



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 1
to
Contract Number 071B6600070

CONTRACTOR	Pace & Partners, Inc., dba Gud Marketing
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	Lansing, MI 48906
	Debbie Horak / Lisa Crumley
	(517) 267-9800
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	6524

STATE	Program Manager	Robin Lott	Treasury
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	Contract Administrator	Mary Ostrowski	DTMB
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CONTRACT SUMMARY

DESCRIPTION: Marketing and Advertising Services for Michigan Education Trust (MET) Treasury and Michigan Talent Investment Agency (TIA)

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 8, 2016	April 7, 2019	2- One Year	April 7, 2019
PAYMENT TERMS		DELIVERY TIMEFRAME	
2% 10 Net 30 except pass-through costs		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,190,000.00	\$800,000.00	\$2,990,000.00		

DESCRIPTION: Effective September 1, 2016, this Contract is:

- Increased by \$800,000 for State of Michigan Talent Investment Agency (TIA) use.
- Amended to include TIA's Statement of Work (SOW), and Program Manager, attached.
- Amended to include the following language in the Project Request Section of Exhibit A:
This Contract is available to other State Departments and MiDEAL members (authorized local units of government).
- Amended to include the following updated Payment Terms: 2% 10 Net 30 except pass-through costs.
- Amended to include the following language in Section 3.4.B of Exhibit A:
If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:
 - The legal business name; address; telephone number; a description of sub-contractor's organization and the services it will provide; and information concerning sub-contractor's ability to provide the

Contract Activities.

- b. The relationship of the sub-contractor to the Contractor.
- c. Whether the Contractor has a previous working experience with the sub-contractor. If yes, provide the details of that previous relationship.
- d. A complete description of the Contract Activities that will be performed or provided by the sub-contractor.
- e. Of the total Contract, the price of the subcontractor's work.

All other terms, conditions, specifications, and pricing remain the same. Per Contractor and Agency agreement, DTMB Procurement approval, and State Administrative Board on August 16, 2016.

Contract Number: 071B6600070

Change Notice Number: 1

**Program Managers
for
Multi-Agency & Statewide Contracts**

	AGENCY	NAME	PHONE	EMAIL
1	TREASURY	Robin Lott	(517) 241-3301	lottr@michigan.gov
2	TIA	Denise Flannery	(517) 373-4238	Flanneryd1@michigan.gov

STATE OF MICHIGAN

Contract No. 071B6600070 Change Notice 1
Marketing and Advertising Services – Talent Investment Agency

Talent Investment Agency Program Manager:

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**EXHIBIT A
STATEMENT OF WORK
CONTRACT ACTIVITIES**

PROJECT REQUEST

This is a Statement of Work (SOW) to amend the Contract for MET Marketing and Advertising Services to include MAT² Marketing and Advertising services for the State of Michigan Talent Investment Agency (TIA). This Contract is available to other State Departments and MiDEAL members (authorized local units of government).

SCOPE

The Contractor will assist in evaluating, developing, and implementing an advertising activities for the Michigan Advanced Technician Training (MAT²) program. These activities should increase awareness of MAT² while promoting the many program benefits by effectively delivering messages to maximize impact for the target audience and market.

The estimated annual budget is \$266,666.00. The Contract value will be set at \$800,000 for the approximate contract term of July 15, 2016 – April 7, 2019.

Main deliverables to be accomplished for TIA:

1. Develop a marketing strategy.
2. Identify and develop creative concepts as needed.
3. Conduct marketing research such as focus group testing, telephone or intercept surveys as needed.
4. Produce and duplicate media materials as needed.
5. Develop a media plan
6. Place media messages and conduct advertising tracking surveys
7. Provide results/recaps after each media campaign and work with stations if any make-goods are necessary.
8. Provide public relations services and counsel when required.

Target Audiences:

Target audiences for the MAT² Program are employers and students: The target audience of students include graduating high school seniors and non-traditional students which may include GED recipients and individuals with a High School Diploma who are still in a career search. For employers, the audience are those with talent needs in mechatronics, CNC, Technical Product Design and IT. The focus of the media buys should be media markets in southeast Michigan, Kalamazoo, Saginaw, Cadillac, and Flint.

The Contractor is fully staffed with project management, creative, production, web, public relations and outreach, social media and project management personnel in-house with full capabilities and capacity to provide the services of this contract.

In addition, the Contractor will ensure TIA the highest level of customer service and responsiveness for this additional scope of work, by assigning a unique account manager, Michelle Ntoko, as the project manager for this contract. She will work closely with the Contractor's traffic manager and the directors of all Contractor's departments/groups to schedule and organize resources efficiently and effectively to meet the needs of all contracts and projects.

- All projects and initiatives handled by the Contractor will be managed on a day-to-day basis collaboratively by the assigned project managers, their full-time traffic manager and directors of all service areas (account service, creative services, outreach and engagements, strategy and media).
- Resource needs to meet the State's needs and deadlines will be formally scheduled and tracked to ensure that all work is completed on time and on budget.

BACKGROUND

The Michigan Advanced Technician Training (MAT²) program is an innovative and industry-defined approach to education. Developed in conjunction with global technology leaders, the program combines theory, practice, and work experience to train a globally competitive workforce. Through the program, students earn an associate degree in a high-tech, in-demand field, with tuition costs paid by their employer; they receive on-the-job training with pay; and have a job upon successful completion of the program. MAT² addresses two critical issues facing the manufacturing and technology industries: a widening skills gap and an aging workforce. The program currently offers four programs: Mechatronics, IT, Technical Product Design, and CNC Machining.

The program is currently offered at the following colleges (subject to change): Baker College (Cadillac), Henry Ford College, Oakland Community College, Mott Community College, Delta College and Kalamazoo Valley Community College.

Current MAT² Marketing Activities:

To date, efforts to attract employers have been focused on hosting regional program informational events, ad placement in trade magazines, including Modern Machine Shop, Hydraulics & Pneumatics, and Cutting Tool Engineering to promote the program to CNC and mechatronics employers; ads in Cadillac Chamber of Commerce magazine; targeted email blasts to employers and ads in program booklets for various conferences targeted at manufacturers.

To target students, we have relied on regionally placed Career Jumpstart Liaisons to inform students of in-demand career opportunities and skilled trade programs such as MAT². Other efforts include: emails were sent by the Michigan Department of Education to Career and Technical Education (CTE) administrators and instructors; emails to the Michigan Parent Teacher Organization; ads in program booklets for various conferences targeted at teachers and school counselors; and promotion at First Robotics competitions.

Marketing collateral includes brochures for employers and students, employer and students ads for placement in magazines and various publications, and a Public Service Announcement. Videos and other material may be found at <http://www.mitalent.org/mat2-news>.

MAT² Promotional Messages:

Employers:

- Allows you to "grow your own" employees and ensure a future pipeline of qualified talent;
- Training students on in-house equipment;
- Standardized competencies and practices;
- Finding skilled talent to replace an aging workforce.

Students:

- College tuition paid for by an employer
- On-the-job training with pay
- An associate degree in a high-tech, in-demand field

- A job upon successful completion of the program

1. REQUIREMENTS

The Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- A. Develop a marketing strategy for the MAT² program.

Contractor's steps for developing a marketing strategy:

1. Step 1: Launch. The Contractor will facilitate a formal launch meeting with the two core teams (TIA and Contractor). This meeting will provide the opportunity to:
 - a. Identify and clarify all business and marketing goals and objectives for the periods (each enrollment period for at least the first year, with opportunity to discuss longer-term goals if they are relevant).
 - b. Share or exchange relevant information such as background, past marketing campaigns and metrics; survey data; qualitative findings (for example, focus group findings, interview findings); brand standards; ADA standards; compliance guidelines, etc.
 - c. Discuss timing requirements, milestones and deadlines.
 - d. Discuss logistics, review and approval requirements, preferred methods of communication, etc.

DELIVERABLES:

- 1) *Conference report of the meeting including all agreements made.*
- 2) *Detailed work plan for agreed-upon projects.*

2. Step 2: Background and materials audit. The Contractor will assign a small team to review all important background information, the MAT² website, and other materials, including existing campaigns and campaign performance reports.

DELIVERABLE:

Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.

3. Step 3: Secondary research.
 - a. The Contractor will catalog TIA's existing knowledge.
 - b. The Contractor will then conduct secondary research to add to and update the Contractor's existing knowledge, and identify and assess:
 - 1) Current best practices in the category from other states, other programs, etc.
 - 2) The competitive landscape.
 - 3) Secondary data that helps define and deepen the understanding of the target audience groups, their motivations and perceptions and their media habits. Potential sources include PRIZM and other omnibus surveys and resources.
 - 4) Marketing and advertising programs of leaders in the category and/or other education, recruitment or specific trades leaders.

DELIVERABLES:

- 1) *Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.*
- 2) *A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis that combines all the findings from steps 2 and 3.*

4. Step 4: Optional primary research (if recommended by Contractor and approved by TIA). The Contractor will conduct primary research depending on the results of steps 1, 2 and 3 above. The Contractor will recommend primary research if there are significant gaps in knowledge and understanding. Depending on the information needed, the Contractor will recommend either quantitative (survey) or qualitative (interviews or focus groups) research, or both, to provide needed inputs into campaign strategy.

- a. Survey research can be used to quantify information; for example, perceptions of skilled trades professions and cost of college among target audience groups, relative size of different target audience segments, etc.
- b. Focus groups or interviews can be used to explore thoughts, beliefs and feelings more deeply and are often used to help craft campaign messaging and creative direction.

DELIVERABLES:

- 1) *Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.*
- 2) *SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis that combines all the findings from steps 2, 3 and 4 (replaces the SWOT in step 3).*
- 3) *Presentation of all work to this point for TIA core team and others as appropriate. Presentation will summarize key findings and implications from the Discovery and Insights phase of the Contractor's work and provide an opportunity for TIA staff to respond and provide input for the next phase – strategy development.*

5. Step 5: Develop creative and strategy brief.

The Contractor will consolidate and summarize all the findings in the initial exploratory and research steps into a creative and strategy brief for review and approval by TIA. The brief will include relevant insights from the audit and secondary and primary research that are critical to the development of marketing strategy for the MAT² program. Similarities and differences between target audience groups, their motivations, potential calls to action and other findings that provide for a deep understanding of the audience groups and their relationship to skilled trades professions will be detailed.

DELIVERABLE:

Creative and strategy brief document for discussion, review and approval that includes detailed customer profiles and critical information that will guide the Contractor as it begins its work of developing impactful and efficient strategies for reaching the target audiences.

6. Step 6: Develop marketing strategy per the brief.

The Contractor will convene its core strategic team (director of strategy, creative director, director of content and social media, account manager) and other Contractor resources as necessary to develop the recommended marketing strategy for review by and approval of TIA. The marketing strategy will address such points as:

- a. Goals and objectives
- b. Target audience definition and motivations presented in a way that explains the audience's current beliefs and perceptions and what TIA wants them to understand, know and believe
- c. The key messages for each target audience group that will help them shift their current beliefs and perceptions to the desired state of knowledge and beliefs
- d. Recommended strategies and tactics with accompanying calendar and budget
- e. High-level media recommendations
- f. Recommended metrics for campaign evaluation

Marketing strategy will be led by the Contractor's in-house research, planning and strategy group and will be developed with a strong foundation in research and fact-finding. It will be directed by Contractor's Director of Strategy. The team will work collaboratively and independently in brainstorming and vetting ideas, which are then evaluated and built into a strategy document for presentation, discussion, review and ultimate approval by TIA. The work done in the Discovery and Insights phase (audit, secondary research and primary research) and then consolidated into the strategy brief will provide the criteria by which the strategic ideas will be assessed. The proposed strategy is routed through and reviewed by multiple Contractor staff to assure it provides the best possible recommendations.

The Contractor will place an emphasis on understanding the target audience, including the needs, knowledge, attitudes, beliefs, values and practices of its members, in order to provide them with the information, motivation or exchange that is most relevant and valuable to them.

DELIVERABLE:

Marketing strategy document that details Contractor's recommendations for target audience groups, high-impact key messages that will resonate with the target audience groups, strategies and tactics to reach them, and a corresponding calendar and budget recommendation and evaluation metrics.

B. Identify and develop creative concepts for the MAT² program as needed.

1. The Contractor will be responsible for developing or modifying advertising/marketing/creative concepts and direction (including but not limited to 30-second TV and 30- and 60-second radio spots).

Contractor's creative concepting approach:

- a. Step 1: The team will be launched with a detailed creative brief document that is formulated based on the findings of the steps contained in the Discovery and Insights phase and an understanding of the strategic plan and brand standards.
- b. Step 2: The Contractor will conduct exploratory focus groups during the Discovery and Insights phase specifically to provide input to the process for creative concepting. The Contractor will listen to representatives of the target audience talk directly about their thoughts, feelings, perceptions and motivations
- c. Step 3: Multiple creative teams (pairs that include some combination of account planner, copywriter and art director) work together to develop many ideas, which are presented and evaluated by the larger team.
- d. Step 4: Creative concepting will include many rounds of development, review, new ideas, review, more new ideas, etc., until the best ideas rise to the top and are ready for presentation to TIA and/or for testing depending on the agreements made about the process at the launch meeting.
- e. Step 5: The Contractor will start with broad, high-level concepts that will work in any media and then adapt the approved concept to the appropriate media. Once the broad concept direction is approved the Contractor will immediately apply it first to 30-second television and then to 30- and 60-second radio.
 - 1) TV spot development will begin with a treatment, an overall description of how the ad will flow, the tone of the ad, the general message and general visuals.
 - 2) Once the treatment is approved, the Contractor will write a script that conforms precisely to the timing requirements.
 - 3) The Contractor may develop storyboards in the form of illustrations displayed to help TIA visualize the sequence of the TV spot.
 - 4) Once the script and storyboards are approved, the production process begins.

The relevance and resonance of the creative with the target audience will be informed by the Discovery and Insights phase of the Contractor's process.

DELIVERABLE:

Two creative concept directions presented as "advertising-like objects," or ADLOBS, that include a campaign theme, benefit or tagline; potential headlines; supporting copy points or key messages; and visual direction.

2. All creative concepts/materials/productions must be copyright free, including non-rights managed visual materials (to be used in print, online and other forms) and full buy-out (unrestricted use) of talent in all Michigan media (broadcast, cable, and online) for a minimum four (4) year period. The Contractor must ensure that, in negotiations of talent rights, the State will be signatory on all talent/property rights. In cases where rights managed materials may actually be more affordable than creating original materials for the purpose of buyout, these instances can be evaluated on a case-by-case basis and will be flagged by the Contractor for

review. In cases where copyright cannot be transferred directly to the State, the Contractor will negotiate rights for unlimited statewide use for a period of four years or greater. Rights managed material that may be more cost-effective could include library music, stock photography and celebrity voice-over or on-camera talent.

- C. Conduct marketing research such as focus group testing, telephone or intercept surveys as needed.
1. The Contractor is responsible for conducting market research, as appropriate, to better assess the target populations that the State is trying to reach with its communication efforts. This market research may include the use of marketing databases such as Prizm, intercept surveys, focus groups, observational research, and other tools as approved to help determine/refine message and creative strategies.

The Contractor will always include secondary research as part of their development process. If TIA initially determines that primary research will be important from their perspective, the Contractor will begin the research process at the launch meeting. If not, the Contractor will make a determination during the audit and secondary research steps of their process and present a recommendation for research.

Contractor's Research Approach:

- a. Step 1: Define the research in detail. The Contractor will build out the initial plan in more detail. The Contractor will work through the following issues/questions and make recommendations with TIA checkpoints and approvals along the way.
 - 1) Clarify/confirm research goals and objectives. (What does TIA want to accomplish with the research?)
 - 2) Outline information needs/requirements from the research findings. (What will be learned from the research?)
 - 3) Determine appropriate methodology. (How should the Contractor conduct the research? Do the goals lend themselves more to qualitative or quantitative methodology? Which precise methodology is best for this project?)
 - 4) Define in detail the sample requirements. (Whom should the Contractor conduct this research with; who should be communicated with and why?)
 - 5) Develop a schedule to ensure that the research findings are timely. (When does the information need to be in order for it to have an impact on the work?)
- b. Step 2: Identify a field subcontractor. The Contractor will work with a subcontractor who fields the research. The Contractor will lead all of the development activities and are responsible for the "front end," but will work with a subcontractor for the "back end" of the process such as survey coding, respondent recruitment, data cleaning and tabulation.
- c. Step 3: Develop and approve respondent screeners that determine who qualifies to complete the survey or participate in the interviews/focus groups.
- d. Step 4: Develop the questionnaire (Survey only) or moderator guide (Focus groups only). Construct the questions and the flow of the survey or discussion.
- e. Step 5: (Survey only): Program the survey. Once the questionnaire is developed, a fielding subcontractor will work to program it into the system, accounting for the proper ordering of questions and skip patterns, as needed.
- f. Step 6: (Survey only): Pretest the survey. The survey will be pretested by representatives from the Contractor, the research fielding firm, TIA, etc., to ensure that the questions are programmed correctly and in the correct order.
- g. Step 7: Execute the research.
 - a. In the case of a survey, the survey will be deployed to respondents who satisfy the screening criteria. The Contractor will track completions daily, in terms of total

completes and to ensure that the Contractor is satisfying any sample quotas for specific groups that are needed to have represented.

- b. In the case of focus groups or interviews, respondents are recruited to participate and invited to attend a group discussion or interview on a specified day and at a specified time.

- h. Step 8: Analyze the results and report the findings. The Contractor will conduct a thorough analysis of the findings of the research with special attention to the conclusions and implications that will inform the campaign.
 - a. In the case of a survey, the data are cleaned first and then tabulated for review.
 - b. In the case of focus groups or interviews, key findings are outlined and described.

DELIVERABLE:

Presentation of research findings and implications to TIA in the form of a written report document and, if requested, a PowerPoint or Keynote presentation for a larger group.

The Contractor will discuss and agree to the need for and scope of any primary research and its implications to timing and budget with TIA at the project launch.

D. Produce and duplicate media materials as needed.

1. The Contractor is responsible for producing internet project deliverables in support of TV and radio messaging, including repurposed-TV ads, banner ads, rich media ads, splash pages, etc.

The Contractor's process for completing work incorporates the following steps, which will be managed jointly by the Account Manager and Traffic Manager. The Contractor will use the management software system, Workamajig, to help manage workflow and other Contractor functions.

The Contractor's steps for producing and duplicating media materials:

- a. Step 1: Once the marketing strategy plan, media recommendations and creative direction have been approved, The Contractor's account manager will finalize the work plan, then campaign deliverables are identified and scheduled. The final work plan and schedule will be sent to the State and shared internally for the entire team.
 - b. Step 2: The Contractor's Account Manager will launch the internal team with a project/creative brief that provides important guidelines for the team to meet the deliverables.
 - c. Step 3: The Contractor's Account Manager and Traffic Manager work with the team daily to ensure that the proper resources are assigned and that review dates and deadlines are being met.
 - d. Step 4: As each creative deliverable is completed, it will be routed through the appropriate Contractor staff to assure fidelity to project goals, strategy, specifications, quality standards, production readiness, etc.
 - e. Step 5: All creative deliverables will be reviewed with TIA for approval.
 - f. Step 6: Requested changes will be made and final deliverables will be sent to TIA for final approval. All creative will be proofed multiple times throughout the process, and will always undergo a final proof as the last step.
 - g. Step 7: Final approved deliverables will be trafficked to the appropriate media source for placement.
2. The Contractor is responsible for producing other project deliverables including billboards, posters, banners, flyers, e-mail marketing messages, etc.

The Contractor has complete in-house creative and production capabilities and will use their creative director, production manager, traffic manager, web designer/developer, copywriters, art directors, graphic designers and production artists. The Contractor's process for completing work incorporates the following steps, which will be managed jointly by the Account Manager and Traffic Manager. The Contractor will use their management software system, Workamajig, to help manage workflow and other Contractor functions.

