain costs of systems and projects. The PCO will provide assistance to the State in the form of independent oversight, monitoring of the project team and their progress, and reporting on status of deliverables critical for on-time, within budget delivery of specified systems and projects.

The PCO will be responsible for performing at a minimum the functions of project schedule development, project plan management, scope containment including processes for issue and risk management.

The Project Control Office is responsible for creating and maintaining detailed MS Project plans and schedules that support project scope, costs, milestones, and deliverables. The project plans may include tasks for the business area that need to be tracked and managed to be successful. Once a project plan is resourced and a baseline established, all project resources are required to report effort against the plan. The Project Control Office will use this information to track progress against the plan, determine earned value calculations, derive weekly status reports and perform project evaluations.

Listed below in more detail are required activities and tasks. These activities and tasks are not all inclusive.

A) Feasibility Studies

- Analysis of new technology projects
- Comparison of conducting IT work in-house versus outsourcing
- Analysis of joint venture and partnership projects
- Determining project definition and planning methods
- Determining system development project methods using the State's standard development methodology.

B) Cost Benefit Analysis

- Determining tangible and intangible costs and benefits
- Appling DTMB/IT portfolio management standards
- Performing comparative analysis of in-house versus outsource costs
- Conducting present value analysis
- Having understanding of the state budgets cycle and state accounting methods

C) Coordination of Stakeholders

- Development of organizational requirements
- Communication and facilitation of meetings and status
- Having knowledge of Principles of information technology, business principles, and negotiation strategies
- Facilitation of stakeholders of projects

D) Project Management and Reporting

- Prepare Project Management deliverables as defined in SUITE Project Management Methodology (PMM)
- Monitor status and initiate corrective action when needed
- Perform status reporting

- Define and track issues through resolution
- Skill in working with all levels of business, technical and management staff.
- Ability to get work done though others in a matrix organization
- Ability to deal successfully with large amounts of detailed data and information
- Be capable of giving attention to detail while still understanding and dealing with the global aspects of the project
- Objectively assess the appropriateness and accuracy of system plans
- Provide a concise assessment
- Make objective recommendations to the State Project Manager, agency executives, oversight agencies, and Vendors
- Establishing and maintaining a system of project records
- Gathering data needed to create project reports and documentation
- Use of various software tools to report project progress and document project results
- Prepare appropriate Business Documents
- Create Business Case and Cost Benefit Analysis document for Development and Implementation Vendor RFP
- Develop and manage project schedule
- Perform Change Management, Issue Management and Risk Management
- Develop Communication plans
- Monitor performance
- Facilitate Project Management Buy-in
- Provide contract management support to DTMB Contractor Administrator
- Perform Quality Control
- Perform Production Ticket Workflow Management
- Perform release planning
- Facilitation of, materials preparation and meeting notes
- Manage all project resources
- Track and document project time and costs
- Update project plans as necessary
- Perform all updates required to the State of Michigan (SOM) PPM tool
- Providing resource planning, forecasting and role and skill descriptions.
- Develop and implement a formal process for data collection and control to ensure that data gathered are both defined and accurate and allows for subsequent decisions and reporting. The process should provide both a baseline from which to measure from and in certain cases a target on what to improve.

2. INDEPENDENT VERIFICATION AND VALIDATION (IV&V)

Verification and validation is an engineering discipline that employs rigorous methods for evaluating the correctness and quality of the software product throughout the software development life cycle. Validation is concerned with checking that the software meets the users' needs, and verification is concerned with checking how the system is produced. IV&V is the set of verification and validation activities performed by an entity NOT under the control of the organization that is developing the system. IV&V services must be provided and managed by an organization that is technically and managerially independent of the subject software development project.

IV&V services will be concerned with ensuring that processes, procedures, system development methodology, configuration management and documents associated with the design, development, and implementation of all appropriate implementation/integration projects meet the state's business and technical requirements. In addition, the contractor will be responsible for ensuring that the project is being conducted in accordance with state and industry standard project management methodologies and system engineering methodologies.

This project will have these major components:

1. The IV&V vendor will review processes being used in conjunction with the specified project to ensure that the project is being conducted in accordance with state and industry standard project management methodologies and system engineering methodologies. The review will include recommendations for changes to project processes.

2. The vendor will provide oversight for the project on an on-going basis. This will include continuing review of processes and deliverables.

IV&V does not require a continuous on-site presence or extensive testing, nor does it perform actual quality assurance activities or other remediation. It instead imposes periodic reviews of software development activities that include site visits employing industry standards to conduct artifact analysis and interviews of a project's team and stakeholders in order to fashion a comprehensive "snapshot" of a project's management and technical processes at work at a given point in time. IV&V encompasses work performed by both State employees and contractors, including both management and technical activities.

Listed below in more detail are required IV&V activities and tasks. These activities and tasks are not all inclusive.

A) <u>IV&V Project Management</u>

- Develop IV&V Management Plan
- Develop IV&V Review Checklist
- Conduct Initial/Periodic Review
- Executive Briefing(s)
- Develop Monthly Status Reports
- Verify the procurement strategy supports state objectives
- Perform ongoing assessment and review of State methodologies used for the feasibility study
- Evaluate the use of sub-contractors or other external sources of project staff
- Verify that State oversight is provided in the form of periodic status reviews and technical interchanges

B) Quality Management

- Evaluate and make recommendations on the project's Quality Assurance plans
- Review and make recommendations on all defined processes and product standards

C) Training/Documentation

- Review and make recommendations on the training provided to system users
- Review and make recommendations on the training provided to system developers

D) Requirements Management

- Evaluate and make recommendations on the project's process and procedures for managing requirements
- Evaluate and make recommendations on project policies and procedures for ensuring that the system is secure and that the privacy of client data is maintained
- Verify that an analysis of client and state needs and objectives has been performed to verify that requirements of the system are well understood, well defined, and satisfy federal regulations
- Verify that all system interfaces are exactly described, by medium and by function, including input/output control codes
- Verify that all system requirements have been allocated to either a software or hardware subsystem
- Verify that a well-defined plan and process for reengineering the system is in place and is followed

E) Production/Development Environment

- Evaluate new and existing system hardware configurations to determine if their performance is adequate to meet existing and proposed system requirements
- Evaluate new and existing system software to determine if its capabilities are adequate to meet existing and proposed system requirements
- Evaluate new and existing database products to determine if their capabilities are adequate to meet existing and proposed system requirements
- Evaluate the existing processing capacity of the system and verify that it is adequate for current statewide needs for both batch and on-line processing

F) Testing Environment

- Evaluate new and existing testing hardware configurations to determine if their performance is adequate to meet the needs of testing
- Evaluate new and existing testing software to determine if its capabilities are adequate to meet testing requirements

G) Software Development

- Evaluate and make recommendations on existing high level/detailed design products to verify the design is workable, efficient, and satisfies all system and system interface requirements
- Evaluation of existing job control and on the process for designing job control, and provide recommendations for improvement
- Evaluate and make recommendations on the standards and process currently in place for code development.
- Evaluate the plans, requirements, environment, tools, and procedures used for unit testing system modules
- Provide performance-tuning recommendations to development and maintenance teams (e.g., index recommendations, code efficiencies).
- Establish and monitor code standards and practices as integrated with any applicable State and project standards.
- Establish and monitor standards for programming languages and application interfaces and integrate with any applicable State standards.
- Assist the State with software updates, and provide ongoing support management and maintenance of the software used in managing the project.

