

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET December 29, 2011
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

**NOTICE
OF
CONTRACT NO. 071B2200090
between
THE STATE OF MICHIGAN
and**

NAME & ADDRESS OF CONTRACTOR CA, Inc. One CA Plaza Islandia, NY 11749 Email: kenneth.schmok@ca.com	TELEPHONE (631) 533-7116 Ken Schmok
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 241-1640 Mark Lawrence
Contract Compliance Inspector: Traci Wightman - WightmanT1@michigan.gov - 517-373-0287 Grants Management System for Michigan State Police	
CONTRACT PERIOD: From: December 16, 2011 To: December 15, 2014	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

TOTAL ESTIMATED CONTRACT VALUE: \$769,135.00

The terms and conditions of this Contract are attached.

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THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the RFP No. 084R1300046. Orders for delivery will be issued directly by the Michigan Department of Corrections through the issuance of a Purchase Order Form.

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

FOR THE CONTRACTOR:

CA, Inc.
Firm Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name/Title

Division

Date



STATE OF MICHIGAN
Department of Technology, Management and Budget
Procurement

Contract No. 071B2200090
Grants Management System
Michigan State Police

Buyer Name: Mark Lawrence
Telephone Number: (517) 241-1640
E-Mail Address: lawrencem1@michigan.gov



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1.000 Project Identification

1.001 Project Request

The State of Michigan (State) with the Michigan Department of State Police (MSP) and the Michigan Department of Technology, Management and Budget (MDTMB) issue this Contract for Commercial Off The Shelf (COTS) software for an MSP department-wide grant management system. Software, interfaces, data conversion/migration, training, maintenance and support, and services for future enhancements are included in this Contract.

MSP's GMS will:

- Be available 24x7 since users will perform activities outside of the normal business day including weekends. There will be an allowance for a scheduled maintenance window.
- Be State-hosted.
- Be a Commercial Off-The-Shelf (COTS) software solution.
- Meet the requirements as defined in Appendices C and D.

The project will include all activities and services as defined in Article 1 and associated attachments and appendices. The State seeks to have services begin upon award of the contract or as mutually agreed upon. The duration of the effort to ready and implement into production will be defined by the Contractor. GMS shall "go live" as soon as reasonably possible, but no later than September 2012. Go live is defined as in the production environment and available "ready to for use" by the user community.

A specific description of the software, services (work) and deliverables sought for this project is provided in Article 1, Section 1.104, Work and Deliverables (and its associated attachments and appendices).

1.002 Background

The mission of the Department of Michigan State Police is to "Protect public safety while respecting the rights and dignity of all persons." In addition to providing general law enforcement services, the department accepts the unique responsibility for the development and coordination of state-level programs, technologies, and specialized services that enhance enforcement and emergency response capabilities for the entire public safety community. Accordingly, strategies initiated by the department will improve the quality of life for the Michigan communities by meeting the following organizational goals:

- Prevent and investigate crime and enforce the law.
- Improve traffic safety.
- Provide for homeland security and emergency prevention, response, and recovery.
- Provide the highest quality specialized services.
- Enhance organizational performance and improve operational efficiencies.

As part of the services provided, the Michigan State Police has several divisions that administer and manage state and federal grants. Two divisions, Office of Highway Safety Planning (OHSP) and Office of Drug Control Policy (ODCP), use Agate Intelligrants system to administer and manage their grants. The Michigan Commission on Law Enforcement Standards (MCOLES) uses an internal process that is part of their internal software. Emergency Management and Homeland Security Division (EMHSD) administers the largest number of grants in the department and use manual processes and spreadsheets to administer and manage their 37 open grants with in excess of 150 subgrantees.

The department created a committee from the respective division users and stakeholders to determine the needs and requirements for a department-wide grant management system. These divisions/offices include:

- Emergency Management and Homeland Security (EMHSD).
- Office of Highway Safety Planning (OHSP).
- Grants Management Section (formerly the Office of Drug Control Policy)
- Michigan Commission on Law Enforcement Standards (MCOLES).



- Auto Theft Prevention Authority (ATPA).
- Forensic Science Division (FSD).
- Criminal Justice Information Center (CJIC).
- Traffic Services Division (TSD).
- Departmental Services Division (DSD).