The Contractor's steps for producing other project deliverables:

- a. Step 1: Once the marketing strategy plan, media recommendations and creative direction have been approved, the Contractor's Account Manager will finalize the work plan so all campaign deliverables are identified and scheduled. This final work plan and schedule will be sent to TIA and shared internally for the entire team.
 - b. Step 2: The Contractor's Account Manager will launch the internal team with a project/creative brief that will provide important guidelines for the team to meet the deliverables.
 - c. Step 3: The Account Manager and Traffic Manager will work with the team daily to ensure that the proper resources are assigned and that review dates and deadlines are being met.
 - d. Step 4: Each creative deliverables completed will get routed through the appropriate Contractor staff to assure fidelity to project goals, strategy, specifications, quality standards, production readiness, etc.
 - e. Step 5: All creative deliverables will be reviewed with TIA for approval.
 - f. Step 6: Requested changes will be made and final deliverables will be sent to TIA for final approval. All creative will be proofed multiple times throughout the process, and will always undergo a final proof as the last step.
 - g. Step 7: Final approved deliverables will be trafficked to the appropriate media source for placement.
3. The Contractor must direct and coordinate television and radio production and review all aspects including budgets, casting, music, and special effects with TIA.
 - a. The Contractor is responsible for shooting, recording, editing, and post-production.
 - 1) The Contractor will direct and manage all aspects of the production of approved concepts and scripts, including talent, music, crew, lighting, location and budget. The Contractor will utilize subcontractors for video and audio production
 - 2) Contractor's steps for video and audio production include:
 - a) Step 1: Creative brief – guides all execution
 - b) Step 2: Kickoff meeting with the production team
 - c) Step 3: Script development
 - d) Step 4: TIA review and approvals
 - e) Step 5: Production bids
 - f) Step 6: Development of storyboards, locations and props (video)
 - g) Step 7: Casting, SFX, music selections
 - h) Step 8: Final scriptwriting
 - i) Step 9: Client review and approvals
 - j) Step 10: Production recording
 - k) Step 11: Post-production edit
 - l) Step 12: Final TIA review and approval
 - m) Step 13: Distribution

- 3) The Contractor's Creative Director will serve as executive producer and will be responsible for strategic oversight, guidance, and coordination of all shooting, directing, recording, editing, and post-production to ensure creative excellence. For production the Contractor will utilize subcontractors that meet the Contractor's quality standards and work ethic.
 - 4) For every step of the process, TIA will be invited to have as much or as little participation as they wish; for example, with regard to approving locations, talent, music, editing, etc., prior to final production.
 - 5) For broadcast deliverables (such as TV, video and radio), a final approved script will be required before production begins.
 - 6) The Contractor will audition talent on screen and scout locations. The Contractor will manage subcontractors to provide any other support necessary for success, including props, extras, etc.
 - 7) The Contractor will conduct a minimum of two rounds of edits for each video or audio spot, based on TIA feedback. The Contractor will tightly manage the work in the editing studio to ensure that the process is timely and cost-effective.
 - 8) The Contractor will utilize talent agencies and individuals who offer a variety of options for the voice talent needs. Once the creative team has identified the type of voice needed, the Contractor will audition several voice talents and make a final selection. The Contractor's Production Manager will negotiate the contract requiring unlimited use licensing, and then will coordinate timing. The Contractor's Creative Director will be present for recording to assure fidelity to creative vision and script.
 - 9) The Contractor will utilize an experienced pool of talent including talent agencies and individuals with modeling, acting, performing, and voice recording experience. The Contractor's creative team and production manager will work together to identify and retain the best talent based on the goals, objectives, and budget of the project. The Contractor's Production Manager will handle all necessary arrangements with talent, including timing and travel.
 - 10) For animation, The Contractor will work with several talented subcontractors who specialize in animation and animation editing. The Contractor will originate the concept and look of the animation; the Art Director will develop key designs and still frames, and will supply these to the subcontractor. The subcontractor will then execute final animation, with management from the Contractor's creative team.
 - 11) The Contractor's scripts will identify the intended audio components. Prior to production, the Contractor will work closely with a production studio subcontractor to identify the perfect theme or audio components needed to bring the concept fully to life.
- b. The Contractor must deliver both rough cuts and finished spots to TIA for final approval within the timeframe defined by TIA but no less than one (1) working day.
- 1) The Contractor will include TIA in multiple stages of production to ensure that approvals are met on time and that issues are spotted early enough in the process to be corrected.
 - 2) The Contractor will show rough cuts in person with TIA and essential stakeholders, unless otherwise directed by TIA, to talk about all changes for the final version.
 - 3) The Contractor will share video on Vimeo, where TIA can review further.

- 4) The Contractor will deliver final video on a USB miniature hard drive in both high resolution formats for presentations and internal reviews and low resolution formats for sharing and social media.
- c. The Contractor is responsible for producing and duplicating media materials as needed in a variety of digital formats as required to meet the specifications of Michigan's broadcast and cable television and radio stations which may include, Beta, Digital Beta, wmv files, mov files, mp3 files, etc.
- 1) The Contractor's Traffic Manager, Production Manager and Media Director will work together to ensure that all jobs have complete specifications on file, and deliver accordingly. The Contractor will work with subcontractors to provide nontraditional and legacy formats, if needed.
 - 2) The Contractor will work closely with their production studio subcontractors to execute TIA's duplication needs. The Contractor's Production Manager will coordinate the creation of "dubs" with the production studio and will work with the Media buyer to ship the dubs to each media outlet, based on the approved media schedule. (Typically, broadcast dubs are shipped as digital files.) The Contractor will maintain a master file of each TV and radio spot the Contractor produces.
 - 3) The Contractor guarantees distribution and delivery by utilizing the following key tools:
 - a) Insertion orders will be created and sent to each media vendor outlining the agreed-upon cost, deadlines, and deliverables.
 - b) The Contractor's traffic manager will next work with Workamajig and the creative and production teams to ensure accurate execution and delivery.
 - c) Workamajig is a fully integrated web-based Contractor management system. This system will integrate all Contractor functions into a seamless system: TIA service and project management, accounting, creative management, production management, traffic and media.
 - d) The Contractor will utilize the following disclaimer to ensure file integrity: "Any alterations to this file by anyone who is not a staff member of Gd Marketing will result in non-payment."
 - e) The Contractor will require confirmation emails from all media vendors upon acceptance of materials, including the disclaimer.

E. Develop a media plan for the MAT² program.

1. The Contractor is responsible for developing a comprehensive media plan for the MAT² program and the appropriate target audiences, messages, message strategies, and communication vehicles that help meet stated objectives. The Contractor must provide the plan and update this plan as required by the TIA Program Manager throughout the fiscal year.

The Contractor will detail how, where and when the campaign will reach the target audience(s).

The Contractor will recommend in detail which media vehicles should be used, and in what proportion and priority, to reach the diverse audiences identified as important by TIA.

The Contractor's secondary and primary (if performed) research steps will inform the media plan. This research will help the Contractor and TIA understand underlying perceptions, thoughts, feelings and motivations of the target audiences and provide insights into their media consumption habits. The Contractor will leverage key themes and findings from creative testing to build effective messages for the audiences and will outline appropriate media vehicles to reach these audiences.

The Contractor will start with PRIZM. This tool helps will help identify target audience, geographic location and best ways to reach this audience within the identified location(s). PRIZM provides specific recommendations based on the highly targeted audience. Key media will include a breakdown of media type, suggested publications, TV shows, radio stations, websites, etc., and frequency for each specific tactic.

The Contractor will engage media partners to determine the opportunities that best align with the marketing objectives. As part of the media request, the Contractor will require rating information from each vendor.

The Contractor will assess all proposals as they are received, using evaluation and planning tools, such as STRATA and SQAD. These tools will be used pre- and post-buy.

- 1) STRATA will be used to efficiently manage all media types, including broadcast, cable, newspaper, radio, outdoor and digital advertising. This program collects, organizes and reports on all Contractor's past and current campaign experience.
- 2) SQAD will provide broadcast, cable and radio media cost data. The SQAD Database will ensure the Contractor and TIA transparency in the media marketplace. This data collection is derived from Nielsen, Arbitron and records of actual placed media. It dates back 16 rolling quarters for in-depth analysis of past rating trends. It will also create forecasting algorithms to help the Contractor budget and plan up to four quarters into the future. If SQAD skews high in Michigan markets, the Contractor will negotiate accordingly.
- 3) SQAD TV data includes all markets, 67 demographics, eight day parts, three levels of costs and actual purchased cost per points (CPPs) and cost per millions (CPMs) for the current quarter plus projections for the next four quarters each month. This comprehensive set of data will allow for complete and accurate post-buy comparisons. Data is reported in May (1Q), August (2Q), November (3Q) and February (4Q), and include all demos, day parts and markets, as well as average, low and high cost per points.
- 4) SQAD Radio has all markets, 38 demographics, seven day parts, including weekends, three levels of costs and CPPs and CPMs for actual purchased CPPs, and CPMs for the current quarter, plus projections for the next four quarters each month.

The Contractor will work closely with digital partners. The Contractor will provide them with target audience definition and insights about their habits and preferences. They will provide the Contractor with data and recommendations to evaluate and refine until the best is agreed upon by TIA and the Contractor.

The Contractor will create a detailed planning report for TIA's review and approval that will include all of the important and relevant information requested by the RFP, such as the paid media budget, target audience definition, schedule and flight dates, geography and media markets, advertising units and media weight (GRPs).

- a. The Contractor's media plan for paid advertising must outline:
 - 1) Paid media budget.
 - 2) Target audience.
 - 3) Flight dates.
 - 4) Geography/media markets.
 - 5) Advertising units.
 - 6) Media weight (gross rating point/GRP) levels and expenditures for each medium in each market.

The Contractor will create custom reports for each flight of the MAT² plan. The Contractor will help organize the data with use of maps, graphics, and tables.

2. The Contractor is responsible for developing, managing, and executing social media/new media strategies and deliverables to complement advertising and earned media campaigns.

Contractor's process and considerations for developing social media strategies:

- a. Participating in campaign launch meetings.
 - b. Reviewing overall marketing goals and objectives for campaign.
 - c. Based on marketing goals, determining social media/new media objectives that would assist in achieving those overall goals.
 - d. Determining measures of success and reporting metrics that will be used to report success to TIA.
 - e. Consulting in work plan and media planning stages to determine what earned and/or paid social and new media tactics should be included to aid in the determination up front, what will be needed, so social media works cohesively with the advertising or earned media campaigns (i.e., conversion needs for website, social sharing opportunities, additional content development, etc.).
 - f. Researching audit of industry best practices online, current TIA assets and online audiences, and potential competitors' online performance and current campaigns.
 - g. Developing social media and new media strategic plan, calendar and budget that will best promote advertising campaigns and deliver earned media campaigns to online audiences. This may include recommendations of new social channels based on goals and audience research.
 - h. Continued value-added opportunities initiated throughout the campaign to help make it a success.
 - i. Campaign implementation, ongoing monitoring and optimization of campaign while in market.
 - j. Based on TIA needs this may also include assisting in responding to and engaging and/or training TIA teams on execution of implementation deliverables.
 - k. Ongoing reporting throughout campaign and final campaign results presented based on success metrics.
3. The Contractor must identify the resources that will be used to develop media plans, including Mediamark Research & Intelligence (MRI) or Simmons Market Research Bureau (SMRB), Scarborough or Media Audit, PRIZM, Nielsen, Arbitron, and Nielsen Net ratings.
- a. The Contractor will cross-reference data from a combination of research tools to provide comprehensive insight and campaign analysis. PRIZM, Experian Simmons and Rhizalytics will assist in identifying target audience, geographic location and best ways to reach the audience within the identified location(s). Each tool provides specific recommendations based on the highly targeted audience. Key media will include a breakdown of media type, suggested publications, TV shows, radio stations, websites, etc., and frequency for each specific tactic.
 - b. The Contractor will engage media partners to determine the opportunities that best align with the marketing objectives. As part of the media request, the Contractor will require rating information from each vendor (Nielsen, Arbitron, Rentrack).
 - c. The Contractor will assess all proposals as they are received, using evaluation and planning tools, such as STRATA and SQAD. These tools are used pre- and post-buy. STRATA will be used to efficiently manage all media types, including broadcast, cable, newspaper, radio, outdoor, and digital advertising. This program will collect, organize, and report on all of the Contractor's campaign experiences. SQAD will provide broadcast, cable and radio media cost data derived from Nielsen, Arbitron and records of actual placed media. If SQAD skews high in Michigan, the Contractor will assess plans accordingly.
4. The Contractor must inform TIA, in writing, and evaluate as requested any special or unique media placements or opportunities with detailed deliverables and rationale.
- a. The Contractor will actively seek out special media placements. The Contractor will participate in ongoing in-person meetings with media partners to stay connected and

aware of special and unique media placements and opportunities in each market.

- b. The Contractor will evaluate special and unique media opportunities with the same level of scrutiny and care as the initial flight schedule. The Contractor will ensure that each opportunity fully aligns and adds value to the campaign objectives. Note that special and unique media opportunities may apply to trade publications, local business or other publications, or events that are relevant to our target audience groups, but not measured by standard media measurement tools. These unique opportunities will be evaluated on a case-by-case basis by Contractor's Media Director using information provided by the publications and third-party information where available.
- c. The Contractor will include how each potential special placement or opportunity fits strategic campaign timing, the target audience, its media value and impact on other media vehicles currently in market in their evaluation.
- d. The recommendation will include clearly defined deliverables, timing and support for the recommendation. The Contractor will include detailed information regarding each placement's impact on the overall media strategy and other media vehicles currently in market in the rationale.
- e. Upon approval from TIA, the Contractor will implement the plan. Verification of all deliverables will be included in campaign reporting to TIA, such as traditional media metrics (reach, frequency, GRPs), message quality metrics (tear sheets, air checks, screenshots), digital and social media metrics (click-thru rate, engagement tactics, bounce rate, impressions, etc.), earned media reporting and event attendance.

F. Place media messages and conduct advertising tracking surveys during enrollment period(s).

1. The Contractor is responsible to buy and negotiate radio and television air time, publication space, outdoor and transit space, direct mail services, and any other media used for advertising and promotions projects.
 - a. The Contractor will engage in deep negotiation for individual placements once the media plan is approved by TIA. The Contractor will provide the media vendors with target audience goals, reach and frequency/impression goals, and the ultimate goals of the campaign, and will be asked to provide recommendations for media placements, promotions, inventory and budget.
- 1) After a review of requests for proposal/inventory responses from qualified, reputable vendors, the Contractor will negotiate to obtain the best value (including discounts and bonus placements) and positions for TIA with each individual vendor, and build a media and schedule buy that meets the criteria agreed upon in the media plan. The Contractor will conduct multiple rounds of back-and-forth negotiation.
- 2) Once the Contractor has reached agreement with the media vendor, the buy will be considered completed. Signed orders will be dispatched to all vendors and a detailed schedule will be provided to TIA, listing purchased stations, publications and websites with spot schedules/impressions, discount/bonus value and timing. With the signed orders, the buy is considered "placed."
- 3) After the buy is placed and while it is airing, the Contractor will stay in close contact with vendors to ensure that schedules run as ordered. The Contractor will review screenshots for web placements and tear sheets for print placements, and will listen to air checks for radio spots to validate that creative is running correctly.
- b. Media performance will be monitored throughout the buy, and the Contractor will optimize as needed. Detailed media performance documents will be provided to TIA at regular intervals.

- 1) If the Contractor uncovers any inconsistencies in quality, the Contractor will negotiate restitution value above the original order.
- 2) The Contractor's Media Director will review every vendor invoice against the buy to ensure that full agreed-upon value has been received before authorizing for payment. Once third-party rating books (Arbitron, Nielsen) have been released that coordinate with the advertising periods, the Contractor will post actual ratings against station-supplied estimates/projections. The Contractor will require any station that falls short on point delivery to provide a make-good schedule to ensure that full agreed-upon value is received.

Contractor's Process for Direct Mail Services:

- a) Database Development: The Contractor will develop and recommend the date needed in order to develop a meaningful dialog with the target audiences online, via mobile, by mail, by phone or in person. The Contractor will take into consideration information that will support the campaign objectives and messaging when selecting data lists or reviewing TIA lists, such as:
 - Name of individual and/or organization
 - Email address
 - Social handles, e.g., Twitter
 - Mailing address, including ZIP code
 - Telephone number (mobile or landline)
 - Relevant demographic data, e.g., age, gender, marital status and lifestyle data and household size
- b) The Contractor will leverage the following if the information directly correlates to the lifestyle or attitudinal information about the target audience learned from research:
 - Recency/frequency/monetary purchase history by date, dollar amount, by product
 - Relevant organizational data, e.g., SIC (Standard Industrial Classification) code, size of firm, revenues, number of employees
 - Source of inquiry or order
 - Date and purchase details of first inquiry or order
 - Credit history and rating (scoring)
- c) Mail Lists: The Contractor will determine the type of mailing list: compiled (information taken from directories, magazine subscriptions, phone books, motor vehicle records, etc.) or direct response lists (information of people who have bought or responded to direct marketing). The Contractor will provide selection criteria (from the database development) that include such items as demographics, SIC selections, desired income or sales, number of employees, age, sex, etc., and then will work with a list broker to secure the list.
- d) Determine the Offer or Call to Action: The Contractor must provide a clear and concise offer and it must:
 - Fulfill a perceived need
 - Have a good perceived value, especially relative to competitors
 - Be practical
 - Be unique
 - Be appropriate for the customer and the brand
 - Have a clear connection with the brand
- e) Creative Brief: The creative brief will include direct mail as a deliverable and will give the creative team a realistic view of the role of direct mail in the campaign and what it is expected to achieve.

- f) Content, Layout and Design: The Contractor will ensure all elements are developed as a cohesive package. The Contractor will work with the USPS to consider the final handling and postage costs as part of the design.
 - g) Postage: The Contractor will select the correct postage to deliver on time and within budget. The Contractor will take into consideration bulk shipping or “trucking” mail to postal sorting locations.
2. The Contractor is responsible for advertising placement, negotiation of matching spots, value added, bonus, and other means to further advertising reach, as well as follow-up reporting to include invoice reconciliation, and audience delivery assessments with an objective of receiving plus or minus 10 percent of the Gross Rating Points (GRP) goal in the proposed media buy.
 - a. The first type of value-added the Contractor will negotiate is additional inventory, similar in kind and quality to the core contract. The Contractor will maximize inventory as much as possible while remaining cognizant of a point of diminishing return. This effort will include additional spots/ad placements, improved day parts, campaign date extensions, etc.
 - b. Once the Contractor is confident that level of reach and frequency best suited to meet the campaign goals has been attained, the Contractor will negotiate rates.
 - c. The Contractor’s final round of negotiation for value-added will seek opportunity for bonus spots in all assets available from the vendor.
 - d. Once the Contractor is confident that the absolute maximum value of each contract has been reached, the Contractor will issue a signed order clearly documenting all value-added. This contract will guarantee commitment from each vendor to execute the value-added as originally agreed upon and holds each vendor accountable for make-goods of each item listed in the signed order that is not executed as promised.
 - e. In addition to traditional value-added, the Contractor will optimize every element of the contract throughout the duration of each agreement. The Contractor will stay in close contact with media partners to take advantage of opportunities in the marketplace.
 - f. Once the Contractor has reached agreement on the specific value-added for each contract, it will be clearly documented and become part of the formal contract and insertion order to each respective vendor. At the time of invoicing, the Contractor will review execution of value-added with the same scrutiny as paid media components to ensure delivery before invoice authorization. The Contractor will detail complete media analysis and metrics, including value-added and bonus placements, in post-buy media reports.

Contractor’s partners:

Broadcast TV: DMA at NBC, ABC, CBS, Fox,

Michigan Association of Broadcasters (MAB), and CoxReps

Cable TV: Comcast, Charter, WOW, Michigan Cable Telecommunications Association (MCTA), National Cable Communications, Big Ten Network, ESPN, SEC Network, and MCTA.

Radio: I Heart Media, Radio One, Town Square Media, Westwood One, CBS Radio, Disney, Macdonald Broadcasting, MAB.

Public TV and Radio: WDET, WKAR, WUOM, WCMU and WGVU stations.

Outdoor: Outfront Media, Adams and Lamar, Crossroads Outdoor, Wolverine Sign Works, Skyline Outdoor Media, and Matrix Media.

Print: niche publications, statewide daily and community newspapers, and magazines throughout the state; Media Networks Inc., offering regional placement of print ads in top publications such as USA Today, People Magazine, etc. Michigan Press Association (MPA)

Digital Partners: Goodway Group for digital advertising, including web analytics, ad serving,

strategy, Pandora, HULU and Valassis.

Direct Mail and Email Marketing: Progressive Impressions International for data management, list strategy, list management and list brokerage; assistance with multichannel communications, including URLs, email campaigns and personalized mailers with variable data and lead lists.

Community Sponsorships: Council of Michigan Foundations, various chapters of the United Way, Ele's Place, American Cancer Society and Juvenile Diabetes Research Foundation.

Minority Media Partners: Michigan Publishers Auxiliary (represents 25 minority publications), Blac (part of the Metro Parent publication group in southeast Michigan), Arab American News, Michigan Chronicle and Front Page, Monica Sparks Show on Talk 1230 WTKG, El Vocero, Latino Press, Keweenaw Bay Indian Community Newsletter and New Opinion.

Merchandise/Giveaways: The Contractor maintains multiple wholesale licenses and works closely with multiple ASI vendor partners to procure and develop custom merchandise and/or giveaway items in support of messaging goals. Some partners include Mahoney and Associates, The Idea people, individual artists and entrepreneurs.

Sports Marketing: IMG College, Learfield Sports, CBS Sports, Big Ten Conference, Craig Martin Sports and Events Management, Professional Sports Publications, Michigan State University Athletics, Lansing Lugnuts, Traverse City Beach Bums, Grand Rapids Griffins, all professional sports teams, and Slam Dunk Sports Marketing.

Social partners: Google Partners Program.

3. The Contractor must negotiate make-good media-weight for any under-delivery to be scheduled during the next paid media flight.
 - a. The Contractor will stay in close contact with vendors to ensure that all deliverables are executed as ordered. Depending on the specific features of the buy, the Contractor's verification may occur weekly, monthly or quarterly. The Contractor's Media Director will review and approve required documentation as outlined below before authorizing payment. The Contractor will require detailed reporting and proof of performance with each media buy. The Contractor will discuss the requirement with each vendor at the time the contract is executed to ensure all parties are capable of the level of information required for invoice reconciliation.