H) System and Acceptance Testing

- Evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules
- Evaluate the plans, requirements, environment, tools, and procedures for pilot testing the system. Provide recommendations for improvement.
- Evaluate interface testing plans and procedures for compliance with industry standards.
- Define, review and approve acceptance procedures and acceptance criteria for each product prior to test and document the results

I) Data Management

- Evaluate the State's existing and proposed plans, procedures and software for data conversion
- Evaluate new and existing database designs to determine if they meet existing and proposed system requirements

J) Production Oversight

- Evaluate statewide system's change request and defect tracking processes
- Evaluate user satisfaction with system to determine areas for improvement and provide recommendations for improvement.
- Evaluate impact of system on program goals and performance standards
- Evaluate operational plans and processes
- Evaluate implementation of the process activities including backup, disaster recovery and day-to-day operations to verify the processes are being followed

K) Other Services

- Provide preliminary estimates for additional services and tasks as approved
- Provide an impact assessment, with elements identified above, for additional tasks and services.
- Provide the services and tasks authorized.
- Perform technical assessments, as necessary, to identify the best options for proposed systems. Assessment will identify level of fit with Business Requirements, Quality of Code, scalability of architecture, performance, ease of maintenance and support, and cost and time to customize/develop to meet requirements. The assessment will also include issues encountered, as well as, lessons learned. In addition, the assessment will identify the technical components (hardware and software) of the system and identify if each component complies with the SOM Enterprise Architect Standards.

3. BUSINESS REQUIREMENTS/QUALITY ASSURANCE

The vendor will provide services in one or more of the following areas:

A) Perform Lead Business Analyst Services

- Assist in the development of a work statement or full RFP. These documents are used to solicit proposals from vendors to provide the requested services to complete the authorized project.
- Assist in the selection process proposals from vendors to provide the requested services to complete the authorized project.
- Using Structured techniques, create Business Requirements Documentation to provide a prioritized, consolidated view of the project's requirements and workflows associated with the project. Key items of this deliverable will include, but not limited to: Executive Summary, General Features, User Community, Business Processes (both current and proposed), Business Improvements, Use Case Scenarios, Project Impact, Organizational Data, Operations, Technical Considerations, Implementation Considerations, Assumptions, Risk, Glossary, and a listing of Prioritized Requirements Ranking.
- Facilitate requirements gathering sessions - Work with DTMB/ the Agency requesting services to provide the requirements gathering session-conducting services to support varying project types.
- Review business requirements to validate that the requirements conform to DTMB standards, meet the business needs and provide the level of clarity and specificity to allow the Development and Implementation vendors to respond with RFP proposals for a system that will support business needs. The business requirements document will be an addendum to the Development and Implementation RFP.
- Facilitate peer reviews for exit stage interviews to validate functional and system design meets the business requirements
- Maintain business requirements document; update requirements based on agreed upon changes. Perform correspondence updates to the requirements matrix.
- Facilitate communication between technical team and business analysts
- Provide analytical and technical assistance in gap analysis
- Assist in the preparation of training materials
- Transition project knowledge and information to DTMB/agency designated staff and/or contractors to continue efforts related to the project.
- Provide training to State staff on business requirements gathering processes, to include documenting requirements and managing requirements to ensure the project meets all identified requirements.
- Perform Business Process Re-engineering to achieve improvements in critical measures of performance such as cost, quality, service and speed
- Reduce volumes of detail to concise and easy to read form

B) Needs Assessment

- Identification of all business requirements
- Assess analytical skills
- Assess organizational skills
- Assess communication skills at the executive level
- Assess interviewing skills
- Determine depth of knowledge of current and emerging information technologies, including e-commerce, their strengths and weaknesses, and appropriate application to business needs

C) Quality Assurance and Testing

- Provide quality assurance on a major project.
- Develop and implement quality assurance measures for all aspects of project planning and execution.
- Develop and execute program and system test and acceptance processes.
- Assist project manager in monitoring business related activities
- Assist in resolution of key project issues
- Assist in monitoring and ensuring project scope is controlled
- Assist in identification of project risks, and risk mitigation strategies
- Assist in development of strategies for system development, verification, and implementation
- Ensure that application programs have been thoroughly tested
- Develop user acceptance test plan
- Assist teams in the development of test scenarios, and scripts.
- Facilitate usability testing sessions including interaction with test subjects to elicit meaningful comments and resolving questions that arise during testing.
- Document the results of usability testing
- Facilitate sessions in which clients review usability testing results

D) User Change Management

- Development and implementation of change management processes dealing with user needs and expectations
- Work with all levels of management and line staff.
- Perform complex task analyses to evaluate and document change requests
- Conduct change management activities for business process improvement

4. TECHNICAL WRITING

Assist in the development of all project-related materials and documentation. Examples of the associated tasks/skills are:

- Perform End-user documentation, which helps build, operate, and/or repair software, and hardware.
- Perform Technical documentation, which includes manuals, maintenance guides, and engineering specifications; white papers, research papers, or journal articles; reference guides; and annual reports.
- Develop Marketing copies, such as advertisements, brochures, catalogs, press releases, and home page content
- Assist in the development and implementation of the RFP. The RFP document will be specific and detailed to the extent necessary to ensure that the full scope of work and project expectations are identified to the Development and Implementation RFP bidders. In addition to required information, the RFP document should also include:
    - Project objectives
    - Description of all business, functional, and/or technical areas of new system
    - Identify Activities/Tasks required of Development and Implementation Vendor.
    - Provide a summary of high-level description of each Activity
    - Provide a definition of the task within each Activity and specify detailed deliverables for each task. The tasks must be specific, measurable, and time constrained
    - Propose Criteria for evaluation and award of Development and Implementation RFP – Identify criteria for assessing bidder's responses to ensure responses meet the requirements and deliverables of the RFP; develop sample questions for bidder's oral presentation, if needed; develop criteria to guide the State in the evaluation of bidder responses to sample questions
- Adhere to and enforce both DTMB/Agency documentation policies. Develop and maintain all required project materials and documentation in alignment with the State's Project Management Methodology (PMM) and System Engineering Methodology (SEM) utilizing the State Unified Information Technology Environment (SUITE).
- Provide technical writing mentoring and support to DTMB.
- Recommend and implement formats, templates or writer guidelines for others