Goal 2 of the MSP Information Technology (IT) Strategic Plan is to implement cost effective solutions for delivery of services. The goal of this project is to implement a core grant management system that is utilized by multiple MSP divisions to administer and manage grants. This core management system must be flexible enough to meet the needs and requirements of the individual divisions in the management of their grant programs but ensure the security and integrity of the information and processes. The department's goal is to reduce or eliminate the significant risk, high operating costs, and hundreds of staff hours in the development and maintenance of manual systems. The objectives of the project include decreasing manual processes and eliminating duplicate data entry, complying with Federal and State grant requirements, improving grant administration, interfacing to Michigan State Police Accounting Revenue System (ARS) and other potential systems, generating detailed and ad hoc reports, and aggregating all grant information to create department executive reports for grant program administrators, Executive Council, and Legislature.

The Michigan State Police divisions involved in this project are located at MSP Headquarters, 333 S. Grand Avenue, Lansing; 4000 Collins Road, Lansing; 7320 N. Canal, Lansing; and 106 W. Allegan, Lansing. The recipients of these grant awards are located throughout Michigan.

Information pertaining in general to the Michigan State Police and specifically to the divisions involved in the project and some of the grants they administer are located <http://www.michigan.gov/msp>.

1.100 Scope of Work and Deliverables

1.101 In Scope

This project consists of the following scope:

- Verification and validation of business requirements with MSP and DTMB Agency Services personnel in accordance with business operations.
- Conduct Gap Analysis document from the verification and validation of business requirements between the Contractor's product and the MSP requirements.
- Development of a system architecture document including hardware requirements.
- Verify and validate technical specifications.
- Conduct Gap Analysis document from the verification and validation of technical requirements between the Contractor's product and MSP requirements.
- Procurement of software.
- Installation of all associated software.
- Services to implement the software, including configuration, customization, modification, interfaces, and testing.
- Interface of the solution to the State's email services, ARS and MAIN.
- Transition of business operations to the new software – data migration.
- Training of MSP and MDTMB personnel.
- Training documentation and materials.
- Knowledge transfer to State personnel supporting the solution.
- User and technical help desk support.
- Services Warranty, effective for 90 days from completion of Project (separate and distinct from Product Maintenance and Support Period, which commences with the purchase of the Software and concludes three years after, unless renewed by MSP), SUITE and system documentation.
- Optional future enhancements and/or legislative mandates.

A more detailed description of the software, services (work) and deliverables sought for this project is provided in Article 1, Section 1.104, Work and Deliverables.



1.102 Out Of Scope

The following are out of the scope for this contract:

- Equipment and application development services for any system(s) other than those specifically addressed within this Contract.
- Purchase of server/desktop hardware.
- Installation of any Grant Management System related hardware i.e. desktops, and peripherals.
- Hosting of the Grant Management System.

1.103 Environment

The links below provide information on the State's Enterprise information technology (IT) policies, standards and procedures which includes security policy and procedures, IT strategic plan, eMichigan web development and the State Unified Information Technology Environment (SUITE).

Contractors are advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractor shall conform to State IT policies and standards. All services and products provided by the Contractor must comply with all applicable State IT policies and standards. Contractor shall comply with the following:

Enterprise IT Policies, Standards and Procedures:

<http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html>

All software and hardware items provided by the Contractor must run on and be compatible with the MDTMB Standard Information Technology Environment. Additionally, the State must be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by MDTMB. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The MDTMB Project Manager must approve any tools, in writing, before use on any information technology project.

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. The State's Project Manager must approve any changes, in writing, and MDTMB, before work may proceed based on the changed environment.

Enterprise IT Security Policy and Procedures:

<http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html>

The State's security environment includes:

- MDTMB Single Login.
- MDTMB provided SQL security database.
- Secured Socket Layers.
- SecureID (State Security Standard for external network access and high risk Web systems).

MDTMB requires that its single - login security environment be used for all new client-server software development. Where software is being converted from an existing package, or a client-server application is being purchased, the security mechanism must be approved in writing by the State's Project Manager and MDTMB Office of Enterprise Security.