Media Type	Required Verification Document
Print (Newspaper, Magazine, etc.)	Invoice, tear sheets for each placement
TV	Invoice, affidavit, spot check
Outdoor	Invoice, photo sheet
Radio	Invoice, affidavit, spot check
Digital	Dashboard metrics
Social Media	Network insights, analytics reports

- b. The Contractor requires make good media weight to exceed the value of the originally planned schedule. When the strategic timing is interrupted due to under-delivery on the part of a vendor, the Contractor will work to achieve an even greater reach and frequency to compensate for the lost time/opportunity. The Contractor will use make-good negotiations as an opportunity to boost organic media placement such as live reads from trusted spokespeople, traffic/weather sponsorships, event inclusion, social media posts, etc.
4. The Contractor will negotiate bonus media weight to supplement the media buys and a final report of the base buy plus the bonus weight delivered no later than 60 days after the media buy and bonus have aired. Return on Investment (ROI) for the bonus weight must

be included in the report.

5. The Contractor must work to extend a budget by means of innovative ideas, creative partnerships and aggressive negotiation skills to leverage any funding that may be available for paid advertising. The Contractor must provide their methodology to gain added value in media planning and purchasing.
6. Placement services include not only paid media but also value added media, Michigan Association of Broadcasters (MAB) media, Michigan Cable Telecommunications Association (MCTA) media and Michigan Press Association (MPA) media. Please describe your firm's experience in working with the MAB media, MCTA media and MPA media.
7. The Contractor must ship all radio and television dubs, with appropriate traffic instructions, to stations in time to meet program deadlines.

The Contractor's Traffic Director will be fully dedicated to overseeing the distribution of all creative assets to media vendors, including radio and television dubs, print and digital assets. The Traffic Director, in collaboration with the Media Director, will be diligent about detailed traffic instructions and adhering to the Contractor's follow-up systems to ensure that ads and spots run as scheduled.

- G. Provide results/recaps after each media campaign and work with stations if any make-goods are necessary.
1. The Contractor must provide in-depth analysis and evaluation of all media vehicles (radio, television, newspaper, magazine, outdoor, direct mail, social media, etc.) available throughout the State as requested.

The Contractor will track and monitor key performance indicators (KPIs) of the marketing strategies and tactics that make up the campaign that the Contractor and TIA agree upon in the project launch. These KPIs include such items as:

Broadcast/Cable Television

- Reach and frequency by market
- Total estimated impressions
- Gross rating points
- Purchased spots
- Bonus spots and sponsorships

Radio

- Reach and frequency by market
- Purchased spots
- Bonus spots (including web units)

Outdoor

- Daily effective circulation by market
- Total campaign impressions
- Bonus space/production value

Print

- Circulation/digital extensions
- Total estimated impressions
- Bonus spots (including earned media)

Digital Analytics

- Total estimated impressions
- Bonus impressions
- Type of impressions (mobile, display)

- Post-impression website visits
- Site visitors
- Site visits
- Avg session time
- Avg # pages visited
- Overall bounce rate
- Mobile interactions (clicks, impressions)
- Top-performing sites
- Highest-performing times/day of week
- Highest-performing ad types and messages

Facebook

- Conversions/clicks to website
- Page and post engagement (likes, comments, shares)
- Impressions and reach (weekly/monthly/daily totals)
- Event participation
- Lead generation
- Video views
- Geographic/demographic breakdown
- Earned media performance
- Paid advertising performance

Twitter

- Total/new followers
- Conversions/clicks to website
- Page and tweet engagement (retweets, comments, favorites)
- Geographic/demographic breakdown
- Earned media performance
- Paid advertising performance

Instagram, YouTube, LinkedIn, Pinterest, Snapchat

Impressions and reach

Video views and audience retention (where applicable)

Advertising performance

Engagement measurements

Subscribers and followers (where applicable)

Sponsorships/Unique Media

- Event attendance
- Awareness increase (gauged by survey)
- Inquiries (web contact form, phone)
- Lead to customer/purchaser ratio
- Cost per lead

2. The Contractor must conduct post-buy review on the placement of media and the effectiveness of media buys in terms of cost, reach, frequency, continuity, and message dispersion requirements, etc. The Contractor should use findings to refine current and future media plans. No later than two months following the end of each media buy, the Contractor must submit this post analysis report to the TIA Program Manager.
 - a. The Contractor's reconciliation reporting will include detailed and transparent information from credible third-party sources. The Contractor will customize media reports based on TIA's needs.
 - b. Custom dashboard reports will be created for each unique digital campaign. Each base report will include campaign dates, creative description and key performance indicators (KPIs) such as website visits, new visits, impressions, click-thru rate (CTR), cost per

thousand (CPM), cost per click (CPC), heat maps and conversion rates.

- c. Measurement reports for event sponsorships, earned media and guerrilla marketing efforts will be customized and agreed upon with TIA prior to execution.
 - d. Media performance will be monitored throughout the buy, and the Contractor will optimize as needed. Detailed media performance documents will be provided to TIA at regular intervals. If any inconsistencies in quality are found, the Contractor will negotiate restitution value above the original order. The Contractor's Media Director will review every vendor invoice against the buy to ensure that full agreed-upon value has been received before authorizing for payment.
 - e. Once third-party rating books (Arbitron, Nielsen) have been released that coordinate with the advertising periods, the Contractor will post actual ratings against station-supplied estimates/projections. Any station that falls short on point delivery must provide a make-good schedule to ensure that full agreed-upon value is received.
 - f. Make goods will be communicated to TIA in campaign media reports.
 - g. If adjustments are necessary mid-campaign, the Contractor will make recommendations to TIA immediately. The Contractor will constantly evaluate media recommendations and opportunities and refine the media strategy accordingly.
- H. Provide public relations services and counsel when required by the TIA Program Manager.
1. The Contractor must conduct public relations services and counsel as they arise. This is estimated to occur, but not limited to, 4 times per year.

The Contractor's work will include, but not be limited to:

- Implementing media outreach using a set of TIA-approved communication priorities and a carefully planned communications calendar.
- Developing MAT²-specific template editorials, articles and outreach materials.

1.2. Transition

- A. As a one-time project upon award, the Contractor must review the existing campaigns and performance reports in order to provide recommendations to maximize value from the existing media mix.
 - 1) The Contractor's audit is described in the Requirements Section 1.A.
- B. End of Contract Conversion Responsibility: At Contract expiration or termination, the Contractor must work with State personnel and other contractors, if applicable, to convert or transition all Contract Activities, services and data into an acceptable format for uploading into or importing into a State owned database (also see Standard Contract Terms, Sections 25 and 32.e). The Contractor must work with the State and/or previous contractor during implementation of the transition plan to effect an orderly transition to the new contractor if applicable. The Contractor must allow as many personnel as practicable to attend meetings and receive hardcopy and/or electronic files (excel, PDF, etc) to help maintain the continuity and consistency of the services required by the Contract. The Contractor agrees to receive reasonable detailed specifications for all Contract Activities previously provided to the State to properly provide the Contract Activities required under the Contract.
 - 1) Files include but are not limited to, the previous year's reports (conference, media and summary, if applicable) and plans (strategy and media, if applicable) in their native format (Word, Excel, etc.) and *all* design, print, digital and web files packaged for TIA and vendor use. Packaged design, print, digital and web files include the collection of native files

(Illustrator, InDesign, Photoshop, etc.), fonts, images sized to the correct medium and development of a high-resolution PDF.

2. Acceptance

2.1. Acceptance, Inspection and Testing

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

Before approving invoices for payment, the Program manager will review deliverables, review project hours and team members' involvement in the project, and review invoices for pass through expenses to verify costs are accurate and do not reflect markups. The Program Manager will also ensure Contractor's invoices include detailed information for the project.

3. Staffing

3.1. Contractor Representative

The Contractor must appoint an individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

Contractor Representative:

Michelle Ntoko
517-267-9800 (main office)
517-853-3880 (direct line)

3.2. Key Personnel

Key Personnel Name	Title	Detailed Description of Role(s) and Responsibilities assigned for this Contract	Physical Location during Contract Performance (City, State)	Full-Time (FT) or Part-Time (PT) Employee
Michelle Ntoko	Account Manager	<ul style="list-style-type: none"> Primary day-to-day interface between TIA and Contractor Develop yearly marketing plans/recommendations Lead Project Manager, supervising all TIA projects and aligning Contractor resources to meet TIA's needs Develop and give presentations and reports as needed by TIA and described in this Contract 	Lansing, MI	FT
Julie Kreuger	Client Services Director	<ul style="list-style-type: none"> Provide back-up guidance and support to Account Manager Assists in managing agency resources Ensures that all (including TIA and MET) State needs are met, on time and on budget Consults with Account Manager as needed for planning, budgeting and any other client needs 	Lansing, MI	FT
Jill Holden	Director of Strategy	<ul style="list-style-type: none"> Lead strategic planning, branding development and research efforts for TIA 	Lansing, MI	FT

		<ul style="list-style-type: none"> • Provide strategic guidance and direction • Collaborate with account manager to translate TIA business objectives into marketing strategies and will oversee campaign formation • Provide implementation and program evaluation to ensure delivery of business and communications goals. • Focus group moderator • First back-up to Roni Rucker Waters 		
Emmie Musser	Media Director	<ul style="list-style-type: none"> • Develop and execute paid media strategies, plans and schedules • Negotiate rates and places media buys • Conducts post-buy analysis and prepares extensive media reports • Research and identify target audience lifestyle, including media consumption habits and preferences • Evaluate all media contracts including pricing, deliverables, reputation, invoicing and performance 	Lansing, MI	FT
Joel Newport	Creative Director	<ul style="list-style-type: none"> • Lead Contractor creative team, including concept development, copywriting, art direction and design for all marketing elements • Oversee all aspects of creative process Works a lead producer/director on Broadcast and video deliverables, 	Lansing, MI	FT
Andrea Ness	Social Media and Content Marketing Director	<ul style="list-style-type: none"> • Lead the social media and content marketing efforts • Work collaboratively with team members (account manager, strategy director, and media director) to identify and capitalize on content marketing and social opportunities for TIA, making sure all earned, paid and social media efforts are in alignment and are properly leveraged for maximum effectiveness • Develop social and content strategies, calendars and implementation schedules • Write, edit and approve social and content marketing copy internally before releasing for TIA approval • Oversee the management and implementation of social and content marketing calendars and schedules 	Lansing, MI	FT
Chelsea Maupin	Research Manager	<ul style="list-style-type: none"> • Coordinate all market research efforts • Provides secondary research and background information • Generate market research analysis, reports of findings and executive summaries, including 	Lansing, MI	FT

		recommendations, for all research efforts <ul style="list-style-type: none"> • Provide tracking, monitoring and analytics of communications tools 		
Debbie Horak	Firm Principal	<ul style="list-style-type: none"> • Contractor owner – ultimately responsible for the Contractor's performance • Assist with high level of customer service and delivery of all services 	Lansing, MI	FT
Elissa Crumley	Firm Principal	<ul style="list-style-type: none"> • Contractor owner – ultimately responsible for the Contractor's performance • Assist with overall strategy development, executive creative oversight and research tasks • Focus group moderator 	Lansing, MI	FT

- A. The State has 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, introduce the individual to the State's Project Manager, and 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. The State may require a 30-calendar day training period for replacement personnel.
- B. Contractor will not remove any Key Personnel from their assigned roles on this 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"). An Unauthorized Removal 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. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):
1. For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$25,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.
 2. If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.
- C. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed

above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.

3.3. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and subcontractors.



3.4. Disclosure of Subcontractors

- A. Situations may arise where the Contractor may not possess the expertise necessary to effectively execute a project. TIA expects that in those instances the Contractor will propose, or the Contractor and TIA will jointly identify, subcontractors as needed to creatively develop and oversee production of certain special programs or projects.

The Contractor must select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract. Any subcontractor must be agreed to by the State and an amendment to the Contract is required via Contract Change Notice. See Standard Contract Terms Section 10 Subcontracting and Section

54 Entire Contract and Modification.

- B. If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:
- a. The legal business name; address; telephone number; a description of sub-contractor's organization and the services it will provide; and information concerning sub-contractor's ability to provide the Contract Activities.
 - b. The relationship of the sub-contractor to the Contractor.
 - c. Whether the Contractor has a previous working experience with the sub-contractor. If yes, provide the details of that previous relationship.
 - d. A complete description of the Contract Activities that will be performed or provided by the sub-contractor.
 - e. Of the total Contract, the price of the sub-contractor's work.

Subcontractors:

- a. Ahptic Productions LLC, 901 Cleveland St. Lansing, MI 48906
(517) 482-8070

If necessary, GÜd Marketing may utilize the services of Ahptic Productions to:

- Assist with development of broadcast television commercials, promotional web videos, etc.
- Additional services: Provide video production, editing, motion graphics and animation.
 - 1) Preproduction support - location scouting and securing the location, talent audition, storyboards, set construction.
 - 2) Production services - camera, prime lens packages, grip truck, lights, craft services and all crew. Crew will consist of director, director of photography, assistant camera, grips and electricians.
 - 3) Editing and postproduction services – special effects, rotoscoping, compositing, green screen masking, color correction, music, voice over recording and audio mixing.

- b. Morpace, Inc. 31700 Middlebelt Road, Suite 200, Farmington Hills, MI 48334
(248) 737-5300

If necessary, GÜd Marketing may utilize the services of Morpace to assist with primary research tasks:

- Online Quantitative Survey:
 - 1) Assist with survey design.
 - 2) Survey programming and testing.
 - 3) Plan, manage and conduct online survey research.
 - 4) Provide final tabs and report of results.
- In-Person Focus Groups (Quantitative):
 - 1) Morpace manages recruitment, facility procurement, and planning of in-person focus groups
- Additional services:
 - 1) Assist in questionnaire development
 - 2) Provide location and recording equipment
 - 3) Provide moderator if necessary or desired
 - 4) Provide report of results

- c. Luke Anthony Photography, LLC 1612 S. Genesee Dr., Lansing, MI 48915
(773) 451-6981

If necessary, GÜd Marketing may utilize the services of Luke Anthony Photograph, LLC

for:

- Photography and videography

3.5. Security

The Contractor will be subject the following security procedures:

The Contractor's staff may be required to make deliveries to or enter State facilities. The Contractor must: (a) ensure that all employees have photo ID badges with the Contractor's logo and employee name imprinted on a magnetic badge (b) The State may require the Contractor's personnel to wear State issued identification badges.

4. Project Management

- A. The Contractor must provide account management that is proactive and flexible to meet changing business conditions.
- B. The Contractor must take all reasonable precautions to guard against any loss to TIA through the failure of suppliers to execute commitments properly.
- C. The Contractor shall not begin any work on any project before the TIA Program Manager has given formal approval and a work/expense authorization/purchase order has been issued and signed.
- D. Upon failure to meet a predetermined deadline, the Contractor must provide an explanation for such failure as soon as it is known and submit an updated project schedule to the TIA Program Manager

4.1. Project Plan

- A. The Contractor must meet with the TIA Program Manager for direction and to discuss the specifics of each project to be undertaken.
 - 1. The Contractor defines these meetings as Project Launch meetings.
- B. The Contractor must develop a critical path development schedule providing sufficient TIA approval time frames from initial presentation of creative through the production and delivery of product.
 - 1. Immediately following the Project Launch meeting, the Contractor will draft a detailed work plan (critical path development schedule) with built-in TIA approval times at each milestone. The Contractor will welcome any changes or modifications to the work plan that allow for better accommodation of TIA's needs.
- C. Prior to beginning work on a specific task or deliverable as agreed upon by the TIA Program Manager, the Contractor must provide the TIA Program Manager with a Project Plan and narrative for review. The Project Plan must include a breakdown of the work to be performed in Sections 1. Requirements and 4. Project Management, identifying tasks, subtasks, proposed time line, staff assigned (including hours of effort and hourly rate), total anticipated costs, any associated assumptions. The Plan must encompass the entire life cycle of the campaign while providing sufficient TIA approval timeframes from initial presentation through the production and delivery of material.

The TIA Program Manager must approve the Project Plan before work may begin.

- D. The Contractor must carry out this Contract under the direction and control of the TIA Program Manager. Within 10 calendar days of the Kick-Off Meeting per Section 4.2.A.1, the Contractor must submit a final Project Plan to the TIA Program Manager for final approval. This Project Plan will be updated throughout the Contract period for new projects/campaigns, media plan and marketing plan changes. The plan must include:
 - 1. The Contractor's organizational chart with names and title of personnel assigned to the Contract, which must align with the staffing stated in accepted proposals.
 - 2. A chart/table showing the breakdown of requirements in Section 1. Requirements and 4. Project Management including tasks, sub-tasks, proposed timeline and the resources/staff assigned, within the estimated budget (yearly estimate indicated under Scope Section) throughout the term of the contract.

3. Detail of how they will manage any additional projects that come about throughout the Contract period.
4. Process for addressing issues/changes as they develop throughout the Contract term and individuals responsible for receiving/reacting to any issues/changes.

Contractor's Draft Project Plan

Assumptions:

- 1) Primary research will be conducted
- 2) TIA has minimum of three days for review and approval
- 3) Timing of press events is TBD based on when are scheduled
- 4) Planning activities for marketing strategy, media recommendations and public relations will happen simultaneously as possible and independently if needed.

Tasks and Subtasks	Resources and Staff	Timeline
Develop Marketing Strategy		
Launch (within 15 days of contract award)	Account Manager Director of Strategy PR/Policy Manager	Month 1 Week 2
Develop detailed work plan/critical path development schedule (requires TIA approval)	Account Manager Traffic Manager Team as needed	Month 1 Week 3
Develop corresponding project plan and narrative that includes breakdown of tasks, subtasks, timeline, costs and assumptions (requires TIA approval)	Account Manager Traffic Manager Contractor Principal Team as needed	Month 1 Weeks 3-4
Background and materials audit, including audit of all existing materials and reports as described in "transition" section of RFP	Account Manager Research Manager Art Director	Month 2 Week 1
Tasks and Subtasks	Resources and Staff	Timeline
Conduct secondary research	Research Manager	Month 2 Weeks 1-2
Conduct primary exploratory research (optional)	Director of Strategy Account Manager Research Manager	Primary research is approximately an 8- to 12-week process. If agreed upon, the project plan timing will be adjusted accordingly.
• Define/confirm research goals and objectives (requires TIA approval)	Account Manager Research Manager	
• Outline information needs/requirements (requires TIA approval)	Account Manager Research Manager	
• Determine recommended methodology (requires TIA approval)	Account Manager Research Manager	
• Define sample requirements (requires TIA approval)	Account Manager Research Manager	
• Develop research schedule/timeline (requires TIA approval)	Account Manager Research Manager	
• Identify field subcontractor (requires TIA approval)	Research Manager	
• Develop respondent screeners (requires TIA approval)	Research Manager	

<ul style="list-style-type: none"> Develop questionnaire/moderator guide (requires TIA approval) 	Account Manager Research Manager	
<ul style="list-style-type: none"> Program survey (survey only) Recruit focus group participants (focus groups only) 	Research Manager Subcontractor	
<ul style="list-style-type: none"> Pretest survey (survey only) (requires TIA participation) 	Research Manager Account Manager Contractor's Marketing team	
<ul style="list-style-type: none"> Execute/field the research 	Research Manager Subcontractor	
<ul style="list-style-type: none"> Analyze results 	Research Manager	
<ul style="list-style-type: none"> Draft report of research findings and implications (requires TIA participation) 	Research Manager	
Presentation to TIA staff with all findings to date	Account Manager Research Manager Director of Strategy	
Develop creative and strategy brief	Director of Strategy Account Manager	Month 2 Week 1-2
TIA review and approval of creative/strategy brief	Account Manager	Month 2 Week 2
Develop marketing strategy	Account Manager Director of Strategy Media Director Creative Director PR/Policy Manager	Month 2 Weeks 2-4
Identify and Develop Creative Concepts		
Launch creative team with approved brief and approved strategy	Account Manager Director of Strategy Media Director Creative team	Month 2 Week 3
Tasks and Subtasks		
Resources and Staff		
Timeline		
Creative team(s) work to develop initial ideas for internal Contractor project team review	Creative Director Creative teams	Month 2 Week 3-4
Marketing strategy and Multiple iterations of idea and concept development until ready for presentation to TIA. Strategy and concepts are reviewed with TIA	Creative Director Creative teams Director of Strategy Account Manager	Month 3 Weeks 1
Layout of final creative concepts into ADLOBs for presentation	Art Director Creative Director	Month 3 Week 2-3
Creative concepts (2) presented as ADLOBs to TIA for review and approval	Account Manager Creative Director	Month 3 Week 4
TIA final selection of one concept to move forward to implementation	Account Manager	Month 3 Week 4
Develop Media Plan		
Conduct media-specific research, for example, PRIZM, Experian Simmons, Rhizalytics, and so on.	Media Director Media Coordinator	Month 2 Weeks 3-4
Engage media partners to determine opportunities	Media Director	Month 2 Week 2 Through Month 3 Week 4
Assess all media proposals using STRATA and SQAD	Media Director Media Coordinator	Month 3 Weeks 3-4
Provide digital partners with objectives and target audience information	Media Director	Month 3 Weeks 3-4
Create media planning report (requires TIA approval)	Media Director Director of Strategy	Month 4 Weeks 1-2