5. STRATEGIC AND ARCHITECTURAL TECHNOLOGY SERVICES

The vendor will provide architecture services in one or more of the following areas:

- Analyze and recommend architecture solutions
- Ensure compliance with standards (defacto and dejure)
- Analyze E-commerce opportunities
- Analyze and recommend solutions for Web and mobile applications
- Analyze business practices and processes to determine best practice strategies to ensure maximum effectiveness and efficiency
- Assist with Strategic planning, including applications integration and legacy application strategy
- Analyze hardware and software to assist in the standards determination and setting of processes
- Perform Cost analysis and modeling to assist in the assessment of the return on investment for projects and computer operations.
- Analyze application development processes and tools
- Recommend changes in hardware, storage, network systems, operating systems, COTS software, security and software design to meet future growth and improve system performance
- Assist with the development of Business Process Models
- Assist with architecting the integration of various vendor technologies including COTS
- Support technical teams with implementations
- Assist with the coordination of architectural change in both technical and business environments
- Assist with architecting diverse solutions into a cohesive and manageable environment
- Recommend solutions for technical architectures of web content management applications
- Assist in the development of solution architectures from business requirements, information architecture, and technical architecture
- Analyze market trends so as to relate business needs with technical opportunities
- Participate in technology test plan development and execution

CLASSIFICATION SKILL LEVELS

Defined below are the Classification Skill Levels for candidates from Pre-Qualified vendors who would work on State of Michigan projects.

1) Project Control Office (PCO) Manager
2) Senior Project Manager
3) IV&V Project Manager
4) Senior Business Analyst
5) Senior Architect
6) Senior Technical Writer
7) Project Scheduler

1) Project Control Office (PCO) Manager

The Project Control Office Manager will provide the oversight and direction necessary to establish a fully functional Project Control Office and to manage the PCO staff and ongoing daily operations of the PCO.

The PCO Manager will create and use tools to monitor and report on schedule progress, resource utilization, issue resolution/escalation, and process adherence. The PCO Manager will also gather and report on Project Team performance and compliance.

The PCO Manager will support the State in meeting the timely delivery of quality information technology services for all stakeholders of the Project. The PCO Manager will be responsible for performing schedule, scope and technical control tasks.

The PCO manager will directly oversee all the PCO personnel.

Position requires:

1) Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $10,000,000 (excluding hardware/software costs) and whose timeline was greater than 3 years.
2) 5 years of recent experience in managing IT projects in a government environment
3) Documented 3 to 5 years experience in successfully managing the establishment and operations of a fully functioning Project Control Office or Project Management Office. A minimum of 2 such “establishments” is required for this particular project position.
4) Documented experience in successfully managing a PMO/PCO for complex projects (including multiple stakeholders, PCO staff, multiple vendors, data conversions and multiple technologies).
5) Documented experience in performing Project Management, Quality Management, or other critical functions within complex Information Technology projects (preferably with budgets greater than $10,000,000 and multi-phase, multiyear implementations).
6) Excellent written and verbal communication skills. Demonstrable presentation skills are necessary for this position. Skills in MS Project, MS Excel, MS Word, MS PowerPoint, required.
7) Demonstrated leadership ability in complex projects invo1ving multiple vendors and in-house resources within all levels of an organization.
8) Professional certification in Project Management, such as Project Management Professional (PMP) certification from the Project Management Institute.
9) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
10) Knowledge and understanding of the IT Governance Framework – COBIT
11) Knowledge and understanding of Information Technology Infrastructure Library (ITIL

2) <u>Senior Project Manager</u>

Full-time, on-site Senior Project Manager to provide the overall management for State of Michigan projects. This individual will provide management services for all project activities to ensure that the project will be completed on time, within budget, and within scope.

This individual will create and manage detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within the project using SOM Project Management Methodology. This individual will create and use tools to monitor and report

on schedule progress, resource utilization, issue resolution/escalation, and process adherence. This individual also gathers and reports on vendor performance and compliance.

Position requires:

1) Documented experience in successfully managing Information Technology (IT) projects (full project lifecycle) whose budget was greater than $10,000,000 (excluding hardware/software costs) and whose timeline was greater than 3 years.
2) Documented experience in successfully managing IT projects (full project lifecycle) whose scope included rewriting a large, complex existing system. Preference will be given to those resources who have experience in both mainframe and client server environments. A candidate will not be excluded if experience is in only one of the environments.
3) Proven record of delivering projects on time and within budget
4) Thorough understanding of systems development and technology working within a Unix and Windows operating system, Oracle and/or Microsoft SQL Server database and a wide range of web development technologies such as J2EE, Web Services, XML
5) A history of managing a project in a multi-vendor environment.
6) 5 years of recent experience in managing IT projects in a government environment
7) 5 years experience creating and managing comprehensive project plans utilizing project management flows and tools.
8) 5 years experience managing large, complex multi-year systems development projects
9) 5 years experience performing scope management for projects, including a disciplined change control process.
10) 5 years experience performing issues management across multiple Departments.
11) 5 years experience creating and executing Implementation plans.
12) 5 years experience creating Quality Assurance processes and plans.
13) 3 years experience in verbal and written communication with clients and technical staff in English.
14) Excellent verbal and written communication skills
15) Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.
16) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
17) Knowledge and understanding of the IT Governance Framework – COBIT
18) Knowledge and understanding of Information Technology Infrastructure Library (ITIL)

3) <u>IV&V Project Manager</u>

The IV&V Project Manager provides input to the DTMB Project Manager on the daily direction and work product progress, team interactions and overall project success. The IV&V Project Manager provides technical skills required to provide recommendations to the DTMB PM for this project regarding areas such as enterprise architecture design, system integration, web interface, addressing standards knowledge, and vendor management experience.

Specifically:

- Interfaces with any contractor managers engaged for this project
- Assesses and recommends changes for the project communications plan
- Helps the DTMB and PMO team identify project risks and issues
- Provides quality assurance on the technical aspects of the project
- Advises DTMB and PMO team on industry practices in relation to imaging, hardware selection, software products and capabilities
- Assists with business/technical decisions related to the use of hardware and software to align to business needs and budget constraints
- Advises DTMB on managing contracts for development effort
- Utilizes knowledge of emerging technological trends to educate both IT and the business of opportunities to build better IT solutions that support and drive business decisions for the project
- The IV&V Project Manager helps develop reporting/communication mechanisms for the project
- Helps develop and maintain an effective, customer-focused and usable communications process
- Assists in preparation of project status reporting mechanism that addresses, at a minimum, task status, deliverable completion, budget expenditure and completion estimate, risk analysis, resource assessments, schedule adjustments, and problem/issue//risk identification and corrective action

Position requires:

1) Proven record of delivering projects on time and within budget
2) A history of managing a project in a multi-vendor environment.
3) 5 years of recent experience in managing IT projects in a government environment
4) 5 years experience creating and managing comprehensive project plans utilizing project management flows and tools.
5) 5 years experience managing large, complex multi-year systems development projects
6) 5 years experience performing scope management for projects, including a disciplined change control process.
7) 5 years experience performing issues management across multiple Departments.
8) 5 years experience creating and executing Implementation plans.
9) 5 years experience creating Quality Assurance processes and plans.
10) 3 years experience in verbal and written communication with clients and technical staff in English.
11) Excellent verbal and written communication skills
12) Preference will be given to candidates who possess a current professional certification in Project Management, such as the Project Management Professional (PMP) certification from the Project Management Institute or George Washington University.
13) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
14) Knowledge and understanding of the IT Governance Framework – COBIT
15) Knowledge and understanding of Information Technology Infrastructure Library (ITIL)

4) <u>Senior Business Analyst</u>

Serves as the communication bridge between non-technical business users and technical solution developers. The Senior Business Analyst has a depth of knowledge in business analysis processes including knowledge of methodology, tools, and techniques. The Business Analyst is responsible for analyzing the raw data gathered by the project team, applying the appropriate tools and techniques to create meaningful results. This individual is an active participant in aspects of department assessment, visioning, and reengineering.

Position requires:

1) Bachelor's degree in area of specialty and 5 years of experience in the field or in a related area.
2) Documented experience in performing requirements gathering sessions for systems implementations.
3) Documented experience creating technical roadmaps to develop and implement a complex system rewrite in a phased approach.
4) 5 years experience in systems analysis and design working with Unix and Windows operating systems, Oracle and/or Microsoft SQL Server databases and a wide range of web development technologies, such as: J2EE, Web Services, XML
5) 3 years experience in systems analysis and design working with a wide range of mobile application development technologies, such as: HTML 5, CSS, JavaScript, .Net and MEAP
6) 5 years experience in Enterprise middleware software like (but not limited to) messaging, workflow and business process automation solutions
7) 5 years (combined) experience working with Oracle, Microsoft SQL and IMS databases
8) 2 years experience in Web 2.0 technologies
9) 3 years experience working in a Mainframe environment
10) 3 years experience in verbal and written communication with clients and technical staff in English.
11) Excellent verbal and written communication skills
12) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
13) Skills and personal characteristics that enable them to deal successfully with a large variety of management personnel and users
14) Capability of giving attention to detail while still understanding and dealing with the global aspects of the project

5) <u>Senior Architect</u>

Full-time, onsite Senior Architect who will be responsible for providing technical expertise throughout the lifecycle of the project. This includes all tasks and deliverables previously identified.

Position requires:

1) Bachelor's degree in a related area and 5+ years of experience in the field or in a related area.
2) 5 years experience gathering and documenting business and functional requirements for complex web-based systems.

3) 5 years experience performing complex business task analysis to evaluate and document change requests
4) 5 years experience conducting peer reviews to validate business and functional requirements
5) 3 years leading review sessions to discuss draft documents and determine the appropriate revisions
6) 5 years experience create usability test plans
7) 3 years experience in creating test scenarios and testing scripts
8) 3 years experience documenting the results of usability testing
9) 3 years experience facilitating sessions in which clients review usability testing results.
10) 3 years experience working with end users in developing training plans to implement new web-based systems.
11) Expert level skills in MS Project, MS Excel, MS Word, MS PowerPoint, macros, charting
12) 3 years experience in developing solution architecture from business requirements, information architecture, and technical architecture
13) 3 years experience in developing business process models
14) 3 years experience in working with information architectures
15) 3 years experience in verbal and written communication with clients and technical staff in English.
16) Excellent verbal and written communication skills
17) Knowledge and understanding of the Software Engineering Institute's (SEI) Capability Maturity Model Integration (CMMI)
18) Knowledge and understanding of the IT Governance Framework – COBIT
19) Knowledge and understanding of Information Technology Infrastructure Library (ITIL)

6) **Senior Technical Writer**

The technical writer will be responsible for tasks and deliverables for the Development and Implementation RFP documents.

Position Requires:

1) Bachelor's Degree in a related area and 5+ years experience in technical writing
2) Documented experience in writing Request for Proposal (RFP) or Invitation to Bid (ITB) Documents. Preference will be given to those candidates with experience in RFPs/ITB writing for Information Technology projects whose budget was greater than $10,000,000 or whose timeline was greater than 3 years or whose scope involved the rewrite of a similar large, complex system as this one.
3) Documented experience in participating in the RFP evaluation and selection process for projects similar in size and scope to the Project
4) 3 years experience in verbal and written communication with clients and technical staff in English.
5) Excellent verbal and written communication skills

7) Project Scheduler

The project schedule will be responsible for the update of schedules for day-to-day tracking. This individual supports the Senior Project Manager using project management tools, techniques, and methodologies such as MS Project, MS Word, MS Excel, MS PowerPoint, Remedy and Tracker Tools to assist in the monitoring of individual tasks. The Senior Project Manager directs the daily activities of the Project

Scheduler. The Project Scheduler does many of the administrative tasks needed to monitor and report on the status of a release.

Position requires:

1) A history of working within a Project Control Office.
2) 2 year experience managing projects on system development projects.
3) 2 year experience with one or more structured development methodologies.
4) Experience in tracking and analyzing metrics as relevant to application management.
5) 3 to 5 years experience in creating and managing detailed project plans and schedules for the day-to-day tracking and oversight of deliverables within a project.
6) 2 years experience in verbal and written communication with clients and technical staff in English.
7) Excellent verbal and written communication skills

13. Knowledge Transfer/Transition

While the PCO services Contractor(s) will be working closely with DTMB staff in most cases, they are still required to provide documentation for any work that they do, which describes both what was done and why it was done in that fashion. In addition PCO services staff will be required to perform informal training to state staff on platform issues, applications written by the Contractor, and general data usage.

1.200 Roles and Responsibilities

1.201 Contractor Staff, Roles, and Responsibilities

Project Control Office Services Staff Requirements

1. Contractor(s) must manage and implement PCO projects with minimal State involvement.

2. Contractor(s) must provide services during normal working hours (Monday through Friday, 7:00 a.m. to 6:00 p.m. ET.) and possible night and weekend hours depending on position and project requirements. No overtime will be authorized or paid. The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project. Contractor(s) shall observe the same standard holidays as State employees. The State does not compensate for holiday pay. Contractor(s) will not be reimbursed for travel expenses or travel time.