IT Strategic Plan:

<http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html>

IT eMichigan Web Development Standard Tools:

<http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html>

The State Unified Information Technology Environment (SUITE):

Includes standards for project management, systems engineering, and associated forms and templates – must be followed: <http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html>



Agency Specific Technical Environment

MSP systems and databases reside in a protected zone within the State of Michigan network. The protected zone is separated from the rest of the network by firewalls. Except for communication specifically allowed and configured in the firewalls, all communication initiated from outside the protected zone to systems inside the zone is blocked. Generally, communication initiated from inside the protected zone to systems outside the zone is allowed. Web servers that are accessed via the internet reside in the network demilitarized zone (DMZ). Communication from the web servers to the back-end systems and databases is enabled through firewall rules specifically configured with the IP addresses and ports.

A high level State of Michigan network diagram is provided as Appendix A.

1.104 Work And Deliverables

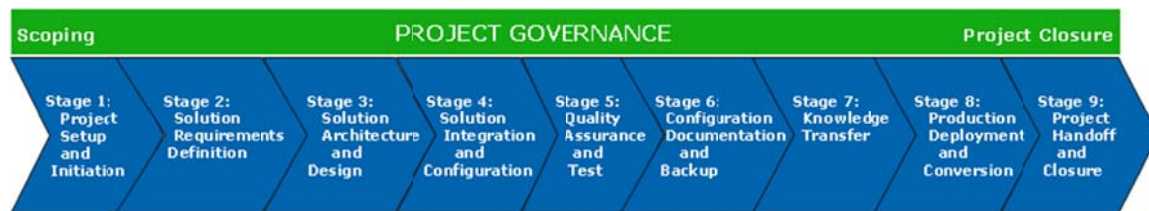
I. Software and Education Deliverables

The Contractor will deliver software and education as outlined in the Foundation Agreement Appendix H.

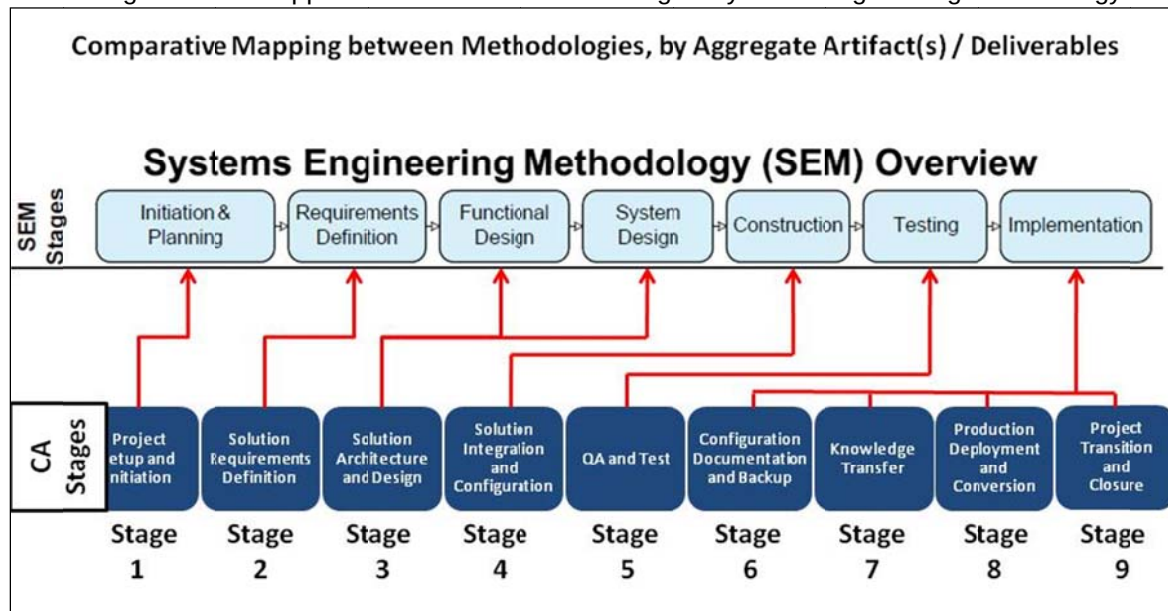
II. Services and Deliverables To Be Provided

Contractor shall provide a grant management system that includes the following deliverables. These deliverables are not all inclusive. Contractors may propose other deliverables.