	Account Manager	
Create custom reports for each flight of the TIA plan (requires TIA approval)	Media Director Account Manager	Timing to coincide with media placement
Develop Social Media Strategies and Deliverables		
Review campaign goals and determine social media objectives	Account Manager Social/Content Director	Month 2 Week 3-4
Determine success and reporting metrics for social media	Social/Content Director	Month 2 Week 3-4
Audit industry best practices for the category	Social/Content Director Research Manager	Month 2 Weeks 3-4
Audit TIA current assets and online audiences	Account Manager Social/Content Director	Month 2 Week 1
Audit potential competitors' online performance and current campaigns	Social/Content Director	Month 2 Week 1
Develop plan, calendar and budget (requires TIA approval)	Social/Content Director Account Manager	Month 2 Weeks 3-4
Implement campaign	Social/Content Director Media Coordinator	TBD
Ongoing negotiation of value added opportunities	Media Director	Ongoing
Ongoing monitoring and optimization of campaign while in market (requires TIA approvals)	Social/Content Director Media Coordinator Account Manager	Weekly
Ongoing management and response if needed (requires TIA participation)	Account Manager Social/Content Director	Ongoing
Tasks and Subtasks Resources and Staff Timeline		
Ongoing reporting during campaign implementation	Account Manager	Monthly
Development and reporting of final campaign results	Social/Content Director	At campaign conclusion
Produce and Duplicate Media Materials (Print, Collateral, Digital, Outdoor)		
Final work plan and schedule for campaign deliverables presented to TIA (based on approved strategy, media recommendations and creative concept direction) (requires TIA approval)	Account Manager Traffic Manager Production Manager Media Coordinator	Month 4 Week 1
Account manager launches internal team	Account Manager Creative team Traffic Manager	Month 4 Week 1
Ongoing management of team to ensure deadlines are met	Account Manager Traffic Manager	Ongoing
Internal routing of creative deliverables	Account Manager Traffic Manager	Ongoing
Presentation of final creative deliverables to TIA for approval (requires TIA approval)	Account Manager Creative Director	Month 4 Week 4
TIA requested changes/refinements are made	Account Manager Creative team	Month 5 Week 1
Final route and proof prior to TIA review	Traffic Manager Account Manager	Month 5 Week 1
Final deliverables resubmitted to TIA for final approval	Account Manager	Month 5 Week 2

Approved deliverables are trafficked to the appropriate media source	Traffic Manager	Month 5 Week 2
Produce Media Materials (Television, Radio, Video)		
Final work plan and production/shooting schedule for campaign deliverables presented to TIA (based on approved strategy, media recommendations and creative concept direction) (requires TIA approval)	Account Manager Production Manager Creative Director Traffic Manager	Month 4 Week 1
Account manager launches internal team	Account Manager Creative team	Month 4 Week 1
Ongoing management of team to ensure deadlines are met	Account Manager Traffic Manager	Ongoing
Kickoff meeting with production team	Account Manager Creative team	Month 4 Week 1
Develop script (requires TIA approval)	Creative Director	Month 4 Week 2
Solicit production bids (TIA involvement/approval as desired)	Production Manager	Month 4 Week 2
Develop storyboards, locations, props (TIA involvement/approval as desired)	Creative team	Month 4 Week 3
Casting, SFX, music selections (MET involvement/approval as desired)	Creative Director Production Manager	Month 4 Week 3
Final script (requires TIA approval)	Creative Director Account Manager	Month 4 Week 4
Production recording (TIA participation invited)	Creative Director Account Manager Creative team Subcontractor	Month 5 Week 1
Tasks and Subtasks Resources and Staff Timeline		
Post-production edit	Creative Director Account Manager Subcontractor	Month 5 Week 2
Initial TIA review and approval of rough cut	Creative Director Account Manager	Month 5 Week 2
TIA requested changes/refinements made	Creative Director Account Manager	Month 5 Week 2
Second round edits (for TIA review and approval)	Creative Director Subcontractor	Month 5 Week 3
TIA requested changes/refinements made	Creative Director Account Manager	Month 5 Week 3
Final deliverables resubmitted to TIA for final approval	Creative Director Account Manager	Month 5 Week 3
Approved deliverables are shipped/trafficked to the appropriate media source with instructions in time to meet program deadlines	Traffic Manager Media Coordinator	Month 5 Week 4
Negotiate and Place Paid Media		
Negotiate individual media placements, requiring multiple rounds of negotiation with each media vendor as needed, to gain the best value for TIA	Media Director Media Coordinator	TBD
Negotiate value added and bonus placements	Media Director Media Coordinator	TBD
At the completion of negotiations, signed insertion orders dispatched to media vendors	Media Director Media Coordinator	TBD
Detailed final negotiated media schedule provided to TIA with spot schedules, impressions, discount/bonus value, timing. This step officially “places” the buy.	Media Director Media Coordinator	TBD

Ongoing contact with all media vendors to ensure schedules run as ordered. Validate the buy using such things as screenshots, tear sheets, affidavits, spot checks, photo sheets, air checks, analytics reports and so on	Media Director Media Coordinator	Ongoing
Ongoing monitoring of media performance and corresponding reports provided to TIA, as well as restitution required from the media outlet	Media Director Media Coordinator	Ongoing
Evaluation of vendor invoices against the buy before authorizing for payment	Media Director Media Coordinator	Monthly
Post actual ratings against projections	Media Director Media Coordinator	Ongoing and final at conclusion of buy
Negotiate make-goods to ensure full value received	Media Director Media Coordinator	At conclusion of buy
Conduct post-buy analysis that includes in-depth analysis of all media vehicles, effectiveness of media buys in terms of cost, reach, frequency, message dispersion, etc.	Media Director Media Coordinator	Immediately at conclusion of buy
Final report of media buy effectiveness (base weight plus bonus) delivered to TIA	Media Director Media Coordinator Account Manager	No later than 60 days after conclusion of the buy
Project Management		
Tasks and Subtasks	Resources and Staff	Timeline
Ongoing project management	Account Manager	Ongoing
Ongoing reporting	Account Manager Media Director Sr. PR/Policy Director Social/Content Director	Ongoing
Attendance at TIA meetings	Account Manager <i>(Others as needed/ directed by Account Manager)</i>	As required
Presentations as needed <i>(Note: Presenters TBD depending on subject matter to be covered.)</i>	Account Manager Media Director Sr. PR/Policy Director Social/Content Director Director of Strategy Research Manager Creative Director Contractor Principals	As required

The Contractor will consider a media plan to be a “living document” with an evolving strategy that will be updated throughout the year. There are two primary instigators for updates:

1. Performance Metrics and Unique Opportunities: The Contractor will monitor and optimize media performance regularly. For traditional media (TV, radio, outdoor, print), the Contractor will verify that each deliverable is executed as ordered and optimize the opportunity for value-added placements. For cable TV, the Contractor will pre-check the run times released at 4pm EST each day for the following day. The Contractor will work with the cable vendor to move our slotted times into better dayparts with higher ratings if that inventory is available. Digital and social advertising offer real-time metrics. The Contractor will look at which messages are performing best by audience, geography, ad type, and platform. The Contractor will discuss what we see happening with MAT², and make real-time recommendations for shifting to better performing tactics as approved by TIA.

Detailed media performance reports will be provided to TIA monthly. Within these reports, the Contractor will include information about which media placements and tactics are performing best, and include recommendations for refinement or reallocation of marketing budget toward the highest performing tactics if warranted. The Contractor will work closely with TIA to gain approval of any significant changes from the original plan.

The Contractor will provide mid-term enhancements to the media plan based on marketplace trends and unique opportunities upon TIA approval.

Special and unique media opportunities will be evaluated with the same level of scrutiny and care as the initial flight schedule.

2. Changes to TIA's Campaign Goals and Objectives: The Contractor will make any mid-term changes with agility and accuracy. The Contractor will work in close collaboration with TIA. The Contractor will communicate regularly and offer proactive recommendations to modify the media plan to continually support TIA's changing or evolving needs.

The Contractor will complete a finalized work plan immediately after the project launch (kick-off meeting) and it will reflect the agreements and deadlines identified at the launch meeting.

4.2. Meetings

A. The Contractor must attend the following meetings:

1. In-person Kick-Off Meeting within 14 calendar days of the Effective Contract Date.
2. Although there will be continuous liaison with the Contractor team, the Contractor must confer weekly at a minimum, with the TIA Program Manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.
3. The Contractor must confer with TIA upon request within 2 business days of contact to initiate services, requests, review materials, review progress, discuss problems, obtain advice and counsel, etc.
4. The State may request other meetings, as it deems appropriate. The Contractor must meet in-person/on-site when deemed necessary by the TIA Program Manager. The Contractor must conduct meetings with subcontractors independently as directed by the TIA Program Manager.

4.3. Reporting

A. The Contractor must submit, to the TIA Program Manager, the following custom reports that include content and layouts approved by TIA.

1. The Contractor must provide conference reports (prepared and submitted within three working days of all meetings).
2. The Contractor must report on the efficiency and effectiveness of all marketing, promotion, and campaigns/projects against the goals and objectives established for the campaign/project.
3. The Contractor must submit brief written weekly and/or monthly summaries of progress which outline the work accomplished during the reporting period and budget information by purchase order/project.
4. No later than two weeks prior to a media buy, the Contractor shall provide copies of the negotiated buy to the TIA Program Manager so it can be shared with appropriate program staff.
5. No later than two months following the end of each enrollment period, the Contractor must prepare a final summary showing the amounts ordered and actually paid per station, publication and/or outdoor company. These summaries should be compiled by target group,

by medium, by market, and showing a grand total. No-charge bonus or bonuses, or PSA schedules must also be summarized quarterly in the same way.

6. No later than two months following the end of each enrollment period, the Contractor must submit post analysis reports which compare any such schedule estimates against actual spot rotation deliveries.
7. No later than two months following the end of each enrollment period, the Contractor must submit evaluation reports with supporting data, describing how the media buy accomplished the intended goals of the buy.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing documents for the Contract will be a signed Blanket Purchase Order as well as an Agency Issued Purchase Order and Project Plan.

6. Invoice and Payment

6.1. Invoice Requirements

- A. The Contractor must provide detailed invoices for services rendered which clearly outline the scope of billing. The Contractor must provide complete backup with Contractor invoices including signed estimates and all original copies of third-party invoices. The Contractor must also provide reconciliation of all projects approved for pre-billing within one day at their completion.
- B. All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity; (d) itemized description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price.
- C. Invoices will be approved based upon completion of deliverables within a pre-approved Project Plan. Payments will be made upon approval of the TIA Program Manager. All invoices must reflect actual work done.
- D. TIA shall reimburse the Contractor only for services and/or materials authorized by TIA approved by the Program Manager and purchase order. Payment shall not exceed the amount approved by authorized estimate without submission and approval of a revised estimate.
- E. The Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for the expense at the State's current travel reimbursement rates. See www.michigan.gov/dtmb for current rates.
- F. The Contractor will not be reimbursed for personnel labor or other costs incurred in connection with client account services, meetings, commissionable advertising, or costs associated with membership in or attendance at industry conferences, seminars, etc. The Contractor will not be reimbursed for any overtime costs incurred by the Contractor or by any Subcontractor or supplier, unless such costs have been specifically identified in an approved work estimate.
- G. Expenses for packaging, handling, shipping, postage and freight, travel, meals, lodging and per diem paid to or on behalf of outside talent, and services acquired through the Contractor's internal facilities or parent or subsidiary organizations shall be billed at cost. Additionally, the following items must also be billed at cost: talent renewals, licensing fees, television and radio dubs, and satellite and communications uplinks.
- H. The Contractor must pass on all reductions in cost, such as volume and early payment discounts, to TIA, in the fiscal year in which the originating expenses occurred.
- I. The Contractor must make timely payments to all subcontractors without waiting for TIA payment of corresponding invoices. The Contractor must maintain a line of credit for this purpose.

- J. The Contractor must allow 45 days from the date of receipt of accurate and complete invoices and backup for receipt of payment. In addition, the Contractor may provide details for invoice discounts for early payment of monthly billings.

6.2. Payment Methods

TIA will make payment for Contract Activities by Electronic Fund Transfer (EFT). Electronic transfer of funds is required for payments on State contracts. The Contractor must register with the State electronically at <http://www.cpexpress.state.mi.us>.

STATE OF MICHIGAN

Contract No. 071B6600070
Marketing and Advertising Services - TIA

EXHIBIT B

Reserved

STATE OF MICHIGAN
Contract No. 071B6600070
Marketing and Advertising Services - TIA

EXHIBIT C
PRICING

1. Quick Payment Terms (2% 10 Net 30 except pass-through costs): The number of days must not include processing time for payment to be received by the Contractor's financial institution.
2. The State can only commit funds in the fiscal year they are available; commitment of funds for future fiscal years is contingent upon enactment of legislative appropriations.
3. The contract is part fixed (Account Management), variable (Creative) and commission percentage (Media Placement) based Pricing as approved in the Project Plan per Exhibit A, Section 4 and Exhibit A Section 6 Invoice and Payment.
4. The estimated annual budget is \$266,666.00. The Contract value will be set at \$800,000 for the period: August 24, 2016 – April 7, 2019.
5. The Contractor is paid per approved deliverable (see Exhibit A, Section 4 Project Management and Section 6 Invoice and Payment), not as a flat percentage of the total annual budget estimate.
6. Account Management (Project Plan Management and Market Research)
 - A. A fixed annual price will be used to compensate the Contractor for Account Management services. The price is expected to compensate the Contractor for all Account Management services related to the project, including current marketing activity review, marketing plan development, marketing plan coordination between TIA staff who might be in charge of various plan aspects (biweekly or at least weekly communication via phone or email), project management with attendance at any TIA advertising and marketing team meetings, media planning, account services public relations support, communications coordination and support for special projects.
 - B. All overhead and expenses of the Contractor are included in the fixed annual price (prorated on monthly invoices).
7. Creative (Production, Public Relations, Writing and Graphic Design for All Media Types including Web, Email, Social Media, Video, Print, Radio and Digital Advertising)
 - A. A variable price based on a blended hourly rate will be used to compensate the Contractor for Creative services. The price is expected to compensate the Contractor for all Creative services related to the project, including creative development, production and public relations.
 - B. The blended hourly rate includes all Deliverables specified in Exhibit A, Section 1 Specifications.
 - C. Blended hourly rate is defined as the Not-To-Exceed hourly amount that will be paid to the Contractor for Creative deliverables based on approved Project Plan.
 - D. All subcontracted work must be passed through at "cost" and include no mark-up of any kind.
 - E. All overhead expenses of the Contractor must be included in the variable price.
8. Media Placement Contractor Fee
 - A. A commission percentage will be used to compensate the Contractor for Media Placement services. The fee is expected to compensate the Contractor for all media placement services related to the project, including placement and distribution for all media types.
 - B. The State will not accept fees or commissions from subcontractors and suppliers, these Contractors shall be at a non-commissioned rate, no mark up.

- C. The Contractor must pass on all reductions in cost, such as volume, media buying discounts, early payment discounts, and/or unplaced media, on each project.

8. Pricing Table

Deliverable	Estimated Annual Creative Hours	Estimated Annual Media Placement	Price
1. Account Management (Project Plan Management and Market Research) – Fixed Annual Price			16,500
2. Creative (Development, Production, Writing and Graphic Design for All Media Types including Web, Email, Social Media, Video, Print, Radio and Digital Advertising) – Variable Blended Hourly Rate	600		\$125.00/hour
3. Media Placement Contractor Fee – Commission Percentage		\$175,000	7%

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

NOTICE OF CONTRACT NO. 071B6600070
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Pace & Partners, Inc., dba Gud Marketing 1223 Turner Street, Suite 101 Lansing, MI 48906	Debbie Horak Lisa Crumley	horak@gudmarketing.com crumley@gudmarketing.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	517-267-9800	****6524

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	TREASURY	Robin Lott	517-241-3301	lottr@michigan.gov
BUYER:	DTMB	Mary Ostrowski	517-284-7021	ostrowskim@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION:			
Michigan Education Trust (MET) Marketing and Advertising Services – Department of Treasury			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
3 Years	April 8, 2016	April 7, 2019	2 – One Year
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
2% Net 10; Net 30	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			
MISCELLANEOUS INFORMATION:			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION:		\$2,190,000.00	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the solicitation #007116B0006599. Orders for delivery will be issued directly by the Department of Technology, Management & Budget through the issuance of a Purchase Order Form.

Notice of Contract #: 071B6600070

FOR THE CONTRACTOR:	FOR THE STATE:
_____ Firm Name	_____ Signature
_____ Authorized Agent Signature	_____ Name/Title
_____ Authorized Agent (Print or Type)	_____ Enter Name of Agency
_____ Date	_____ Date



STATE OF MICHIGAN
Contract No. 071B6600070
MET Marketing and Advertising Services - Treasury

EXHIBIT A
STATEMENT OF WORK
CONTRACT ACTIVITIES

PROJECT REQUEST

This Contract is for Marketing and Advertising Services for the Michigan Department of Treasury (Treasury), Michigan Education Trust (MET), Section 529 prepaid tuition program.

SCOPE

The Contractor will assist in developing and implementing internal and external communications as well as performing public relations activities for the MET program. These activities should increase awareness of MET, increasing participation in MET while promoting the many program benefits, including federal and State income tax benefits.

This is a 3 year Contract and may be renewed up to 2 additional 1-year periods. The annual budget is \$730,000.00. Typically, MET open enrollment takes place December through September. Media/Advertising usually occurs as follows:

- December/January to announce the new enrollment period and for gift-giving
- April/May for tax season
- August/September for College Savings Month and end of enrollment.

Main deliverables to be accomplished:

1. Develop a marketing strategy for the MET program enrollment period(s).
2. Identify and develop creative concepts for the MET program enrollment period(s) as needed.
3. Conduct marketing research such as focus group testing, telephone or intercept surveys as needed.
4. Produce and duplicate media materials as needed.
5. Develop a media plan for the MET program enrollment period(s).
6. Place media messages and conduct advertising tracking surveys during enrollment period(s).
7. Provide results/recaps after each media campaign and work with stations if any make-goods are necessary.
8. Provide public relations services and counsel when required.

Target Audiences:

Women, household incomes over \$75,000, parents with children (newborn through 12th grade), aged 30-49, grandparents, guardians, other relatives, Michigan businesses, Charitable Foundations and others interested in pre-purchasing future undergraduate college tuition, for a Michigan child, at current prices.

BACKGROUND

MET is the State's Section 529 prepaid tuition program established in 1986 by P.A. 316. The program was launched in 1988 and was the first prepaid tuition program in the nation. Section 529 of the internal revenue code provides tax benefits to prepaid tuition and investment based college savings programs. MET offers parents, grandparents, businesses and others the opportunity to purchase up to 10 semesters of undergraduate tuition at any Michigan public college or university for children who are Michigan residents. Purchasers can pre-purchase tuition for children at current contract prices and contributions are pooled together for investment purposes to pay future tuition. MET's goal is to make college education affordable for those who may not otherwise afford to attend.



MET utilizes a one (1) step process for persons interested in participating in the program. Individuals may submit a signed contract, payment and enrollment fee to the MET office by mail, in person or electronically via the web site during a specific open enrollment period. Upon receipt of the contract, MET conducts a review for errors and resolves any found errors then forwards to purchasers a MET accepted contract and certificate. MET offers lump sum payment and monthly purchase. The monthly purchase option includes payroll deduction and automatic clearinghouse (ACH) payments. A new payment option will be implemented for the 2016 enrollment period.

During the 2015 enrollment 1,694 contracts were sold at an investment of \$48.1 million. Contracts were accepted December 10, 2014 through September 30, 2015. It is anticipated that the next enrollment period will be scheduled to begin December 2015.

The Michigan Education Savings Program (MESP) is the State's Section 529 direct-sold savings/investment program and was launched in November 2000. MESP allows families and others to open a savings account to save for higher education expenses for a child to attend any higher education institution in the nation. Many people confuse MET with MESP and think MET has been replaced by MESP. However, MET and MESP can be used together or separately. MESP commits a portion of their marketing budget toward joint marketing initiatives that include MET.

1. REQUIREMENTS

The Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- A. Develop a marketing strategy for the MET program enrollment period(s).

Contractor's steps for developing a marketing strategy:

1. Step 1: Launch. The Contractor will facilitate a formal launch meeting with the two core teams (MET and Contractor). This meeting will provide the opportunity to:
 - a. Identify and clarify all business and marketing goals and objectives for the periods (each enrollment period for at least the first year, with opportunity to discuss longer-term goals if they are relevant).
 - b. Share or exchange relevant information such as background, past marketing campaigns and metrics; survey data; qualitative findings (for example, focus group findings, interview findings); brand standards; compliance guidelines, etc.
 - c. Discuss timing requirements, milestones and deadlines.
 - d. Discuss logistics, review and approval requirements, preferred methods of communication, etc.

DELIVERABLES:

- 1) *Conference report of the meeting including all agreements made.*
- 2) *Detailed work plan for agreed-upon projects.*

2. Step 2: Background and materials audit. The Contractor will assign a small team to review all important background information, the MET website, and other marketing and enrollment materials, including existing campaigns and campaign performance reports.

DELIVERABLE:

Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.

3. Step 3: Secondary research.
 - a. The Contractor will catalog Treasury's existing knowledge and the experience gained by working with the Michigan Education Savings Program (MESP).