3. Contractor(s) work is to be performed, completed, and managed in the Lansing, MI area:

4. Obtaining PCO Services

   The State after formalizing a comprehensive Work Request will facilitate the second tier selection process for each Contracting effort. A Work Request template will identify the statement of work, period of performance, deliverables, specific response information required, work evaluation and payment criteria, and any special terms and conditions.

   a. Contractor(s) must respond fully to a service request with the following candidate information within five (5) days of issuance by the State on the Bid4Michigan site. Responses must include:

- Resumes of qualified staff for each position the State has requested.
- Date of availability for each candidate.
- The results of two reference checks that the Contractor(s) has performed on the proposed individual, including the names and telephone numbers of the references themselves. At least one of these reference checks must be from a supervisor.
- Verification of a candidate's permission to work in the United States.
- Rate for each resume submitted. Rates may not exceed the rates in the Contract. However, the rates may be less, depending on the State's requirements, nature of the job market, and the candidate's abilities.

b. Contractor(s) may request clarification regarding the State's request during the response period. If the Contractor is unable to provide the personnel requested, the Contractor must record this fact in a written response to the State.

c. The State will evaluate the proposal, resumes and references of submitted candidates. Selection will be based on a best value evaluation using the criteria identified in the Work Request and the rate provided by the Contractor. The Contractor may be required to conduct an oral presentation of their proposal and approach. Other selection criteria or tools which may be in the best interest of the State may be utilized to make a selection.

   The State may contact the Contractor to request an interview with candidate(s). The Contractor will be responsible for setting up all interviews. At the State's discretion, the interview may be conducted over the telephone. The State may, at its discretion, request a face-to-face interview. In this case, all expenses travel or otherwise, resulting from such a request must be borne by the Contractor.

d. After selecting the resume(s) that present the best value to the State, the State will notify Contractor(s) regarding its selection.

5. Contractor(s) will be responsible for setting up all interviews between the candidates and DTMB/Agency management, if requested by DTMB.

6. Contractor(s) will provide a mechanism for expedited procurement of staff to meet a need for immediate replacement or for mission critical services.

7. Contractor(s) will ensure that the staff proposed for this assignment are fully trained and meet the skill set requirements of the job position being filled. The State makes changes to its technical architectures from time to time. If a Contract individual is assigned to a State project or support area and the technology associated with their assignment changes, the Contractor (s) are responsible for training in the new or changed technology (e.g., Contractor personnel needs training in a particular tool in order to perform their State assignment.) or providing new resources who are trained in the new tool, at the State's discretion. Contractor (s) or the assigned Contract staff may elect to pay for the training necessary to continue working on the assignment. The cost of the course, including any travel expenses, and the training hours will not be billable to the State.

8. Contractor(s) is responsible for providing a 30 day written notice to the State in addition to a plan for transitioning to a new resource including knowledge transfer in the event an individual is terminated or voluntarily withdrawn from an assignment. The State will not reimburse the Contractor for both the departing resource and the incoming resource

during the transition period. The State can request the Contractor replace the individual with an individual of equal or greater qualifications.

a. Contractor(s) staff will be subject to the rules, regulations, and policies of DTMB and the Michigan Department of Civil Service.

b. Contractor(s) staff assigned to work with restricted (a.k.a. sensitive) data have an obligation to safeguard and protect the confidentiality of such data. Further, if the staff member accidentally or purposefully releases restricted or sensitive data, the Contractor assumes full responsibility for any resulting penalties.

c. Contractor(s) assumes full responsibility for the acts of all subcontractors.

d. Contractor(s) may use subcontractors to fulfill requirements of the Contract. If subcontractors are employed, Contractor will pay subcontractors within 30 days of the Contractor's monthly invoice, to the extent that Ingenix's invoice includes work done by it's sub-contractors that meets the requirements of the corresponding subcontract, and as long as the State has not withheld payments to contractor due to the unsatisfactory performance of the sub-contractor.

e. Contractor(s) will ensure that staff exhibits professional conduct and act in the best interest of the State.

   Contractor(s) may not remove or reassign staff to other Contracts unless mutually agreed upon by the State and the Contractor(s). If staff is removed without compliance the State has the right to impose a monetary penalty of up to 1% of the previous month's invoice total as the State's sole and exclusive remedy.

On Site Work Requirements

Requirements:

1. **Location of Work**
   The work is to be performed, completed, and managed at the following locations:
   - State office buildings in the immediate Lansing, MI area.
   - Some professional services related to projects may be performed in the Contractor's office in the Lansing area on a case by case basis as mutually agreed upon.

2. **Travel:**
   a. No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by the Contractor.
   b. Travel time will not be reimbursed.

3. **Additional Security and Background Check Requirements:**
   Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff identified for assignment to this project.

   All proposed Contractor personnel for PCO services must satisfy the security requirements for the agencies in which they will be working—at the minimum signing the Agency security forms. In addition some Agencies (Treasury for example) require personnel to attend additional security training and agree to be bound by their requirements.

   In addition, proposed Contractor personnel will be required to complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC) Finger Prints, if required by project.

Contractor will pay for all costs associated with ensuring their staff meets all requirements.

1.202 State Staff, Roles, and Responsibilities

A. The State will provide the following resources for the Contractor's use:
- Work space
- Minimal clerical support
- Telephone
- PC workstation
- Printer
- Access to copiers and fax machine. This includes software licenses as appropriate.

B. A purchase order (PO) will be issued for all resources working under this Contract.

C. The State will notify Contractor(s) in writing if a senior resource is not performing at senior level. The Contractor(s) will be responsible for finding a senior level replacement, or will reduce the hourly rate for the person to that of a non-senior resource, at the discretion of the State.

1.400 Project Management - Reserved

1.600 Compensation and Payment

1.601 Compensation And Payment

A. Method of Payment

In each WORK REQUEST, DTMB will select or propose a method of compensation that it believes to be in the agency's best interests and /or most reasonable and feasible based on the circumstances under which the services are to be provided. Generally, contracts/work contracts, time and material factors such as the nature of the tasks to be performed, the duration of the project, the expected work products/deliverables, etc., will be taken into consideration in proposing and determining the appropriate method of compensation.

B. Travel

The State will not pay for any travel expenses, including hotel, mileage, meals, parking, etc., except on an exception basis as set forth in Section 1.601(C) below. Travel time will not be reimbursed.

C. Out-of-Pocket Expenses

Contractor out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates.

In the event travel is required, all travel reimbursement will be paid according to the State of Michigan's Standardized Travel Rates and Regulations. This information may be found at: http://www.michigan.gov/dmb/0,1607,7-150-9141_13132---,00.html

All air, car and hotel reservations must be made through the State Contract with Passageways Travel at (517) 333-5880 or (800) 915-8729. All original receipts must be included with your travel voucher and invoices, which must include the purchase order number. Failure to follow this policy will result in reduced reimbursement.

D. Purchase Orders

- The parties agree that the Services/Deliverables to be rendered by the Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work until authorized via a PO issued against this Contract. The Contractor shall perform in accordance with this Contract, including the Purchase Orders executed under it.