- b. The Contractor will then conduct secondary research to add to and update the Contractor's existing knowledge, and identify and assess:
 - 1) Current best practices in the category from other states, other programs, etc.
 - 2) The competitive landscape.
 - 3) Secondary data that helps define and deepen the understanding of the target audience groups, their motivations and perceptions and their media habits. Potential sources include PRIZM and other omnibus surveys and resources.
 - 4) Marketing and advertising programs of leaders in the category and/or other financial category leaders.

DELIVERABLES:

- 1) *Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.*
 - 2) *A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis that combines all the findings from steps 2 and 3.*
4. Step 4: Optional primary research (if recommended by Contractor and approved by MET). The Contractor will conduct primary research depending on the results of steps 1, 2 and 3 above. The Contractor will recommend primary research if there are significant gaps in knowledge and understanding. Depending on the information needed, the Contractor will recommend either quantitative (survey) or qualitative (interviews or focus groups) research, or both, to provide needed inputs into campaign strategy.
- a. Survey research can be used to quantify information; for example, perceptions of college savings among target audience groups, relative size of different target audience segments, etc.
 - b. Focus groups or interviews can be used to explore thoughts, beliefs and feelings more deeply and are often used to help craft campaign messaging and creative direction.

DELIVERABLES:

- 1) *Brief summary of findings emphasizing potential implications or action items for future campaigns and campaign strategy.*
 - 2) *SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis that combines all the findings from steps 2, 3 and 4 (replaces the SWOT in step 3).*
 - 3) *Presentation of all work to this point for MET core team and others as appropriate. Presentation will summarize key findings and implications from the Discovery and Insights phase of the Contractor's work and provide an opportunity for MET staff to respond and provide input for the next phase – strategy development.*
5. Step 5: Develop creative and strategy brief.
The Contractor will consolidate and summarize all the findings in the initial exploratory and research steps into a creative and strategy brief for review and approval by the MET. The brief will include relevant insights from the audit and secondary and primary research that are critical to the development of marketing strategy for the MET program enrollment periods. Similarities and differences between target audience groups, their motivations, potential calls to action and other findings that provide for a deep understanding of the audience groups and their relationship to college savings will be detailed.

DELIVERABLE:

Creative and strategy brief document for discussion, review and approval that includes detailed customer profiles and critical information that will guide the Contractor as it begins its work of developing impactful and efficient strategies for reaching the target audiences.

6. Step 6: Develop marketing strategy per the brief.
The Contractor will convene its core strategic team (director of strategy, creative director, director of content and social media, account manager) and other Contractor resources as necessary to



develop the recommended marketing strategy for review by and approval of MET. The marketing strategy will address such points as:

- a. Goals and objectives
- b. Target audience definition and motivations presented in a way that explains the audience's current beliefs and perceptions and what MET wants them to understand, know and believe
- c. The key messages for each target audience group that will help them shift their current beliefs and perceptions to the desired state of knowledge and beliefs
- d. Recommended strategies and tactics with accompanying calendar and budget
- e. High-level media recommendations
- f. Recommended metrics for campaign evaluation

Marketing strategy will be led by the Contractor's in-house research, planning and strategy group and will be developed with a strong foundation in research and fact-finding. It will be directed by Contractor's Director of Strategy. The team will work collaboratively and independently in brainstorming and vetting ideas, which are then evaluated and built into a strategy document for presentation, discussion, review and ultimate approval by MET. The work done in the Discovery and Insights phase (audit, secondary research and primary research) and then consolidated into the strategy brief will provide the criteria by which the strategic ideas will be assessed. The proposed strategy is routed through and reviewed by multiple Contractor staff to assure it provides the best possible recommendations.

The Contractor will place an emphasis on understanding the target audience, including the needs, knowledge, attitudes, beliefs, values and practices of its members, in order to provide them with the information, motivation or exchange that is most relevant and valuable to them.

DELIVERABLE:

Marketing strategy document that details Contractor's recommendations for target audience groups, high-impact key messages that will resonate with the target audience groups, strategies and tactics to reach them, and a corresponding calendar and budget recommendation and evaluation metrics.

- B. Identify and develop creative concepts for the MET program enrollment period(s) as needed.
 1. The Contractor will be responsible for developing or modifying advertising/marketing/creative concepts and direction (including but not limited to 30-second TV and 30- and 60-second radio spots).

Contractor's creative concepting approach:

- a. Step 1: The team will be launched with a detailed creative brief document that is formulated based on the findings of the steps contained in the Discovery and Insights phase and an understanding of the strategic plan and brand standards.
- b. Step 2: The Contractor will conduct exploratory focus groups during the Discovery and Insights phase specifically to provide input to the process for creative concepting. The Contractor will listen to representatives of the target audience talk directly about their thoughts, feelings, perceptions and motivations
- c. Step 3: Multiple creative teams (pairs that include some combination of account planner, copywriter and art director) work together to develop many ideas, which are presented and evaluated by the larger team.
- d. Step 4: Creative concepting will include many rounds of development, review, new ideas, review, more new ideas, etc., until the best ideas rise to the top and are ready for presentation to MET and/or for testing depending on the agreements made about the process at the launch meeting.



- e. Step 5: The Contractor will start with broad, high-level concepts that will work in any media and then adapt the approved concept to the appropriate media. Once the broad concept direction is approved the Contractor will immediately apply it first to 30-second television and then to 30- and 60-second radio.
 - 1) TV spot development will begin with a treatment, an overall description of how the ad will flow, the tone of the ad, the general message and general visuals.
 - 2) Once the treatment is approved, the Contractor will write a script that conforms precisely to the timing requirements.
 - 3) The Contractor may develop storyboards in the form of illustrations displayed to help MET visualize the sequence of the TV spot.
 - 4) Once the script and storyboards are approved, the production process begins.

The relevance and resonance of the creative with the target audience will be informed by the Discovery and Insights phase of the Contractor's process.

DELIVERABLE:

Two creative concept directions presented as "advertising-like objects," or ADLOBS, that include a campaign theme, benefit or tagline; potential headlines; supporting copy points or key messages; and visual direction.

2. All creative concepts/materials/productions must be copyright free, including non-rights managed visual materials (to be used in print, online and other forms) and full buy-out (unrestricted use) of talent in all Michigan media (broadcast, cable, and online) for a minimum four (4) year period. The Contractor must ensure that, in negotiations of talent rights, the State will be signatory on all talent/property rights. In cases where rights managed materials may actually be more affordable than creating original materials for the purpose of buyout, these instances can be evaluated on a case-by-case basis and will be flagged by the Contractor for review. In cases where copyright cannot be transferred directly to the State, the Contractor will negotiate rights for unlimited statewide use for a period of four years or greater. Rights managed material that may be more cost-effective could include library music, stock photography and celebrity voice-over or on-camera talent.

C. Conduct marketing research such as focus group testing, telephone or intercept surveys as needed.

1. The Contractor is responsible for conducting market research, as appropriate, to better assess the target populations that the State is trying to reach with its communication efforts. This market research may include the use of marketing databases such as Prizm, intercept surveys, focus groups, observational research, and other tools as approved to help determine/refine message and creative strategies.

The Contractor will always include secondary research as part of their development process. If MET initially determines that primary research will be important from their perspective, the Contractor will begin the research process at the launch meeting. If not, the Contractor will make a determination during the audit and secondary research steps of their process and present a recommendation for research.

Contractor's Research Approach:

- a. Step 1: Define the research in detail. The Contractor will build out the initial plan in more detail. The Contractor will work through the following issues/questions and make recommendations with MET checkpoints and approvals along the way.
 - 1) Clarify/confirm research goals and objectives. (What does MET want to accomplish with the research?)
 - 2) Outline information needs/requirements from the research findings. (What will be learned from the research?)



- 3) Determine appropriate methodology. (How should the Contractor conduct the research? Do the goals lend themselves more to qualitative or quantitative methodology? Which precise methodology is best for this project?)
 - 4) Define in detail the sample requirements. (Whom should the Contractor conduct this research with; who should be communicated with and why?)
 - 5) Develop a schedule to ensure that the research findings are timely. (When does the information need to be in order for it to have an impact on the work?)
- b. Step 2: Identify a field subcontractor. The Contractor will work with a subcontractor who fields the research. The Contractor will lead all of the development activities and are responsible for the “front end,” but will work with a subcontractor for the “back end” of the process such as survey coding, respondent recruitment, data cleaning and tabulation.
 - c. Step 3: Develop and approve respondent screeners that determine who qualifies to complete the survey or participate in the interviews/focus groups.
 - d. Step 4: Develop the questionnaire (Survey only) or moderator guide (Focus groups only). Construct the questions and the flow of the survey or discussion.
 - e. Step 5: (Survey only): Program the survey. Once the questionnaire is developed, a fielding subcontractor will work to program it into the system, accounting for the proper ordering of questions and skip patterns, as needed.
 - f. Step 6: (Survey only): Pretest the survey. The survey will be pretested by representatives from the Contractor, the research fielding firm, MET, etc., to ensure that the questions are programmed correctly and in the correct order.
 - g. Step 7: Execute the research.
 - a. In the case of a survey, the survey will be deployed to respondents who satisfy the screening criteria. The Contractor will track completions daily, in terms of total completes and to ensure that the Contractor is satisfying any sample quotas for specific groups that are needed to have represented.
 - b. In the case of focus groups or interviews, respondents are recruited to participate and invited to attend a group discussion or interview on a specified day and at a specified time.
 - h. Step 8: Analyze the results and report the findings. The Contractor will conduct a thorough analysis of the findings of the research with special attention to the conclusions and implications that will inform the campaign.
 - a. In the case of a survey, the data are cleaned first and then tabulated for review.
 - b. In the case of focus groups or interviews, key findings are outlined and described.

DELIVERABLE:

Presentation of research findings and implications to MET in the form of a written report document and, if requested, a PowerPoint or Keynote presentation for a larger group.

D. Produce and duplicate media materials as needed.

1. The Contractor is responsible for producing internet project deliverables in support of TV and radio messaging, including repurposed-TV ads, banner ads, rich media ads, splash pages, etc.

The Contractor’s process for completing work incorporates the following steps, which will be managed jointly by the Account Manager and Traffic Manager. The Contractor will use the management software system, Workamajig, to help manage workflow and other Contractor functions.



The Contractor's steps for producing and duplicating media materials:

- a. Step 1: Once the marketing strategy plan, media recommendations and creative direction have been approved, The Contractor's account manager will finalize the work plan, then campaign deliverables are identified and scheduled. The final work plan and schedule will be sent to the State and shared internally for the entire team.
 - b. Step 2: The Contractor's Account Manager will launch the internal team with a project/creative brief that provides important guidelines for the team to meet the deliverables.
 - c. Step 3: The Contractor's Account Manager and Traffic Manager work with the team daily to ensure that the proper resources are assigned and that review dates and deadlines are being met.
 - d. Step 4: As each creative deliverable is completed, it will be routed through the appropriate Contractor staff to assure fidelity to project goals, strategy, specifications, quality standards, production readiness, etc. For all web deliverables, the Contractor will assure Section 508 compliance when appropriate.
 - e. Step 5: All creative deliverables will be reviewed with the State for approval.
 - f. Step 6: Requested changes will be made and final deliverables will be sent to the State for final approval. All creative will be proofed multiple times throughout the process, and will always undergo a final proof as the last step.
 - g. Step 7: Final approved deliverables will be trafficked to the appropriate media source for placement.
2. The Contractor is responsible for producing other project deliverables including billboards, posters, banners, flyers, e-mail marketing messages, etc.

The Contractor has complete in-house creative and production capabilities and will use their creative director, production manager, traffic manager, web designer/developer, copywriters, art directors, graphic designers and production artists. The Contractor's process for completing work incorporates the following steps, which will be managed jointly by the Account Manager and Traffic Manager. The Contractor will use their management software system, Workamajig, to help manage workflow and other Contractor functions.

The Contractor's steps for producing other project deliverables:

- a. Step 1: Once the marketing strategy plan, media recommendations and creative direction have been approved, the Contractor's Account Manager will finalize the work plan so all campaign deliverables are identified and scheduled. This final work plan and schedule will be sent to MET and shared internally for the entire team.
- b. Step 2: The Contractor's Account Manager will launch the internal team with a project/creative brief that will provide important guidelines for the team to meet the deliverables.
- c. Step 3: The Account Manager and Traffic Manager will work with the team daily to ensure that the proper resources are assigned and that review dates and deadlines are being met.
- d. Step 4: Each creative deliverables completed will get routed through the appropriate Contractor staff to assure fidelity to project goals, strategy, specifications, quality standards, production readiness, etc. All Web deliverables will be assured for Section 508 compliance when appropriate.



- e. Step 5: All creative deliverables will be reviewed with MET for approval.
 - f. Step 6: Requested changes will be made and final deliverables will be sent to MET for final approval. All creative will be proofed multiple times throughout the process, and will always final proofed as the last step.
 - g. Step 7: Final approved deliverables will be trafficked to the appropriate media source for placement.
3. The Contractor must direct and coordinate television and radio production and review all aspects including budgets, casting, music, and special effects with Treasury.
- a. The Contractor is responsible for shooting, recording, editing, and post-production.
 - 1) The Contractor will direct and manage all aspects of the production of approved concepts and scripts, including talent, music, crew, lighting, location and budget. The Contractor will utilize subcontractors for video and audio production
 - 2) Contractor's steps for video and audio production include:
 - a) Step 1: Creative brief – guides all execution
 - b) Step 2: Kickoff meeting with the production team
 - c) Step 3: Script development
 - d) Step 4: MET review and approvals
 - e) Step 5: Production bids
 - f) Step 6: Development of storyboards, locations and props (video)
 - g) Step 7: Casting, SFX, music selections
 - h) Step 8: Final scriptwriting
 - i) Step 9: Client review and approvals
 - j) Step 10: Production recording
 - k) Step 11: Post-production edit
 - l) Step 12: Final MET review and approval
 - m) Step 13: Distribution
 - 3) The Contractor's Creative Director will serve as executive producer and will be responsible for strategic oversight, guidance, and coordination of all shooting, directing, recording, editing, and post-production to ensure creative excellence. For production the Contractor will utilize subcontractors that meet the Contractor's quality standards and work ethic.
 - 4) For every step of the process, MET will be invited to have as much or as little participation as they wish; for example, with regard to approving locations, talent, music, editing, etc., prior to final production.
 - 5) For broadcast deliverables (such as TV, video and radio), a final approved script will be required before production begins.
 - 6) The Contractor will audition talent on screen and scout locations. The Contractor will manage subcontractors to provide any other support necessary for success, including props, extras, etc.
 - 7) The Contractor will conduct a minimum of two rounds of edits for each video or audio spot, based on MET feedback. The Contractor will tightly manage the work in the editing studio to ensure that the process is timely and cost-effective.



- 8) The Contractor will utilize talent agencies and individuals who offer a variety of options for the voice talent needs. Once the creative team has identified the type of voice needed, the Contractor will audition several voice talents and make a final selection. The Contractor's Production Manager will negotiate the contract requiring unlimited use licensing, and then will coordinate timing. The Contractor's Creative Director will be present for recording to assure fidelity to creative vision and script.
 - 9) The Contractor will utilize an experienced pool of talent including talent agencies and individuals with modeling, acting, performing, and voice recording experience. The Contractor's creative team and production manager will work together to identify and retain the best talent based on the goals, objectives, and budget of the project. The Contractor's Production Manager will handle all necessary arrangements with talent, including timing and travel.
 - 10) For animation, The Contractor will work with several talented subcontractors who specialize in animation and animation editing. The Contractor will originate the concept and look of the animation; the Art Director will develop key designs and still frames, and will supply these to the subcontractor. The subcontractor will then execute final animation, with management from the Contractor's creative team.
 - 11) The Contractor's scripts will identify the intended audio components. Prior to production, the Contractor will work closely with a production studio subcontractor to identify the perfect theme or audio components needed to bring the concept fully to life.
- b. The Contractor must deliver both rough cuts and finished spots to Treasury for final approval within the timeframe defined by Treasury but no less than one (1) working day.
- 1) The Contractor will include MET in multiple stages of production to ensure that approvals are met on time and that issues are spotted early enough in the process to be corrected.
 - 2) The Contractor will show rough cuts in person with the MET and essential stakeholders, unless otherwise directed by MET, to talk about all changes for the final version.
 - 3) The Contractor will share video on Vimeo, where MET can review further.
 - 4) The Contractor will deliver final video on a USB miniature hard drive in both high resolution formats for presentations and internal reviews and low resolution formats for sharing and social media.
- c. The Contractor is responsible for producing and duplicating media materials as needed in a variety of digital formats as required to meet the specifications of Michigan's broadcast and cable television and radio stations which may include, Beta, Digital Beta, wmv files, mov files, mp3 files, etc.
- 1) The Contractor's Traffic Manager, Production Manager and Media Director will work together to ensure that all jobs have complete specifications on file, and deliver accordingly. The Contractor will work with subcontractors to provide nontraditional and legacy formats, if needed.
 - 2) The Contractor will work closely with their production studio subcontractors to execute MET's duplication needs. The Contractor's Production Manager will coordinate the creation of "dubs" with the production studio and will work with the Media buyer to ship the dubs to each media outlet, based on the approved media schedule. (Typically, broadcast dubs are shipped as digital files.) The Contractor will maintain a master file of each TV and radio spot the Contractor produces.



- 3) The Contractor guarantees distribution and delivery by utilizing the following key tools:
 - a) Insertion orders will be created and sent to each media vendor outlining the agreed-upon cost, deadlines, and deliverables.
 - b) The Contractor's traffic manager will next work with Workamajig and the creative and production teams to ensure accurate execution and delivery.
 - c) Workamajig is a fully integrated web-based Contractor management system. This system will integrate all Contractor functions into a seamless system: MET service and project management, accounting, creative management, production management, traffic and media.
 - d) The Contractor will utilize the following disclaimer to ensure file integrity: "Any alterations to this file by anyone who is not a staff member of Gd Marketing will result in non-payment."
 - e) The Contractor will require confirmation emails from all media vendors upon acceptance of materials, including the disclaimer.

E. Develop a media plan for the MET program enrollment period(s).

1. The Contractor is responsible for developing a comprehensive media plan for the MET program enrollment periods and their appropriate target audiences, messages, message strategies, and communication vehicles that help meet stated objectives. The Contractor must provide the plan and update this plan as required by the Treasury Program Manager throughout the fiscal year. The Contractor will detail how, where and when the campaign will reach the target audience(s).

The Contractor will recommend in detail which media vehicles should be used, and in what proportion and priority, to reach the diverse audiences identified as important by MET:

- 1) Parents with children (newborn through 12th grade), ages 30 to 49
- 2) Women with household incomes of more than \$75,000
- 3) Grandparents, guardians and other relatives
- 4) Michigan businesses
- 5) Charitable foundations and others interested in pre-purchasing future undergraduate tuition for a Michigan child at current prices

The Contractor's secondary and primary (if performed) research steps will inform the media plan. This research will help the Contractor and MET understand underlying perceptions, thoughts, feelings and motivations of the target audiences and provide insights into their media consumption habits. The Contractor will leverage key themes and findings from creative testing to build effective messages for the audiences and will outline appropriate media vehicles to reach these audiences.

The Contractor will start with PRIZM. This tool helps will help identify target audience, geographic location and best ways to reach this audience within the identified location(s). PRIZM provides specific recommendations based on the highly targeted audience. Key media will include a breakdown of media type, suggested publications, TV shows, radio stations, websites, etc., and frequency for each specific tactic.

The Contractor will engage media partners to determine the opportunities that best align with the marketing objectives. As part of the media request, the Contractor will require rating information from each vendor.

The Contractor will assess all proposals as they are received, using evaluation and planning tools, such as STRATA and SQAD. These tools will be used pre- and post-buy.



- 1) STRATA will be used to efficiently manage all media types, including broadcast, cable, newspaper, radio, outdoor and digital advertising. This program collects, organizes and reports on all Contractor's past and current campaign experience.
- 2) SQAD will provide broadcast, cable and radio media cost data. The SQAD Database will ensure the Contractor and MET transparency in the media marketplace. This data collection is derived from Nielsen, Arbitron and records of actual placed media. It dates back 16 rolling quarters for in-depth analysis of past rating trends. It will also create forecasting algorithms to help the Contractor budget and plan up to four quarters into the future. If SQAD skews high in Michigan markets, the Contractor will negotiate accordingly.
- 3) SQAD TV data includes all markets, 67 demographics, eight day parts, three levels of costs and actual purchased cost per points (CPPs) and cost per millions (CPMs) for the current quarter plus projections for the next four quarters each month. This comprehensive set of data will allow for complete and accurate post-buy comparisons. Data is reported in May (1Q), August (2Q), November (3Q) and February (4Q), and include all demos, day parts and markets, as well as average, low and high cost per points.
- 4) SQAD Radio has all markets, 38 demographics, seven day parts, including weekends, three levels of costs and CPPs and CPMs for actual purchased CPPs, and CPMs for the current quarter, plus projections for the next four quarters each month.

The Contractor will work closely with digital partners. The Contractor will provide them with target audience definition and insights about their habits and preferences. They will provide the Contractor with data and recommendations to evaluate and refine until the best is agreed upon by MET and the Contractor.

The Contractor will create a detailed planning report for MET's review and approval that will include all of the important and relevant information requested by the RFP, such as the paid media budget, target audience definition, schedule and flight dates, geography and media markets, advertising units and media weight (GRPs).

a. The Contractor's media plan for paid advertising must outline:

- 1) Paid media budget.
- 2) Target audience.
- 3) Flight dates.
- 4) Geography/media markets.
- 5) Advertising units.
- 6) Media weight (gross rating point/GRP) levels and expenditures for each medium in each market.