E. Invoicing

Contractor will submit properly itemized invoices to “Bill To” Address on Purchase Order. Invoices must provide and itemize, as applicable:

- Contract number;
- Purchase Order number
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Description of any commodities/hardware, including quantity ordered;
- Date(s) of delivery and/or date(s) of installation and set up;
- Price for each item, or Contractor’s list price for each item and applicable discounts;
- Maintenance charges;
- Net invoice price for each item;
- Shipping costs;
- Other applicable charges;
- Total invoice price; and
- Payment terms, including any available prompt payment discount.
- Hours worked and time period for invoiced hours.
- Name of Contracted employee.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

Article 2, Terms and Conditions

2.000 Contract Structure and Term

2.001 Contract Term

This Contract is for a period of five (5) years beginning December 1, 2012 through November 30, 2017. 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

This 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 five (5) additional one (1) year periods.

2.003 Legal Effect

Contractor accepts this Contract by signing two copies of the Contract and returning them to DTMB Procurement. The Contractor shall 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 this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

2.004 Attachments & Exhibits

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

2.005 Ordering

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

2.006 Order of Precedence

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.**

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 State agency and if the Deliverable/Service does not the 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 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

This Contract is issued by the Department of Technology, Management and Budget, Purchasing Operations (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and Contractual matters relating to the Contract. The Purchasing Operations Contract Administrator for this Contract is:

Joe Kelly, Buyer
Purchasing Operations
DTMB Procurement
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909

Kellyj11@michigan.gov 517-373-39932.022 Contract Compliance Inspector

The Chief Procurement Officer of DTMB Procurement directs the person named below, or his or her designee, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. **Monitoring Contract activities does not imply the authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract. Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contract Compliance Inspector for this Contract is:

Laurie Dawson, Senior Project Manager DTMBConstitution Hall
525 W. Allegan
Lansing, Michigan 48913
Email: Dawsonl4@michigan.gov
Phone: (517) 241-3951

2.023 Project Manager

The following individual will oversee the project:

Barb Dawson, Senior Project Manager DTMBConstitution Hall
525 W. Allegan
Lansing, Michigan 48913
Email: Dawsonb3@michigan.gov
Phone: (517) 241-3951

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

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

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

(1) Change Request at State Request
If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(2) Contractor Recommendation for Change Requests:
Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

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

(4) 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 this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(5) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by DTMB Procurement.

(6) 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 this 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 party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed

transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.
State:

State of Michigan
DTMB ProcurementAttention: Joe Kelly
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Government Consulting Resources, Ltd. (GCR)
762 S. Pearl Street
Columbus, OH 43206

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

2.028 Covenant of Good Faith

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

2.029 Assignments

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 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.

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 entity continues.

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 shall 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

DTMB Procurement retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by DTMB Procurement.

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

2.036 Freedom of Information

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

2.037 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 this Contract will 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 this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts, where such firm fixed price shall be expressed on an hourly rates by labor categories and in no event shall such rates exceed those set forth as not to exceed rates in Exhibit A attached hereto and incorporated by reference herein. 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 this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

2.043 Services/Deliverables Covered

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

2.044 Invoicing and Payment – In General

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

(b) Each Contractor invoice shall 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

shall 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 1.600**.

(c) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 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 shall 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 Chief Procurement Officer of DTMB Procurement. This activity shall occur only upon the specific written direction from DTMB Procurement.

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

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

2.045 Pro-ration

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall 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 this 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 party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

2.048 Electronic Payment Requirement

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at http://www.cpexpress.state.mi.us. As stated in Public Act 431 of 1984, all Contracts that the State enters into for the purchase of goods and services shall provide that payment will be made by electronic fund transfer (EFT).

2.050 Taxes

2.051 Employment Taxes

Contractor shall collect and pay all applicable federal, state, and local employment taxes, including the 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 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 this 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 this 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 this 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 Contract Compliance Inspector 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.

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

(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 will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its 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

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

2.065 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 agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other Contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, the Contractor will 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 this 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 agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

2.067 Contract Management Responsibilities

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services. Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the Project Plan is likely to delay the timely achievement of any Contract tasks.

The Contractor will provide the Services/Deliverables directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

2.068 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.

2.070 Subcontracting by Contractor

2.071 Contractor full Responsibility

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all Contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

2.072 State Consent to delegation

Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Technology, Procurement has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA 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 shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the mandatory flow down terms of this Contract identified in Section 2.074. 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 will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. A list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract is attached.

2.074 Flow Down

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

2.075 Competitive Selection

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

2.080 State Responsibilities

2.81 Equipment

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

2.082 Facilities

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 agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for 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 will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See http://www.michigan.gov/dit. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

2.092 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

Contractors with access to credit/debit card cardholder data must adhere to the Payment Card Industry (PCI) Data Security requirements. Contractor agrees that they are responsible for security of cardholder data in their possession. Contractor agrees that data can ONLY be used for assisting the State in completing a transaction, supporting a loyalty program, supporting the State, providing fraud control services, or for other uses specifically required by law.

Contractor agrees to provide business continuity in the event of a major disruption, disaster or failure.

The Contractor will contact the Department of Technology, Management and Budget, Financial Services immediately to advise them of any breaches in security where card data has been compromised. In the event of a security intrusion, the Contractor agrees the Payment Card Industry representative, or a Payment Card Industry approved third party, will be provided with full cooperation and access to conduct a thorough security review. The review will validate compliance with the Payment Card Industry Data Security Standard for protecting cardholder data.
Contractor agrees to properly dispose sensitive cardholder data when no longer needed. The Contractor will continue to treat cardholder data as confidential upon Contract termination.

The Contractor will provide the Department of Technology, Management and Budget, Financial Services documentation showing PCI Data Security certification has been achieved. The Contractor will advise the Department of Technology, Management and Budget, Financial Services of all failures to comply with the PCI Data Security Requirements. Failures include, but are not limited to system scans and self-assessment questionnaires. The Contractor will provide a time line for corrective action.

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 this Contract, is marked as confidential, proprietary or with a similar designation by the State. “Confidential Information” excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

2.102 Protection and Destruction of Confidential Information

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party’s Confidential Information to employees, vendors, and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) 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. The foregoing notwithstanding, Contractor and its Subcontractors may retain a single copy of Confidential Information in order to comply with contractual obligations and applicable professional standards. Information stored on routine back-up media for the purpose of disaster recovery will be subject to destruction in due course. Latent data such as deleted files and other non-logical data types, such as memory dumps, swap files, temporary files, printer spool files and metadata that can customarily only be retrieved by computer forensics experts and are generally considered inaccessible without the use of specialized tools and techniques will not be within the requirement for the destruction of records as contemplated by this paragraph.

2.103 Exclusions

Notwithstanding the foregoing, the provisions in this Section will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose 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 this Section 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 this 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 years after the Contractor provides any work under this 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. Books, records, documents and papers relate to timekeeping and expense reports.