The Contractor will create custom reports for each flight of the MET plan. The Contractor will help organize the data with use of maps, graphics, and tables.

2. The Contractor is responsible for developing, managing, and executing social media/new media strategies and deliverables to complement advertising and earned media campaigns.

Contractor's process and considerations for developing social media strategies:

- a. Participating in campaign launch meetings.
- b. Reviewing overall marketing goals and objectives for campaign.
- c. Based on marketing goals, determining social media/new media objectives that would assist in achieving those overall goals.
- d. Determining measures of success and reporting metrics that will be used to report success to MET.
- e. Consulting in work plan and media planning stages to determine what earned and/or paid social and new media tactics should be included to aid in the determination up front, what will be needed,



- so social media works cohesively with the advertising or earned media campaigns (i.e., conversion needs for website, social sharing opportunities, additional content development, etc.).
- f. Researching audit of industry best practices online, current MET assets and online audiences, and potential competitors' online performance and current campaigns.
 - g. Developing social media and new media strategic plan, calendar and budget that will best promote advertising campaigns and deliver earned media campaigns to online audiences. This may include recommendations of new social channels based on goals and audience research.
 - h. Continued value-added opportunities initiated throughout the campaign to help make it a success.
 - i. Campaign implementation, ongoing monitoring and optimization of campaign while in market.
 - j. Based on MET needs this may also include assisting in responding to and engaging and/or training MET teams on execution of implementation deliverables.
 - k. Ongoing reporting throughout campaign and final campaign results presented based on success metrics.
3. The Contractor must identify the resources that will be used to develop media plans, including Mediamark Research & Intelligence (MRI) or Simmons Market Research Bureau (SMRB), Scarborough or Media Audit, PRIZM, Nielsen, Arbitron, and Nielsen Net ratings.
- a. The Contractor will cross-reference data from a combination of research tools to provide comprehensive insight and campaign analysis. PRIZM, Experian Simmons and Rhizalytics will assist in identifying target audience, geographic location and best ways to reach the audience within the identified location(s). Each tool provides specific recommendations based on the highly targeted audience. Key media will include a breakdown of media type, suggested publications, TV shows, radio stations, websites, etc., and frequency for each specific tactic.
 - b. The Contractor will engage media partners to determine the opportunities that best align with the marketing objectives. As part of the media request, the Contractor will require rating information from each vendor (Nielsen, Arbitron, Rentrack).
 - c. The Contractor will assess all proposals as they are received, using evaluation and planning tools, such as STRATA and SQAD. These tools are used pre- and post-buy. STRATA will be used to efficiently manage all media types, including broadcast, cable, newspaper, radio, outdoor, and digital advertising. This program will collect, organize, and report on all of the Contractor's campaign experiences. SQAD will provide broadcast, cable and radio media cost data derived from Nielsen, Arbitron and records of actual placed media. If SQAD skews high in Michigan, the Contractor will assess plans accordingly.
4. The Contractor must inform the State, in writing, and evaluate as requested any special or unique media placements or opportunities with detailed deliverables and rationale.
- a. The Contractor will actively seek out special media placements. The Contractor will participate in ongoing in-person meetings with media partners to stay connected and aware of special and unique media placements and opportunities in each market.
 - b. The Contractor will evaluate special and unique media opportunities with the same level of scrutiny and care as the initial flight schedule. The Contractor will ensure that each opportunity fully aligns and adds value to the campaign objectives.
 - c. The Contractor will include how each potential special placement or opportunity fits strategic campaign timing, the target audience, its media value and impact on other media vehicles currently in market in their evaluation.
 - d. The recommendation will include clearly defined deliverables, timing and support for the recommendation. The Contractor will include detailed information regarding each placement's



impact on the overall media strategy and other media vehicles currently in market in the rationale.

- e. Upon approval from MET, the Contractor will implement the plan. Verification of all deliverables will be included in campaign reporting to MET, such as traditional media metrics (reach, frequency, GRPs), message quality metrics (tear sheets, air checks, screenshots), digital and social media metrics (click-thru rate, engagement tactics, bounce rate, impressions, etc.), earned media reporting and event attendance.

F. Place media messages and conduct advertising tracking surveys during enrollment period(s).

1. The Contractor is responsible to buy and negotiate radio and television air time, publication space, outdoor and transit space, direct mail services, and any other media used for advertising and promotions projects.
 - a. The Contractor will engage in deep negotiation for individual placements once the media plan is approved by MET. The Contractor will provide the media vendors with target audience goals, reach and frequency/impression goals, and the ultimate goals of the campaign, and will be asked to provide recommendations for media placements, promotions, inventory and budget.
 - 1) After a review of requests for proposal/inventory responses from qualified, reputable vendors, the Contractor will negotiate to obtain the best value (including discounts and bonus placements) and positions for MET with each individual vendor, and build a media and schedule buy that meets the criteria agreed upon in the media plan. The Contractor will conduct multiple rounds of back-and-forth negotiation.
 - 2) Once the Contractor has reached agreement with the media vendor, the buy will be considered completed. Signed orders will be dispatched to all vendors and a detailed schedule will be provided to MET, listing purchased stations, publications and websites with spot schedules/impressions, discount/bonus value and timing. With the signed orders, the buy is considered "placed."
 - 3) After the buy is placed and while it is airing, the Contractor will stay in close contact with vendors to ensure that schedules run as ordered. The Contractor will review screenshots for web placements and tear sheets for print placements, and will listen to air checks for radio spots to validate that creative is running correctly.
 - b. Media performance will be monitored throughout the buy, and the Contractor will optimize as needed. Detailed media performance documents will be provided to MET at regular intervals.
 - 1) If the Contractor uncovers any inconsistencies in quality, the Contractor will negotiate restitution value above the original order.
 - 2) The Contractor's Media Director will review every vendor invoice against the buy to ensure that full agreed-upon value has been received before authorizing for payment. Once third-party rating books (Arbitron, Nielsen) have been released that coordinate with the advertising periods, the Contractor will post actual ratings against station-supplied estimates/projections. The Contractor will require any station that falls short on point delivery to provide a make-good schedule to ensure that full agreed-upon value is received.

Contractor's Process for Direct Mail Services:

- a) Database Development: The Contractor will develop and recommend the date needed in order to develop a meaningful dialog with the target audiences online, via mobile, by mail,



by phone or in person. The Contractor will take into consideration information that will support the campaign objectives and messaging when selecting data lists or reviewing MET lists, such as:

- Name of individual and/or organization
 - Email address
 - Social handles, e.g., Twitter
 - Mailing address, including ZIP code
 - Telephone number (mobile or landline)
 - Relevant demographic data, e.g., age, gender, marital status and lifestyle data and household size
- b) The Contractor will leverage the following if the information directly correlates to the lifestyle or attitudinal information about the target audience learned from research:
- Recency/frequency/monetary purchase history by date, dollar amount, by product
 - Relevant organizational data, e.g., SIC (Standard Industrial Classification) code, size of firm, revenues, number of employees
 - Source of inquiry or order
 - Date and purchase details of first inquiry or order
 - Credit history and rating (scoring)
- c) Mail Lists: The Contractor will determine the type of mailing list: compiled (information taken from directories, magazine subscriptions, phone books, motor vehicle records, etc.) or direct response lists (information of people who have bought or responded to direct marketing). The Contractor will provide selection criteria (from the database development) that include such items as demographics, SIC selections, desired income or sales, number of employees, age, sex, etc., and then will work with a list broker to secure the list.
- d) Determine the Offer or Call to Action: The Contractor must provide a clear and concise offer and it must:
- Fulfill a perceived need
 - Have a good perceived value, especially relative to competitors
 - Be practical
 - Be unique
 - Be appropriate for the customer and the brand
 - Have a clear connection with the brand
- e) Creative Brief: The creative brief will include direct mail as a deliverable and will give the creative team a realistic view of the role of direct mail in the campaign and what it is expected to achieve.
- f) Content, Layout and Design: The Contractor will ensure all elements are developed as a cohesive package. The Contractor will work with the USPS to consider the final handling and postage costs as part of the design.
- g) Postage: The Contractor will select the correct postage to deliver on time and within budget. The Contractor will take into consideration bulk shipping or “trucking” mail to postal sorting locations.
2. The Contractor is responsible for advertising placement, negotiation of matching spots, value added, bonus, and other means to further advertising reach, as well as follow-up reporting to include invoice reconciliation, and audience delivery assessments with an objective of receiving plus or minus 10 percent of the Gross Rating Points (GRP) goal in the proposed media buy.



- a. The first type of value-added the Contractor will negotiate is additional inventory, similar in kind and quality to the core contract. The Contractor will maximize inventory as much as possible while remaining cognizant of a point of diminishing return. This effort will include additional spots/ad placements, improved day parts, campaign date extensions, etc.
- b. Once the Contractor is confident that level of reach and frequency best suited to meet the campaign goals has been attained, the Contractor will negotiate rates.
- c. The Contractor's final round of negotiation for value-added will seek opportunity for bonus spots in all assets available from the vendor.
- d. Once the Contractor is confident that the absolute maximum value of each contract has been reached, the Contractor will issue a signed order clearly documenting all value-added. This contract will guarantee commitment from each vendor to execute the value-added as originally agreed upon and holds each vendor accountable for make-goods of each item listed in the signed order that is not executed as promised.
- e. In addition to traditional value-added, the Contractor will optimize every element of the contract throughout the duration of each agreement. The Contractor will stay in close contact with media partners to take advantage of opportunities in the marketplace.
- f. Once the Contractor has reached agreement on the specific value-added for each contract, it will be clearly documented and become part of the formal contract and insertion order to each respective vendor. At the time of invoicing, the Contractor will review execution of value-added with the same scrutiny as paid media components to ensure delivery before invoice authorization. The Contractor will detail complete media analysis and metrics, including value-added and bonus placements, in post-buy media reports.

Contractor's partners:

Broadcast TV: DMA at NBC, ABC, CBS, Fox,

Michigan Association of Broadcasters (MAB), and CoxReps

Cable TV: Comcast, Charter, WOW, Michigan Cable Telecommunications Association (MCTA), National Cable Communications, Big Ten Network, ESPN, SEC Network, and MCTA.

Radio: *I Heart Media, Radio One, Town Square Media, Westwood One, CBS Radio, Disney, Macdonald Broadcasting, MAB.*

Public TV and Radio: *WDET, WKAR, WUOM, WCMU and WGVU stations.*

Outdoor: *Outfront Media, Adams and Lamar, Crossroads Outdoor, Wolverine Sign Works, Skyline Outdoor Media, and Matrix Media.*

Print: *niche publications, statewide daily and community newspapers, and magazines throughout the state; Media Networks Inc., offering regional placement of print ads in top publications such as USA Today, People Magazine, etc. Michigan Press Association (MPA)*

Digital Partners: *Goodway Group for digital advertising, including web analytics, ad serving, strategy, Pandora, HULU and Valassis.*

Direct Mail and Email Marketing: *Progressive Impressions International for data management, list strategy, list management and list brokerage; assistance with multichannel communications, including URLs, email campaigns and personalized mailers with variable data and lead lists.*

Community Sponsorships: *Council of Michigan Foundations, various chapters of the United Way, Ele's Place, American Cancer Society and Juvenile Diabetes Research Foundation.*

Minority Media Partners: *Michigan Publishers Auxiliary (represents 25 minority publications), Blac (part of the Metro Parent publication group in southeast Michigan), Arab American News, Michigan Chronicle and Front Page, Monica Sparks Show on Talk 1230 WTKG, El Vocero, Latino Press, Keweenaw Bay Indian Community Newsletter and New Opinion.*



Merchandise/Giveaways: The Contractor maintains multiple wholesale licenses and works closely with multiple ASI vendor partners to procure and develop custom merchandise and/or giveaway items in support of messaging goals. Some partners include Mahoney and Associates, The Idea people, individual artists and entrepreneurs.

Sports Marketing: IMG College, Learfield Sports, CBS Sports, Big Ten Conference, Craig Martin Sports and Events Management, Professional Sports Publications, Michigan State University Athletics, Lansing Lugnuts, Traverse City Beach Bums, Grand Rapids Griffins, all professional sports teams, and Slam Dunk Sports Marketing.

Social partners: Google Partners Program.

3. The Contractor must negotiate make-good media-weight for any under-delivery to be scheduled during the next paid media flight.
 - a. The Contractor will stay in close contact with vendors to ensure that all deliverables are executed as ordered. Depending on the specific features of the buy, the Contractor’s verification may occur weekly, monthly or quarterly. The Contractor’s Media Director will review and approve required documentation as outlined below before authorizing payment. The Contractor will require detailed reporting and proof of performance with each media buy. The Contractor will discuss the requirement with each vendor at the time the contract is executed to ensure all parties are capable of the level of information required for invoice reconciliation.

Media Type	Required Verification Document
Print (Newspaper, Magazine, etc.)	Invoice, tear sheets for each placement
TV	Invoice, affidavit, spot check
Outdoor	Invoice, photo sheet
Radio	Invoice, affidavit, spot check
Digital	Dashboard metrics
Social Media	Network insights, analytics reports

- b. The Contractor requires make good media weight to exceed the value of the originally planned schedule. When the strategic timing is interrupted due to under-delivery on the part of a vendor, the Contractor will work to achieve an even greater reach and frequency to compensate for the lost time/opportunity. The Contractor will use make-good negotiations as an opportunity to boost organic media placement such as live reads from trusted spokespeople, traffic/weather sponsorships, event inclusion, social media posts, etc.
4. The Contractor will negotiate bonus media weight to supplement the media buys and a final report of the base buy plus the bonus weight delivered no later than 60 days after the media buy and bonus have aired. Return on Investment (ROI) for the bonus weight must be included in the report.
5. The Contractor must work to extend a budget by means of innovative ideas, creative partnerships and aggressive negotiation skills to leverage any funding that may be available for paid advertising. The Contractor must provide their methodology to gain added value in media planning and purchasing.
6. Placement services include not only paid media but also value added media, Michigan Association of Broadcasters (MAB) media, Michigan Cable Telecommunications Association (MCTA) media and Michigan Press Association (MPA) media. Please describe your firm’s experience in working with the MAB media, MCTA media and MPA media.



7. The Contractor must ship all radio and television dubs, with appropriate traffic instructions, to stations in time to meet program deadlines.

The Contractor's Traffic Director will be fully dedicated to overseeing the distribution of all creative assets to media vendors, including radio and television dubs, print and digital assets. The Traffic Director, in collaboration with the Media Director, will be diligent about detailed traffic instructions and adhering to the Contractor's follow-up systems to ensure that ads and spots run as scheduled.

- G. Provide results/recaps after each media campaign and work with stations if any make-goods are necessary.

1. The Contractor must provide in-depth analysis and evaluation of all media vehicles (radio, television, newspaper, magazine, outdoor, direct mail, social media, etc.) available throughout the State as requested.

The Contractor will track and monitor key performance indicators (KPIs) of the marketing strategies and tactics that make up the campaign that the Contractor and MET agree upon in the project launch. These KPIs include such items as:

Broadcast/Cable Television

- Reach and frequency by market
- Total estimated impressions
- Gross rating points
- Purchased spots
- Bonus spots and sponsorships

Radio

- Reach and frequency by market
- Purchased spots
- Bonus spots (including web units)

Outdoor

- Daily effective circulation by market
- Total campaign impressions
- Bonus space/production value

Print

- Circulation/digital extensions
- Total estimated impressions
- Bonus spots (including earned media)

Digital Analytics

- Total estimated impressions
- Bonus impressions
- Type of impressions (mobile, display)
- Post-impression website visits
- Site visitors
- Site visits
- Avg session time
- Avg # pages visited
- Overall bounce rate
- Mobile interactions (clicks, impressions)
- Top-performing sites



- Highest-performing times/day of week
- Highest-performing ad types and messages

Facebook

- Conversions/clicks to website
- Page and post engagement (likes, comments, shares)
- Impressions and reach (weekly/monthly/daily totals)
- Event participation
- Lead generation
- Video views
- Geographic/demographic breakdown
- Earned media performance
- Paid advertising performance

Twitter

- Total/new followers
- Conversions/clicks to website
- Page and tweet engagement (retweets, comments, favorites)
- Geographic/demographic breakdown
- Earned media performance
- Paid advertising performance

Instagram, YouTube, LinkedIn, Pinterest, Snapchat

Impressions and reach
 Video views and audience retention (where applicable)
 Advertising performance
 Engagement measurements
 Subscribers and followers (where applicable)

Sponsorships/Unique Media

- Event attendance
- Awareness increase (gauged by survey)
- Inquiries (web contact form, phone)
- Lead to customer/purchaser ratio
- Cost per lead

2. The Contractor must conduct post-buy review on the placement of media and the effectiveness of media buys in terms of cost, reach, frequency, continuity, and message dispersion requirements, etc. The Contractor should use findings to refine current and future media plans. No later than two months following the end of each media buy, the Contractor must submit this post analysis report to the Treasury Program Manager.
 - a. The Contractor's reconciliation reporting will include detailed and transparent information from credible third-party sources. The Contractor will customize media reports based on MET's needs.
 - b. Custom dashboard reports will be created for each unique digital campaign. Each base report will include campaign dates, creative description and key performance indicators (KPIs) such as website visits, new visits, impressions, click-thru rate (CTR), cost per thousand (CPM), cost per click (CPC), heat maps and conversion rates.
 - c. Measurement reports for event sponsorships, earned media and guerrilla marketing efforts will be customized and agreed upon with MET prior to execution.
 - d. Media performance will be monitored throughout the buy, and the Contractor will optimize as needed. Detailed media performance documents will be provided to MET at regular intervals. If



any inconsistencies in quality are found, the Contractor will negotiate restitution value above the original order. The Contractor's Media Director will review every vendor invoice against the buy to ensure that full agreed-upon value has been received before authorizing for payment.

- e. Once third-party rating books (Arbitron, Nielsen) have been released that coordinate with the advertising periods, the Contractor will post actual ratings against station-supplied estimates/projections. Any station that falls short on point delivery must provide a make-good schedule to ensure that full agreed-upon value is received.
- f. Make goods will be communicated to MET in campaign media reports.
- g. If adjustments are necessary mid-campaign, the Contractor will make recommendations to MET immediately. The Contractor will constantly evaluate media recommendations and opportunities and refine the media strategy accordingly.

H. Provide public relations services and counsel when required by the Treasury Program Manager.

- 1. The Contractor must conduct public relations services and counsel as they arise. This is estimated to occur, but not limited to, 4 times per year.

The Contractor's work will include, but not be limited to:

- Implementing media outreach using a set of MET-approved communication priorities and a carefully planned communications calendar.
- Generating a steady series of outreach materials four times per year that take advantage of topical opportunities dovetailing with college savings:
 - 1) Holiday gifting/New Year's resolutions
 - 2) Tax time, post-tax time
 - 3) 529 day/graduation
 - 4) Back to school
- Developing MET-specific template editorials, articles and outreach materials.

Contractor's Public Relations Services Plan:

a. Step One: Launch Meeting

The Contractor will hold a kickoff meeting to review MET's PR goals. The Contractor's Account Executive and PR team will discuss and align on project goals and objectives for the facilitation of seamless project execution. The process for the PR launch meeting mirrors the process of the marketing kickoff discussion.

We will engage in collaborative discussion with the MET team to:

- Introduce campaign team leaders
- Define roles and responsibilities
- Review project goals and objectives
- Discuss the planned course of action
- Summarize key milestones and deliverables
- Clarify assumptions
- Identify key success factors
- Outline local, regional and state priorities



- Discuss project management essentials (communication processes, coordination methods, reporting expectations)
- b. Step Two: Research Existing PR Assets and Opportunities
The Contractor will perform a series of information audits to learn more about MET and gather the data and content needed to develop an integrated strategic plan that encompasses many touch points to reach the targeted audiences.
- This research will:
- Inform messaging strategy.
 - Identify opportunities online and in the media, and methods for communicating.
 - Help in getting the right message to the right people, in the right way, at the right time.
- The Contractor's PR-related research will include but is not be limited to:
- Communications audit of materials and online assets, reviewing MET's current communications channels with its target audiences, social media insights and audiences, news media coverage and distribution lists and other secondary research as recommended by MET.
 - Nationwide review of the 529 college savings plan industry's best PR practices and trends.
 - Assessment of MET's existing PR content (e.g., media advisories, press releases, news coverage, etc.) and how this messaging could be repurposed for value-added opportunities.
 - Media review of MET's current media lists and media coverage from the prior year and previous campaigns, as well as identification of other areas of media representation that will be necessary, including additional online opportunities.
 - Partner audit and compilation – The Contractor will examine the various communication platforms employed by MET's partners to determine whether MET is utilizing all available messaging opportunities.
- c. Step Three: Develop Integrated Strategic Plan
The Contractor will utilize MET's existing inventory of communication tools, including its website, social media platforms and traditional media deliverables (press releases, advance news advisories that promote events, etc.) to improve communication activities, expand outreach to better engage existing and new audiences, and extend awareness about MET successes.
2. The Contractor must develop, coordinate and schedule public relations services and press event(s) to increase public awareness as they arise. This includes, but is not limited to, press releases, tv and radio interviews, enrollment sessions, and photo opportunities.