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, and 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 will 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

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 invoices. If a balance remains after four 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.

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 this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.

(b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to the items in this 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 this Contract, on behalf of Contractor.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither the Contractor, nor any individual partner, principal, or employee who is proposed to provide direct services to the State under this contract, 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 this 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 days of learning about it.

(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by the financial statements, reports, other information. Since the respective dates or periods covered by the financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor.

(l) All written information furnished to the State by or for the Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.

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

(n) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after contract award, the Contractor is required to report those

changes immediately to the Department of Technology, Management and Budget, Procurement.

2.122 Warranty of Merchantability-Reserved

2.123 Warranty of Fitness for a Particular Purpose-Reserve

2.124 Warranty of Title

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

2.125 Equipment Warranty-Reserved

2.126 Equipment to be New-Reserved

2.127 Prohibited Products-Reserved

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 this 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 that may arise out of or result from the Contractor's performance of services under the terms of this 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 this Contract.

All insurance coverage provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance carried by the State.

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

The insurers selected by Contractor 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 this Contract must be issued by companies that have been approved to do business in the State.
See www.michigan.gov/dleg.

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.

☑ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on auto including, 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.

☑ 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 a self-insurer provides the applicable coverage, 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 one million dollars ($1,000,000.00) with a maximum deductible of fifty thousand dollars ($50,000.00).

☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars ($10,000,000.00), which 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: three million dollars ($3,000,000.00) each occurrence and three million dollars ($3,000,000.00) annual aggregate.

☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of 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 this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor(s) must fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

2.133 Certificates of Insurance and Other Requirements

Contractor must furnish to DTMB Purchasing Operations, 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 Number or the Purchase Order Number 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 coverage afforded under the policies WILL 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 Purchasing Operations, Department of Technology, Management and Budget. 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 insured 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 years following the expiration or termination for any reason of this 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 this 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 this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this 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 this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

2.142 Code Indemnification

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

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 this 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 this 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 this 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 will 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 this Contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this 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 this Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.

(c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

(d) If the State terminates this 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 this Contract for a termination for convenience.

2.153 Termination for Convenience

The State may terminate this 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 this 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 this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this 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 this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State must terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State 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

this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.

(c) If the State terminates this 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 this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract or subcontract.

2.156 Termination for Approvals Rescinded

The State may terminate this 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 will 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 this 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 this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) 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 this 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 this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this 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 this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement Contract or otherwise as the State may in its sole judgment deem expedient.

2.158 Reservation of Rights

Any termination of this 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

If the State breaches the Contract, and the Contractor in its sole discretion determines that the breach is curable, then the Contractor will provide the State 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 and repeated breaches.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the Contractor must discharge its obligations under **Section 2.160** before it terminates the Contract.

2.170 Transition Responsibilities

2.171 Contractor Transition Responsibilities

If the State terminates this 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 this 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 60 days. These efforts must include, but are not limited to, those listed in **Section 2.150.**

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 this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

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

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 this Contract. This must include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses 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, the termination provisions of this Contract must govern reimbursement. 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 will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.176 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to reconcile all accounts between the State and the Contractor, complete any pending post-project reviews and perform any others obligations 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**. 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 2.182**.

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 will 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 2.153**, 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**.**

2.190 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 this Contract. If the parties are unable to resolve any disputes after compliance with the processes, the parties must meet with the Director of Purchasing Operations, DTMB, or designee, for the purpose of attempting to resolve the dispute without the need for formal legal proceedings, as follows:

(1) 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.

(2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.

(3) 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.

(4) Following the completion of this process, the Director of Purchasing Operations, 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 will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable

limitations period, to preserve a superior position with respect to other creditors, or 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, and marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required 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

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

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

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

2.210 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 shall 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 this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The Contractor's liability for damages to the State is limited to two times the value of the Individual Statement of Work or $500,000 which ever is higher. The foregoing limitation of liability does not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

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

2.230 Disclosure Responsibilities

2.231 Disclosure of Litigation

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 might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor or the contractor and/or Subcontractor's ability to perform it obligations under te Prime Contract or Subcontract. 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. . 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.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

(a) the ability of Contractor (or a Subcontractor) to continue to perform this Contract according to its terms and conditions, or

(b) 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 this 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:

  (1) Contractor and its Subcontractors will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and

  (2) 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) Contractorwill disclose anything that would have a material impact to this contract.:

  (1)

2.232 Call Center Disclosure

Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information is a material breach of this Contract.

2.233 Bankruptcy

The State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish 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 this 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,** 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 Agreement (SLA)

(a) SLAs will be completed with the following operational considerations:

(1) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has been determined; Incident means any interruption in Services.

(2) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification or coordination.

(3) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. To invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(4) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following:

(i) Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

(ii) Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling 30 day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals must be rounded to two decimal places with five and greater rounding up and four and less rounding down unless otherwise specified.

2.243 Liquidated Damages - Reserved

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, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of 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

2.251 Delivery of Deliverables

A list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable") or a Custom Software Deliverable is attached, if applicable. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of this Contract.

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities, and, in the case of Custom Software Deliverables, System Testing to verify that the Deliverable is complete and in conformance with its specifications. Before delivering a Deliverable to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

In discharging its obligations under this Section, Contractor shall be at all times (except where the parties agree otherwise in writing) in compliance with Level 3 of the Software Engineering Institute's Capability Maturity Model for Software ("CMM Level 3") or its equivalent.

2.252 Contractor System Testing

Contractor will be responsible for System Testing each Custom Software Deliverable in Contractor's development environment prior to turning over the Custom Software Deliverable to the State for User Acceptance Testing and approval. Contractor's System Testing shall include the following, at a minimum, plus any other testing required by CMM Level 3 or Contractor's system development methodology:

Contractor will be responsible for performing Unit Testing and incremental Integration Testing of the components of each Custom Software Deliverable.

Contractor's System Testing will also include Integration Testing of each Custom Software Deliverable to ensure proper inter-operation with all prior software Deliverables, interfaces and other components that are intended to inter-operate with such Custom Software Deliverable, and will include Regression Testing, volume and stress testing to ensure that the Custom Software Deliverables are able to meet the State's projected growth in the number and size of transactions to be processed by the Application and number of users, as such projections are set forth in the applicable Statement of Work.

Contractor's System Testing will also include Business Function Testing and Technical Testing of each Application in a simulated production environment. Business Function Testing will include testing of full work streams that flow through the Application as the Application will be incorporated within the State's computing environment. The State shall participate in and provide support for the Business Function Testing to the extent reasonably requested by Contractor. Within ten (10) days before the commencement of Business Function Testing pursuant to this Section, Contractor shall provide the State for State review and written approval Contractor's test plan for Business Function Testing.