Contractor's approach to developing press event strategies, media advisories, press releases, talking points and other written outreach materials:

- a. Launch/intake with client
- b. Establish goals, objectives, audiences, expected results, timeline
- c. Identify target audience groups
- d. Research and create key messages and themes if needed
- e. Test messages if appropriate
- f. Determine media distribution list
- g. Draft press release and/or other media material
- h. Revise and refine as necessary
- i. Route within MET as appropriate
- j. Gain final approval
- k. Final proof
- l. Release (meet with editorial boards in advance of release if deemed appropriate)
- m. Track results



Contractor's Press Event Technical Approach:

This approach could be adapted slightly for a conference call/video or web-based or satellite event.

- a. Kickoff Prep
 - 1) Launch/intake with MET
 - 2) Determine event objective
 - 3) Identify targeted audience(s)
 - 4) Discuss news to be shared, best methods, messaging
 - 5) Select date and time
 - 6) Determine spokesperson and media access

- b. Media Event Logistics
 - 1) Check for event conflicts
 - 2) Finalize date and time
 - 3) Secure and prepare event location and any technology needed
 - 4) Develop media/invitation lists
 - 5) Develop collateral plan (backdrops, banners, podiums, etc.)
 - 6) Produce and proof collateral plan
 - 7) Schedule setup, staffing and cleanup of event site

- c. Press Kit
 - 1) Draft press release
 - 2) Draft talking points, backgrounders, FAQs, etc., as needed
 - 3) Create graphics, photos and other assets
 - 4) Develop corresponding online support materials (e.g., web page)
 - 5) Obtain MET approvals on all materials

- d. Media Event Preparation
 - 1) Finalize and distribute press releases or invitations
 - 2) Produce collateral
 - 3) Make media calls and pitches to confirm attendance and coverage
 - 4) Provide spokesperson with scripted questions, talking points and rehearsal as needed

- e. Media Event Execution
 - 1) Set up the event
 - 2) Provide media management, other staffing during the event
 - 3) Clean up event site

- f. Follow-Up
 - 1) Monitor coverage
 - 2) Report on results
 - a) The Contractor will utilize an array of reporting tools and will plan to monitor online media and social media activities each month (or more frequently if needs warrant for specific events) to report outreach and engagements from the public awareness campaign to MET.
 - b) Reporting through these tools and utilizing current analytics will identify areas on which to improve and showcase campaign successes.

- g. Crisis Communications
 - 1) The Contractor will be on-call and available 24/7 to consult with MET regardless of time or place, working through weekends, holidays, nights and vacations, whenever the Contractor's services are deemed necessary.

 - 2) The Contractor will provide the following services, including but not limited to:
 - a) Working with demanding reporters.



- b) Preparing key messages that go beyond just the facts to also convey empathy, transparency and accountability.
- c) Quickly reaching and communicating with senior managers, employees, relevant elected officials and policymakers, and other key stakeholders.
- d) Tapping the power of the MET website and social media platforms.
- e) Preparing spokespeople within MET for difficult media interviews or critical questions from the public (e.g., press conferences, town hall meetings and presentations).

1.2. Transition

- A. As a one-time project upon award, the Contractor must review the existing campaigns and performance reports in order to provide recommendations to maximize value from the existing media mix.
 - 1) The Contractor's audit is described in the Requirements Section 1.A.
- B. End of Contract Conversion Responsibility: At Contract expiration or termination, the Contractor must work with State personnel and other contractors, if applicable, to convert or transition all Contract Activities, services and data into an acceptable format for uploading into or importing into a State owned database (also see Standard Contract Terms, Sections 25 and 32.e). The Contractor must work with the State and/or previous contractor during implementation of the transition plan to effect an orderly transition to the new contractor if applicable. The Contractor must allow as many personnel as practicable to attend meetings and receive hardcopy and/or electronic files (excel, PDF, etc) to help maintain the continuity and consistency of the services required by the Contract. The Contractor agrees to receive reasonable detailed specifications for all Contract Activities previously provided to the State to properly provide the Contract Activities required under the Contract.
 - 1) Files include but are not limited to, the previous year's reports (conference, media and summary, if applicable) and plans (strategy and media, if applicable) in their native format (Word, Excel, etc.) and *all* design, print, digital and web files packaged for MET and vendor use. Packaged design, print, digital and web files include the collection of native files (Illustrator, InDesign, Photoshop, etc.), fonts, images sized to the correct medium and development of a high-resolution PDF.

2. Acceptance

2.1. Acceptance, Inspection and Testing

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

Before approving invoices for payment, the Program manager will review deliverables, review project hours and team members' involvement in the project, and review invoices for pass through expenses to verify costs are accurate and do not reflect markups. The Program Manager will also ensure Contractor's invoices include detailed information for the project.

3. Staffing

3.1. Contractor Representative

The Contractor must appoint an individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

Contractor Representative:

Roni Rucker Waters, Sr. Account Manager
 517-267-9800 (main office)
 517-853-3873 (direct line)



waters@gudmarketing.com

3.2. Key Personnel

Key Personnel Name	Title	Detailed Description of Role(s) and Responsibilities assigned for this Contract	Physical Location during Contract Performance (City, State)	Full-Time (FT) or Part-Time (PT) Employee
Roni Rucker Waters	Sr. Account Manager	<ul style="list-style-type: none"> • Primary day-to-day interface between MET and Contractor • Develop yearly marketing plans/ recommendations • Lead Project Manager, supervising all MET projects and aligning Contractor resources to meet MET's needs • Develop and give presentations and reports as needed by MET and described in this Contract 	Lansing, MI	FT
Jill Holden	Director of Strategy	<ul style="list-style-type: none"> • Lead strategic planning, branding development and research efforts for MET • Provide strategic guidance and direction • Collaborate with account manager to translate MET business objectives into marketing strategies and will oversee campaign formation • Provide implementation and program evaluation to ensure delivery of business and communications goals. • Focus group moderator • First back-up to Roni Rucker Waters 	Lansing, MI	FT
Mike Nowlin	Sr. PR and Policy Manager	<ul style="list-style-type: none"> • Lead strategist for PR and content management • Foster relationships and partnerships with key members of the media • Engage with key business leaders, public officials, opinion leaders, policymakers and journalists • Develop and execute public relations plans and efforts, including crisis management if ever necessary • Write releases, advisories, talking points, stories, scripts, articles, website content, etc. • Lend his specific category expertise to the team 	Lansing, MI	FT
Emmie Musser	Media Director	<ul style="list-style-type: none"> • Develop and execute paid media strategies, plans and schedules • Negotiate rates and places media buys • Conducts post-buy analysis and prepares extensive media reports • Research and identify target audience lifestyle, including media consumption habits and preferences • Evaluate all media contracts including pricing, deliverables, reputation, invoicing and performance 	Lansing, MI	FT
Joel Newport	Creative Director	<ul style="list-style-type: none"> • Lead Contractor creative team, including concept development, copywriting, art direction and design for all marketing elements • Oversee all aspects of creative process Works a lead producer/director on Broadcast and video deliverables, 	Lansing, MI	FT



Andrea Ness	PR, Social Media and Content Marketing Director	<ul style="list-style-type: none"> • Lead the social media and content marketing efforts • Work collaboratively with team members (account manager, strategy director, PR manager and media director) to identify and capitalize on content marketing and social opportunities for MET, making sure all earned, paid and social media efforts are in alignment and are properly leveraged for maximum effectiveness • Develop social and content strategies, calendars and implementation schedules • Write, edit and approve social and content marketing copy internally before releasing for MET approval • Oversee the management and implementation of social and content marketing calendars and schedules 	Lansing, MI	FT
Mike Turner	PR Manager	<ul style="list-style-type: none"> • Implement PR strategies • Write and copyedit content • Provide outreach to reporters, bloggers and so on to gain positive coverage of the MET • Lend category expertise to the team 	Lansing, MI	PT
Chelsea Maupin	Research Manager	<ul style="list-style-type: none"> • Coordinate all market research efforts • Provides secondary research and background information • Generate market research analysis, reports of findings and executive summaries, including recommendations, for all research efforts • Provide tracking, monitoring and analytics of communications tools 	Lansing, MI	FT
Debbie Horak	Firm Principal	<ul style="list-style-type: none"> • Contractor owner – ultimately responsible for the Contractor’s performance • Assist with high level of customer service and delivery of all services 	Lansing, MI	FT
Elissa Crumley	Firm Principal	<ul style="list-style-type: none"> • Contractor owner – ultimately responsible for the Contractor’s performance • Assist with overall strategy development, executive creative oversight and research tasks • Focus group moderator 	Lansing, MI	FT

A. The State has 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, introduce the individual to the State’s Project Manager, and 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. The State may require a 30-calendar day training period for replacement personnel.

B. Contractor will not remove any Key Personnel from their assigned roles on this 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”). An Unauthorized Removal 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



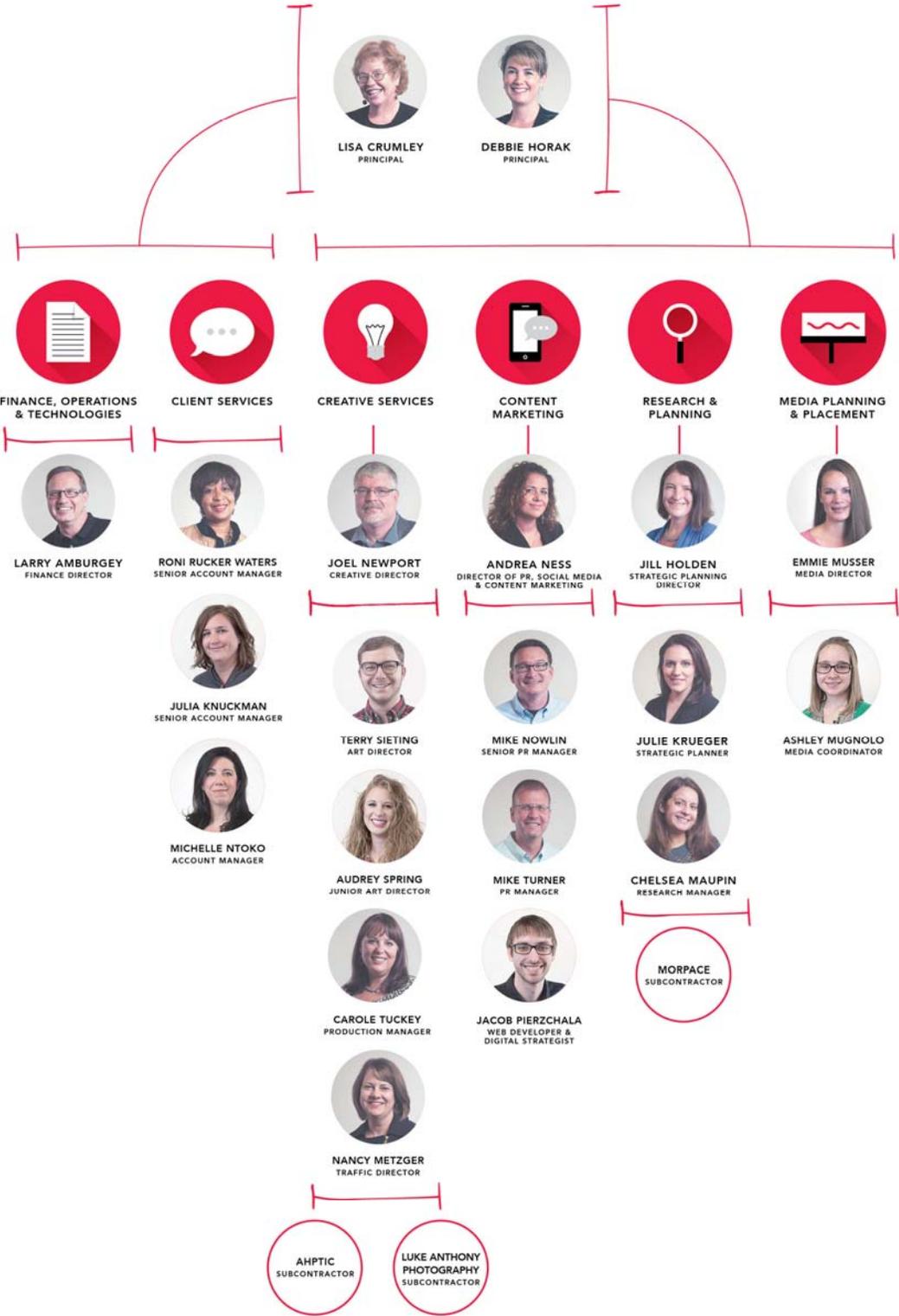
termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):

1. For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$25,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.
 2. If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.
- C. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above:
- (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and
 - (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.



3.3. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and subcontractors.





3.4. Disclosure of Subcontractors

- A. Situations may arise where the Contractor may not possess the expertise necessary to effectively execute a project. Treasury expects that in those instances the Contractor will propose, or the Contractor and Treasury will jointly identify, subcontractors as needed to creatively develop and oversee production of certain special programs or projects.

The Contractor must select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract. Any subcontractor must be agreed to by the State and an amendment to the Contract is required via Contract Change Notice. See Standard Contract Terms Section 10 Subcontracting and Section 54 Entire Contract and Modification.

- B. If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

1. The legal business name; address; telephone number; a description of sub-contractor's organization and the services it will provide; and information concerning sub-contractor's ability to provide the Contract Activities.

- a. Ahptic Productions LLC, 901 Cleveland St. Lansing, MI 48906
(517) 482-8070

If necessary, GÜD Marketing may utilize the services of Ahptic Productions to:

- Assist with development of broadcast television commercials, promotional web videos, etc.
- Additional services: Provide video production, editing, motion graphics and animation.
 - 1) Preproduction support - location scouting and securing the location, talent audition, storyboards, set construction.
 - 2) Production services - camera, prime lens packages, grip truck, lights, craft services and all crew. Crew will consist of director, director of photography, assistant camera, grips and electricians.
 - 3) Editing and postproduction services – special effects, rotoscoping, compositing, green screen masking, color correction, music, voice over recording and audio mixing.

- b. Morpace, Inc. 31700 Middlebelt Road, Suite 200, Farmington Hills, MI 48334
(248) 737-5300

If necessary, GÜD Marketing may utilize the services of Morpace to assist with primary research tasks:

- Online Quantitative Survey:
 - 1) Assist with survey design.
 - 2) Survey programming and testing.
 - 3) Plan, manage and conduct online survey research.
 - 4) Provide final tabs and report of results.
- In-Person Focus Groups (Quantitative):
 - 1) Morpace manages recruitment, facility procurement, and planning of in-person focus groups
- Additional services:
 - 1) Assist in questionnaire development
 - 2) Provide location and recording equipment
 - 3) Provide moderator if necessary or desired
 - 4) Provide report of results

- c. Luke Anthony Photography, LLC 1612 S. Genesee Dr., Lansing, MI 48915
(773) 451-6981

If necessary, GÜD Marketing may utilize the services of Luke Anthony Photograph, LLC for:

- Photography and videography



3.5. Security

The Contractor will be subject the following security procedures:

The Contractor's staff may be required to make deliveries to or enter State facilities. The Contractor must: (a) ensure that all employees have photo ID badges with the Contractor's logo and employee name imprinted on a magnetic badge (b)The State may require the Contractor's personnel to wear State issued identification badges.

4. Project Management

- A. The Contractor must provide account management that is proactive and flexible to meet changing business conditions.
- B. The Contractor must take all reasonable precautions to guard against any loss to Treasury through the failure of suppliers to execute commitments properly.
- C. The Contractor shall not begin any work on any project before the Treasury Program Manager has given formal approval and a work/expense authorization/purchase order has been issued and signed.
- D. Upon failure to meet a predetermined deadline, the Contractor must provide an explanation for such failure as soon as it is known and submit an updated project schedule to the Treasury Program Manager

4.1. Project Plan

- A. The Contractor must meet with the Treasury Program Manager for direction and to discuss the specifics of each project to be undertaken.
 1. The Contractor defines these meetings as Project Launch meetings.
- B. The Contractor must develop a critical path development schedule providing sufficient Treasury approval time frames from initial presentation of creative through the production and delivery of product.
 1. Immediately following the Project Launch meeting, the Contractor will draft a detailed work plan (critical path development schedule) with built-in Treasury approval times at each milestone. The Contractor will welcome any changes or modifications to the work plan that allow for better accommodation of Treasury's needs.
- C. Prior to beginning work on a specific task or deliverable as agreed upon by the Treasury Program Manager, the Contractor must provide the Treasury Program Manager with a Project Plan and narrative for review. The Project Plan must include a breakdown of the work to be performed in Sections 1. Requirements and 4. Project Management, identifying tasks, subtasks, proposed time line, staff assigned (including hours of effort and hourly rate), total anticipated costs, any associated assumptions. The Plan must encompass the entire life cycle of the campaign while providing sufficient Treasury approval timeframes from initial presentation through the production and delivery of material.

The Treasury Program Manager must approve the Project Plan before work may begin.

- D. The Contractor must carry out this Contract under the direction and control of the Treasury Program Manager. Within 10 calendar days of the Kick-Off Meeting per Section 4.2.A.1, the Contractor must submit a final Project Plan to the Treasury Program Manager for final approval. This Project Plan will be updated throughout the Contract period for new projects/campaigns, media plan and marketing plan changes. The plan must include:
 1. The Contractor's organizational chart with names and title of personnel assigned to the Contract, which must align with the staffing stated in accepted proposals.



2. A chart/table showing the breakdown of requirements in Section 1. Requirements and 4. Project Management including tasks, sub-tasks, proposed timeline and the resources/staff assigned, within the estimated budget (yearly estimate indicated under Scope Section) throughout the term of the contract.
3. Detail of how they will manage any additional projects that come about throughout the Contract period.
4. Process for addressing issues/changes as they develop throughout the Contract term and individuals responsible for receiving/reacting to any issues/changes.

Contractor’s Draft Project Plan

Assumptions:

- 1) Primary research will be conducted
- 2) MET has minimum of three days for review and approval
- 3) Timing of press events is TBD based on when are scheduled
- 4) Planning activities for marketing strategy, media recommendations and public relations will happen simultaneously as possible and independently if needed

Tasks and Subtasks	Resources and Staff	Timeline
Develop Marketing Strategy		
Launch (within 15 days of contract award)	Account Manager Director of Strategy PR/Policy Manager	Month 1 Week 2
Develop detailed work plan/critical path development schedule (requires MET approval)	Account Manager Traffic Manager Team as needed	Month 1 Week 3
Develop corresponding project plan and narrative that includes breakdown of tasks, subtasks, timeline, costs and assumptions (requires MET approval)	Account Manager Traffic Manager Contractor Principal Team as needed	Month 1 Weeks 3-4
Background and materials audit, including audit of all existing materials and reports as described in “transition” section of RFP	Account Manager Research Manager Art Director	Month 2 Week 1
Tasks and Subtasks	Resources and Staff	Timeline
Conduct secondary research	Research Manager	Month 2 Weeks 1-2
Conduct primary exploratory research (optional)	Director of Strategy Account Manager Research Manager	Month 2 Week 3 through Month 3 Week 4
• Define/confirm research goals and objectives (requires MET approval)	Account Manager Research Manager	Month 2 Week 3
• Outline information needs/requirements (requires MET approval)	Account Manager Research Manager	Month 2 Week 3
• Determine recommended methodology (requires MET approval)	Account Manager Research Manager	Month 2 Week 4
• Define sample requirements (requires MET approval)	Account Manager Research Manager	Month 2 Week 4
• Develop research schedule/timeline (requires MET approval)	Account Manager Research Manager	Month 2 Week 4
• Identify field subcontractor (requires MET approval)	Research Manager	Month 2 Week 4
• Develop respondent screeners (requires MET approval)	Research Manager	Month 3 Week 1



<ul style="list-style-type: none"> Develop questionnaire/moderator guide (requires MET approval) 	Account Manager Research Manager	Month 3 Week 1
<ul style="list-style-type: none"> Program survey (survey only) Recruit focus group participants (focus groups only) 	Research Manager Subcontractor	Month 3 Week 2
<ul style="list-style-type: none"> Pretest survey (survey only) (requires MET participation) 	Research Manager Account Manager Güd Marketing team	Month 3 Week 2
<ul style="list-style-type: none"> Execute/field the research 	Research Manager Subcontractor	Month 3 Week 3
<ul style="list-style-type: none"> Analyze results 	Research Manager	Month 3 Week 4
<ul style="list-style-type: none"> Draft report of research findings and implications (requires MET participation) 	Research Manager	Month 3 Week 4
Presentation to MET staff with all findings to date	Account Manager Research Manager Director of Strategy	Month 4 Week 1
Develop creative and strategy brief	Director of Strategy Account Manager	Month 4 Week 1
MET review and approval of creative/strategy brief	Account Manager	Month 4 Week 2
Develop marketing strategy	Account Manager Director of Strategy Media Director Creative Director PR/Policy Manager	Month 4 Weeks 2-4
Presentation of marketing strategy for MET review and approval	Account Manager Director of Strategy	Month 5 Week 1
Identify and Develop Creative Concepts		
Launch creative team with approved brief and approved strategy	Account Manager Director of Strategy Media Director Creative team	Month 5 Week 1
Tasks and Subtasks		
Resources and Staff		
Timeline		
Creative team(s) work to develop initial ideas for internal Güd project team review	Creative Director Creative teams	Month 5 Week 1
Multiple iterations of idea and concept development until ready for presentation to MET	Creative Director Creative teams Director of Strategy Account Manager	Month 5 Weeks 2-4
Layout of final creative concepts into ADLOBs for presentation	Art Director Creative Director	Month 5 Week 4
Creative concepts (2) presented as ADLOBs to MET for review and approval	Account Manager Creative Director	Month 6 Week 1
MET final selection of one concept to move forward to implementation	Account Manager	Month 6 Week 1
Develop Media Plan		
Conduct media-specific research, for example, PRIZM, Experian Simmons, Rhizalytics, and so on.	Media Director Media Coordinator	Month 2 Weeks 3-4
Engage media partners to determine opportunities	Media Director	Month 2 Week 2 Through Month 3 Week 4
Assess all media proposals using STRATA and SQAD	Media Director Media Coordinator	Month 3 Weeks 3-4
Provide digital partners with objectives and target audience information	Media Director	Month 3