Within five (5) Business Days following the completion of System Testing pursuant to this **Section**, Contractor shall provide to the State a testing matrix establishing that testing for each condition identified in the System Testing plans has been conducted and successfully concluded. To the extent that testing occurs on State premises, the State shall be entitled to observe or otherwise participate in testing under this Section as the State may elect.

2.253 Approval of Deliverables, In General

All Deliverables (Written Deliverables and Custom Software Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which, in the case of Custom Software Deliverables, will include the successful completion of State User Acceptance Testing, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed. If Contractor fails to provide a Deliverable to the State in a timely manner, the State will nevertheless use commercially reasonable efforts to complete its review or testing within the applicable State Review Period.

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with this Section.

The State will approve in writing a Deliverable upon confirming that it conforms to and, in the case of a Custom Software Deliverable, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses without the need to furnish proof in substantiation of such general expenses; or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

The State, at any time and in its own discretion, may halt the UAT or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the review or UAT process and, in that event, Contractor will correct the deficiencies in such Deliverable in accordance with the Contract, as the case may be.

Approval in writing of a Deliverable by the State shall be provisional; that is, such approval shall not preclude the State from later identifying deficiencies in, and declining to accept, a subsequent Deliverable based on or which incorporates or inter-operates with an approved Deliverable, to the extent that the results of subsequent review or testing indicate the existence

of deficiencies in the subsequent Deliverable, or if the Application of which the subsequent Deliverable is a component otherwise fails to be accepted pursuant to **Section 2.080**.

2.254 Process for Approval of Written Deliverables

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

2.255 Process for Approval of Custom Software Deliverables

The State will conduct UAT of each Custom Software Deliverable in accordance with the following procedures to determine whether it meets the criteria for State approval – i.e., whether it conforms to and performs in accordance with its specifications without material deficiencies.

Within thirty (30) days (or such other number of days as the parties may agree to in writing) prior to Contractor's delivery of any Custom Software Deliverable to the State for approval, Contractor shall provide to the State a set of proposed test plans, including test cases, scripts, data and expected outcomes, for the State's use (which the State may supplement in its own discretion) in conducting UAT of the Custom Software Deliverable. Contractor, upon request by the State, shall provide the State with reasonable assistance and support during the UAT process.

For the Custom Software Deliverables listed in an attachment, the State Review Period for conducting UAT will be as indicated in the attachment. For any other Custom Software Deliverables not listed in an attachment, the State Review Period shall be the number of days agreed in writing by the parties (failing which it shall be forty-five (45) days by default). The State Review Period for each Custom Software Deliverable will begin when Contractor has delivered the Custom Software Deliverable to the State accompanied by the certification required by this **Section** and the State's inspection of the Deliverable has confirmed that all components of it have been delivered.

The State's UAT will consist of executing test scripts from the proposed testing submitted by Contractor, but may also include any additional testing deemed appropriate by the State. If the State determines during the UAT that the Custom Software Deliverable contains any deficiencies, the State will notify Contractor of the deficiency by making an entry in an incident reporting system available to both Contractor and the State. Contractor will modify promptly the Custom Software Deliverable to correct the reported deficiencies, conduct appropriate System Testing (including, where applicable, Regression Testing) to confirm the proper correction of the deficiencies and re-deliver the corrected version to the State for re-testing in UAT. Contractor will coordinate the re-delivery of corrected versions of Custom Software Deliverables with the State so as not to disrupt the State's UAT process. The State will promptly re-test the corrected version of the Software Deliverable after receiving it from Contractor.

Within three (3) business days after the end of the State Review Period, the State will give Contractor a written notice indicating the State's approval or rejection of the Custom Software Deliverable according to the criteria and process set out in this **Section**.

2.256 Final Acceptance

"Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.

2.260 Ownership

2.261 Ownership of Work Product by State

Except as set forth blow in Section 2.264 the State owns all Deliverables, as they are work 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

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 will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of 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 will 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.

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 will 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. The Contractor and Subcontractors, as applicable, retain all ownership rights in any proprietary methodologies, methods, processes, or procedures of the Contractor or Subcontractor that pre-exist or were developed outside the scope of this Contract. If any such property of Contractor or Subcontractor is contained in any of the Deliverables, the Contractor or Subcontractor, as applicable, grants to the State a royalty-free, paid-up, non-exclusive, perpetual license to use such intellectual property in connection with the State's use of the deliverables.

2.270 State Standards

2.271 Existing Technology Standards

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

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 (Michigan Delivery Extended Agreements Locally)

Public Act 431 of 1984 permits MDTMB 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. Unless otherwise stated, the Contractor must ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will 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 this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

2.282 State Employee Purchases – Reserved

2.290 Environmental Provision

2.291 Environmental Provision-Reserved

2.300 Deliverables

2.301 Software – Reserved

2.302 Hardware – Reserved

2.303 Equipment to be New-Reserved

2.304 Equipment to be New and Prohibited Products-Reserved

2.310 Software Warranties

2.311 Performance Warranty-Reserved

2.312 No Surreptitious Code Warranty-Reserved

2.313 Calendar Warranty-Reserved

2.314 Third-party Software Warranty-Reserved

2.315 Physical Media Warranty-Reserved

2.320 Software Licensing

2.321 Cross-License, Deliverables Only, License to Contractor -Reserved

2.322 Cross-License, Deliverables and Derivative Work, License to Contractor-Reserved

2.323 License Back to the State-Reserved

2.324 License Retained by Contractor-Reserved

2.325 Pre-existing Materials for Custom Software Deliverables-Reserved

2.330 Source Code Escrow

2.331 Definition -Reserved

2.332 Delivery of Source Code into Escrow-Reserved

2.333 Delivery of New Source Code into Escrow-Reserved

2.334 Verification-Reserved

2.335 Escrow Fees-Reserved

2.336 Release Events-Reserved

2.337 Release Event Procedures-Reserved

2.338 License-Reserved

2.339 Derivative Works-Reserved

2.400 Other Provisions - Reserved

Cost Table – Attachment A

Skill Level	Not To Exceed Hourly Rate
Project Control Office (PCO) Manager	$250.00
Senior Project Manager	$195.00
IV&V Project Manager	$215.00
Senior Business Analyst	$160.00
Senior Architect	$195.00
Senior Technical Writer	$195.00
Project Scheduler	$140.00
Organizational Change Management Consultant	$185.00
Database Analyst Sr.	$185.00
Database Analyst	$155.00
Technical Writer	$100.00
Testing Technician Sr.	$135.00
Testing Technician	$110.00
Quality Assurance Analyst Sr.	$215.00
Quality Assurance Analyst	$135.00
Project Manager	$165.00
Project Coordinator	$140.00
Business Analyst	$140.00
Training Specialist Sr.	$135.00
Training Specialist	$105.00

These are not to exceed, five (5) year rates that will be appropriately discounted as individual SOWs are issued.