Create media planning report (requires MET approval)	Media Director Director of Strategy Account Manager	Weeks 3-4 Month 4 Weeks 1-2
Create custom reports for each flight of the MET plan (requires MET approval)	Media Director Account Manager	Timing to coincide with media placement
Develop Social Media Strategies and Deliverables		
Review campaign goals and determine social media objectives	Account Manager Social/Content Director	Month 4 Week 1
Determine success and reporting metrics for social media	Social/Content Director	Month 4 Week 1
Audit industry best practices for the category	Social/Content Director Research Manager	Month 4 Weeks 1-2
Audit MET current assets and online audiences	Account Manager Social/Content Director	Month 2 Week 1
Audit potential competitors' online performance and current campaigns	Social/Content Director	Month 2 Week 1
Develop plan, calendar and budget (requires MET approval)	Social/Content Director Account Manager	Month 4 Weeks 2-4
Implement campaign	Social/Content Director Media Coordinator	TBD
Ongoing negotiation of value added opportunities	Media Director	Ongoing
Ongoing monitoring and optimization of campaign while in market (requires MET approvals)	Social/Content Director Media Coordinator Account Manager	Weekly
Ongoing management and response if needed (requires MET participation)	Account Manager Social/Content Director	Ongoing
Tasks and Subtasks	Resources and Staff	Timeline
Ongoing reporting during campaign implementation	Account Manager	Monthly
Development and reporting of final campaign results	Social/Content Director	At campaign conclusion
Produce and Duplicate Media Materials (Print, Collateral, Digital, Outdoor)		
Final work plan and schedule for campaign deliverables presented to MET (based on approved strategy, media recommendations and creative concept direction) (requires MET approval)	Account Manager Traffic Manager Production Manager Media Coordinator	Month 6 Week 2
Account manager launches internal team	Account Manager Creative team Traffic Manager	Month 6 Week 2
Ongoing management of team to ensure deadlines are met	Account Manager Traffic Manager	Ongoing
Internal routing of creative deliverables	Account Manager Traffic Manager	Ongoing
Presentation of final creative deliverables to client for approval (requires MET approval)	Account Manager Creative Director	Month 7 Week 4
Client requested changes/refinements are made	Account Manager Creative team	Month 8 Week 1
Final route and proof prior to client review	Traffic Manager Account Manager	Month 8 Week 1
Final deliverables resubmitted to MET for final approval	Account Manager	Month 8 Week 1
Approved deliverables are trafficked to the appropriate media source	Traffic Manager	Month 8 Week 2



Produce Media Materials (Television, Radio, Video)		
Final work plan and production/shooting schedule for campaign deliverables presented to MET (based on approved strategy, media recommendations and creative concept direction) (requires MET approval)	Account Manager Production Manager Creative Director Traffic Manager	Month 6 Week 2
Account manager launches internal team	Account Manager Creative team	Month 6 Week 2
Ongoing management of team to ensure deadlines are met	Account Manager Traffic Manager	Ongoing
Kickoff meeting with production team	Account Manager Creative team	Month 6 Week 2
Develop script (requires MET approval)	Creative Director	Month 6 Week 2
Solicit production bids (MET involvement/approval as desired)	Production Manager	Month 6 Week 2
Develop storyboards, locations, props (MET involvement/approval as desired)	Creative team	Month 6 Week 3
Casting, SFX, music selections (MET involvement/approval as desired)	Creative Director Production Manager	Month 6 Week 3
Final script (requires MET approval)	Creative Director Account Manager	Month 6 Week 4
Production recording (MET participation invited)	Creative Director Account Manager Creative team Subcontractor	Month 7 Week 1
Tasks and Subtasks	Resources and Staff	Timeline
Post-production edit	Creative Director Account Manager Subcontractor	Month 7 Week 2
Initial MET review and approval of rough cut	Creative Director Account Manager	Month 7 Week 2
Client requested changes/refinements made	Creative Director Account Manager	Month 7 Week 2
Second round edits (for MET review and approval)	Creative Director Subcontractor	Month 7 Week 3
Client requested changes/refinements made	Creative Director Account Manager	Month 7 Week 3
Final deliverables resubmitted to MET for final approval	Creative Director Account Manager	Month 7 Week 3
Approved deliverables are shipped/trafficked to the appropriate media source with instructions in time to meet program deadlines	Traffic Manager Media Coordinator	Month 7 Week 4
Negotiate and Place Paid Media		
Negotiate individual media placements, requiring multiple rounds of negotiation with each media vendor as needed, to gain the best value for MET	Media Director Media Coordinator	Months 6-7
Negotiate value added and bonus placements	Media Director Media Coordinator	Months 6-7
At the completion of negotiations, signed insertion orders dispatched to media vendors	Media Director Media Coordinator	Months 6-7
Detailed final negotiated media schedule provided to MET with spot schedules, impressions, discount/bonus value, timing. This step officially "places" the buy.	Media Director Media Coordinator	Months 6-7
Ongoing contact with all media vendors to ensure schedules run as ordered. Validate the buy using such things as screenshots, tear sheets, affidavits, spot checks, photo sheets, air checks, analytics reports and so on	Media Director Media Coordinator	Ongoing



Ongoing monitoring of media performance and corresponding reports provided to MET, as well as restitution required from the media outlet	Media Director Media Coordinator	Ongoing
Evaluation of vendor invoices against the buy before authorizing for payment	Media Director Media Coordinator	Monthly
Post actual ratings against projections	Media Director Media Coordinator	Ongoing and final at conclusion of buy
Negotiate make-goods to ensure full value received	Media Director Media Coordinator	At conclusion of buy
Conduct post-buy analysis that includes in-depth analysis of all media vehicles, effectiveness of media buys in terms of cost, reach, frequency, message dispersion, etc.	Media Director Media Coordinator	Immediately at conclusion of buy
Final report of media buy effectiveness (base weight plus bonus) delivered to MET	Media Director Media Coordinator Account Manager	No later than 60 days after conclusion of the buy
Tasks and Subtasks	Resources and Staff	Timeline
Public Relations		
Participate in overall launch meeting or hold separate PR launch meeting if appropriate	Sr. PR/Policy Manager Account Manager	Month 1 Week 2
Research and audit existing PR assets and opportunities	Sr. PR/Policy Manager	Month 2 Week 1
Develop PR plan as a component of marketing strategy, or specific PR plan as appropriate	Sr. PR/Policy Manager Director of Strategy Account Manager	Month 4 Weeks 2-4
Submit PR plan for MET review and approval	Sr. PR/Policy Manager Account Manager	Month 5 Week 1
Implement plan as required	Sr. PR/Policy Manager PR Manager	TBD
Press Events		
Kickoff and preparation	Sr. PR/Policy Manager Account Manager	TBD
Plan for media event logistics	Sr. PR/Policy Manager Account Manager	TBD
Develop press kit	Sr. PR/Policy Manager PR Manager	TBD
<ul style="list-style-type: none"> • Draft press release 	Sr. PR/Policy Manager PR Manager	TBD
<ul style="list-style-type: none"> • Draft talking points, backgrounders, FAQs, etc. 	Sr. PR/Policy Manager PR Manager	TBD
<ul style="list-style-type: none"> • Create graphics, photos and other assets 	Art Director	TBD
<ul style="list-style-type: none"> • Develop corresponding digital (web) support 	Sr. PR/Policy Manager Creative team	TBD
Submit press kit for MET review and approval	Account Manager Sr. PR/Policy Manager	TBD
Incorporate MET feedback and finalize press materials	Sr. PR/Policy Manager	TBD
Distribute press releases and/or invitations	PR Manager	TBD
Produce collateral	Creative team Sr. PR/Policy Manager Account Manager	TBD
Make media calls and pitches to confirm attendance and coverage	PR Manager	TBD
Work with spokesperson to prepare/rehearse as needed	Sr. PR/Policy Manager	TBD
Set up event	Account Manager PR Manager Sr. PR/Policy Manager	TBD



2. Changes to MET's Campaign Goals and Objectives: The Contractor will make any mid-term changes with agility and accuracy. The Contractor will work in close collaboration with MET. The Contractor will communicate regularly and offer proactive recommendations to modify the media plan to continually support MET's changing or evolving needs.

4.2. Meetings

A. The Contractor must attend the following meetings:

1. In-person Kick-Off Meeting within 14 calendar days of the Effective Contract Date.
2. Although there will be continuous liaison with the Contractor team, the Contractor must confer weekly at a minimum, with the Treasury Program Manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.
3. The Contractor must confer with Treasury upon request within 2 business days of contact to initiate services, requests, review materials, review progress, discuss problems, obtain advice and counsel, etc.
4. The State may request other meetings, as it deems appropriate. The Contractor must meet in-person/on-site when deemed necessary by the Treasury Program Manager. The Contractor must conduct meetings with subcontractors independently as directed by the Treasury Program Manager.

4.3. Reporting

A. The Contractor must assist Treasury in the development of and present an annual marketing plan and marketing report to the MET Board of Directors. The marketing plan must be presented to the MET Board of Directors before the enrollment period. The marketing report must be presented 60 days after the enrollment period.

1. The Contractor will develop a work plan that outlines milestones and deadlines for meeting the timing of this requirement. The materials used for the presentation will already exist via the requirements outlined in the scope of work. For the presentation, the Contractor will extract the high points and most relevant information, at the right level of detail. The Contractor's process for developing presentations includes the following steps:
 - a. Clarify the goal of and audience for the presentation
 - b. Develop a content outline for review and approval
 - c. Complete the content, slide by slide, based on the approved outline
 - d. Once final content is approved, submit to creative staff for layout and visuals
 - e. Creative staff will provide a visual direction for approval
 - f. Copy and content will be laid out in slide form (PowerPoint, Keynote or Prezi as preferred by MET)
 - g. Route and proof before submitting for MET approval
 - h. Refine content and visuals until final presentation is approved
 - i. Final presentation will be final proofed and provided to MET in whatever format is preferred
 - j. The Contractor will participate in giving the presentation if desired by MET, being present to answer questions or not be present, whichever is preferred by MET.

B. The Contractor must submit, to the Treasury Program Manager, the following custom reports that include content and layouts approved by Treasury.

1. The Contractor must provide conference reports (prepared and submitted within three working days of all meetings).
2. The Contractor must report on the efficiency and effectiveness of all marketing, promotion, and campaigns/projects against the goals and objectives established for the campaign/project.



3. The Contractor must submit brief written weekly and/or monthly summaries of progress which outline the work accomplished during the reporting period and budget information by purchase order/project.
4. No later than two weeks prior to a media buy, the Contractor shall provide copies of the negotiated buy to the Treasury Program Manager so it can be shared with appropriate program staff.
5. No later than two months following the end of each enrollment period, the Contractor must prepare a final summary showing the amounts ordered and actually paid per station, publication and/or outdoor company. These summaries should be compiled by target group, by medium, by market, and showing a grand total. No-charge bonus or bonuses, or PSA schedules must also be summarized quarterly in the same way.
6. No later than two months following the end of each enrollment period, the Contractor must submit post analysis reports which compare any such schedule estimates against actual spot rotation deliveries.
7. No later than two months following the end of each enrollment period, the Contractor must submit evaluation reports with supporting data, describing how the media buy accomplished the intended goals of the buy.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing documents for the Contract will be a signed Blanket Purchase Order as well as an Agency Issued Purchase Order and Project Plan.

6. Invoice and Payment

6.1. Invoice Requirements

- A. The Contractor must provide detailed invoices for services rendered which clearly outline the scope of billing. The Contractor must provide complete backup with Contractor invoices including signed estimates and all original copies of third-party invoices. The Contractor must also provide reconciliation of all projects approved for pre-billing within one day at their completion.
- B. All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity; (d) itemized description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price.
- C. Invoices will be approved based upon completion of deliverables within a pre-approved Project Plan. Payments will be made upon approval of the Treasury Program Manager. All invoices must reflect actual work done.
- D. Treasury shall reimburse the Contractor only for services and/or materials authorized by Treasury approved by the Program Manager and purchase order. Payment shall not exceed the amount approved by authorized estimate without submission and approval of a revised estimate.
- E. The Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for the expense at the State's current travel reimbursement rates. See www.michigan.gov/dtmb for current rates.
- F. The Contractor will not be reimbursed for personnel labor or other costs incurred in connection with client account services, meetings, commissionable advertising, or costs associated with membership in or attendance at industry conferences, seminars, etc. The Contractor will not be reimbursed for any overtime costs incurred by the Contractor or by any Subcontractor or supplier, unless such costs have been specifically identified in an approved work estimate.



- G. Expenses for packaging, handling, shipping, postage and freight, travel, meals, lodging and per diem paid to or on behalf of outside talent, and services acquired through the Contractor's internal facilities or parent or subsidiary organizations shall be billed at cost. Additionally, the following items must also be billed at cost: talent renewals, licensing fees, television and radio dubs, and satellite and communications uplinks.
- H. The Contractor must pass on all reductions in cost, such as volume and early payment discounts, to Treasury, in the fiscal year in which the originating expenses occurred.
- I. The Contractor must make timely payments to all subcontractors without waiting for Treasury payment of corresponding invoices. The Contractor must maintain a line of credit for this purpose.
- J. The Contractor must allow 45 days from the date of receipt of accurate and complete invoices and backup for receipt of payment. In addition, the Contractor may provide details for invoice discounts for early payment of monthly billings.

6.2. Payment Methods

Treasury will make payment for Contract Activities by Electronic Fund Transfer (EFT). Electronic transfer of funds is required for payments on State contracts. The Contractor must register with the State electronically at <http://www.cpexpress.state.mi.us>.



STATE OF MICHIGAN
Contract No. 071B6600070
MET Marketing and Advertising Services - Treasury

EXHIBIT B
Reserved



STATE OF MICHIGAN
Contract No. 071B6600070
MET Marketing and Advertising Services - Treasury

EXHIBIT C
PRICING

1. The number of days must not include processing time for payment to be received by the Contractor's financial institution.

Bidder Quick Payment Terms: 2% Net 10
2. The State can only commit funds in the fiscal year they are available; commitment of funds for future fiscal years is contingent upon enactment of legislative appropriations.
3. The contract is part fixed (Account Management), variable (Creative) and commission percentage (Media Placement) based Pricing as approved in the Project Plan per Exhibit A, Section 4 and Exhibit A Section 6 Invoice and Payment.
4. The annual budget is \$730,000.00. The Contractor is paid per approved deliverable (see Exhibit A, Section 4 Project Management and Section 6 Invoice and Payment), not as a flat percentage of the total annual budget estimate.
5. Account Management (Project Plan Management and Market Research)
 - A. A fixed annual price will be used to compensate the Contractor for Account Management services. The price is expected to compensate the Contractor for all Account Management services related to the project, including current marketing activity review, marketing plan development, marketing plan coordination between Treasury staff who might be in charge of various plan aspects (biweekly or at least weekly communication via phone or email), project management with attendance at any Treasury advertising and marketing team meetings, media planning, account services public relations support, communications coordination and support for special projects.
 - B. All overhead and expenses of the Contractor are included in the fixed annual price (prorated on monthly invoices).
6. Creative (Production, Public Relations, Writing and Graphic Design for All Media Types including Web, Email, Social Media, Video, Print, Radio and Digital Advertising)
 - A. A variable price based on a blended hourly rate will be used to compensate the Contractor for Creative services. The price is expected to compensate the Contractor for all Creative services related to the project, including creative development, production and public relations.
 - B. The blended hourly rate includes all Deliverables specified in Exhibit A, Section 1 Specifications.
 - C. Blended hourly rate is defined as the Not-To-Exceed hourly amount that will be paid to the Contractor for Creative deliverables based on approved Project Plan.
 - D. All subcontracted work must be passed through at "cost" and include no mark-up of any kind.
 - E. All overhead expenses of the Contractor must be included in the variable price.
7. Media Placement Contractor Fee
 - A. A commission percentage will be used to compensate the Contractor for Media Placement services. The fee is expected to compensate the Contractor for all media placement services related to the project, including placement and distribution for all media types.
 - B. The State will not accept fees or commissions from subcontractors and suppliers, these Contractors shall be at a non-commissioned rate, no mark up.



C. The Contractor must pass on all reductions in cost, such as volume, media buying discounts, early payment discounts, and/or unplaced media, on each project.

8. Pricing Table

Deliverable	Price
1. Account Management (Project Plan Management and Market Research) – Fixed Annual Price	\$28,500
2. Creative (Development, Production, Public Relations, Writing and Graphic Design for All Media Types including Web, Email, Social Media, Video, Print, Radio and Digital Advertising) – Variable Blended Hourly Rate	\$125.00
3. Media Placement Contractor Fee – Commission Percentage	7%



STATE OF MICHIGAN
STANDARD CONTRACT TERMS

Contract No. 071B6600070

MET Marketing and Advertising Services - Treasury

This STANDARD CONTRACT (“Contract”) is agreed to between the State of Michigan (the “State”) and GÜD Marketing (“Contractor”), a Michigan corporation. This Contract is effective on April 8, 2016 (“Effective Date”), and unless terminated, expires on April 7, 2019.

This Contract may be renewed for up to 2 additional 1 year period(s). Renewal must be by written agreement of the parties and will automatically extend the Term of this Contract.

The parties agree as follows:

- 1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the “Contract Activities”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- 2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

<p>If to State: Mary Ostrowski 525 W Allegan St., 1st Flr NE Lansing MI 48909 ostrowskim@michigan.gov 517-284-7021</p>	<p>If to Contractor: Debbie Horak or Lisa Crumley 1223 Turner Street, Suite 101 Lansing, MI 48906 horak@gudmarketing.com crumley@gudmarketing.com 517-267-9800</p>
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3. Contract Administrator. The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Mary Ostrowski 525 W Allegan St., 1 st Flr NE Lansing MI 48909 ostrowskim@michigan.gov 517-284-7021	Contractor: Debbie Horak or Lisa Crumley 1223 Turner Street, Suite 101 Lansing, MI 48906 horak@gudmarketing.com crumley@gudmarketing.com 517-267-9800
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4. Program Manager. The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Robin Lott 430 West Allegan Street, 2 nd Floor Lansing, MI 48909 lottr@michigan.gov 517-241-3301	Contractor: Roni Rucker Waters 1223 Turner Street, Suite 101 Lansing, MI 48906 waters@gudmarketing.com 517-853-3873
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5. Performance Guarantee. Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.

6. Insurance Requirements. Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.



Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. MiDEAL Administrative Fee and Reporting. Contractor must pay an administrative fee of 1% on all MiDEAL payments made to Contractor under the Contract including transactions with MiDEAL members and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

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

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

8. Extended Purchasing Program. This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).



If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

- 9. Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.
- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
- 11. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
- 12. Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- 13. Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
- 14. Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.



In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. Ordering. Contractor is not authorized to begin performance until receipt of authorization as identified in Exhibit A.

16. Acceptance. Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Exhibit A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. Delivery. Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Exhibit A. All containers and packaging becomes the State's exclusive property upon acceptance.

18. Risk of Loss and Title. Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.

19. Warranty Period. The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Exhibit A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.

20. Terms of Payment. Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.



The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes 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 disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

- 21. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Exhibit A.
- 22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
- 23. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract



Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

26. General Indemnification. Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

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. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. Infringement Remedies. If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against 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.

28. Limitation of Liability. The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.



- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, “**Proceeding**”) involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor’s viability or financial stability; or (2) a governmental or public entity’s claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 30. State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State (“**State Data**”); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
- 31. Reserved.**
- 32. 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 survive the termination of this Contract.
- a. Meaning of Confidential Information. For the purposes of this Contract, the term “**Confidential Information**” means 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; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) 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 is 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 must 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 must 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 must, within 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 must 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 Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.

33. Reserved.

34. Reserved.

35. Reserved.

36. Records Maintenance, Inspection, Examination, and Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. Warranties and Representations. Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any



third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

- 38. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 39. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 40. Reserved.**
- 41. Reserved.**
- 42. Nondiscrimination.** Under the Elliott-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.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
- 43. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 44. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 45. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 46. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.



47. Dispute Resolution. The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

48. Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.

49. Website Incorporation. The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.

50. Order of Precedence. In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the purchase order; (b) the amendment; (c) Exhibit A; (d) any other exhibits; and (e) the Contract.

51. Severability. If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.

52. Waiver. Failure to enforce any provision of this Contract will not constitute a waiver.

53. Survival. The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.

54. Entire Contract and Modification. This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**").