The Contractor will follow a nine-stage deployment process, which is outlined below:



The 9 Stages will be mapped back to the State of Michigan Systems Engineering Methodology



See **Appendix G** for Preliminary Project Schedule and diagrams depicting the process flows of the 9 Stages.

See **Appendix B** for Technical Overview.



Stage 1: Project Setup and Initiation (SEM Stage: Initiation & Planning)

Before commencing the project, the Contractor will complete up-front project planning which will help ensure a successful, on-time and on-budget implementation. This covers:

- Creating a Project Management Plan and Project Schedule
- Selection of the project team, scheduling of kick-off meetings
- Validation of required prerequisites: hardware, software, etc.

Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Conduct of a project kick-off meeting. The State Project Manager and the Contractor Project Manager will develop a kick-off meeting agenda.
2. Creation of the Project Plan including its associated sub-plans in compliance with requirements as defined in Section 1.300 (Project Plan) and Section 1.400 (Project Management).
3. Creation of a detailed Work Breakdown Structure (WBS) and Project Schedule (with dependencies, resource assignments and using MS Project or other pre-approved alternative)
 - a. Each Payment Milestone will clearly identify
 - i. Deliverables to be completed within that milestone.
 - ii. Completion of the task(s) to allow for the State to plan and setup the hardware environment.
 - iii. Completion date of the
 1. Development Build
 2. Migration from Development to Test and
 3. Production Release
4. Inclusion in the Project Schedule:
 - a. Dates when deliverables are submitted to State for review and
 - b. Dates when deliverable approval is expected (consistent with terms defined elsewhere including 1.500, 2.253, 2.254 and 2.255)
5. Updates against this phase will be included in the Weekly Project Status Report (See Reports, Section 1.302).
6. Contribution to the Enterprise Architecture Solution Assessment.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Assist with development of a kick-off meeting agenda
2. Review and approve the Project Plan
3. Review and approve Work Breakdown Structure (WBS)
4. N/A
5. Review and approve Weekly Project Status Report (See Reports, Section 1.302)
6. Complete the Enterprise Architecture Solution Assessment.

Deliverables for Project Setup and Initiation

(As described in 1.301)

- Project Plan (and its associated sub-plans, documents may individual or combined as mutually agreed)
 - o Change Management Plan
 - o Communications Plan
 - o Initial Implementation and Resourcing Plan
 - o Initial Maintenance Plan
 - o Initial Quality/Test Plan
 - o Procurement Plan
 - o Risk Management Plan
 - o Security Plan and Assessment
- Work Breakdown Structure
 - o Project Schedule (may be included in the Implementation Plan)
- All applicable SUITE documentation.



Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 2: Solution Requirements Definition (SEM Stage: Requirements Definition)

The SOM has identified the business and technical requirements in detail as described in Article 1, Section 1.104.II and Appendices C and D.

Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Contractor shall verify and validate the business requirements with the MSP Divisions.
2. Contractor shall verify and validate the technical requirements with the DTMB technical lead and ensure requirements meet state and industry standards.
3. Contractor will utilize a Implementation Readiness Questionnaire to obtain feedback from the State. The results of this questionnaire will be shared with the State.
4. Contractor will perform the following key steps for the activities identified in this Stage:
 - i. Complete Requirements Definition
 - ii. Identify and define key business drivers
 - iii. Identify and define key use cases
 - iv. Identify and define solution scope and solution metrics
 - v. Identify the important quality attributes for reliability, availability, serviceability, and security.
 - vi. Document the solution requirements in the Solution Requirements Specification
5. Contractor shall provide updated technical information (if any) to technical lead for completion of the DTMB Enterprise Architecture Solution Assessment and complete the Project Security Plan and Assessment
6. Contractor shall conduct a series of Q & A sessions with key stakeholders, business managers, architects and operations team members, to verify and further discover MSP's business drivers and functional and non-functional requirements. This shall include interviews with each grant program area administrator.
7. Contractor shall clarify any unclear or ambiguous requirements that could impact system implementation.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Participate in the verification and validation sessions for the business requirements.
2. Participate in the verification and validation sessions for the technical requirements.
3. Complete the Implementation Readiness Questionnaire.
4. Review the key activities that are the responsibility of the Contractor to complete
5. Review and approve any updates to the DTMB Enterprise Architecture Solution Assessment and the Project Security Plan and Assessment
6. Provide key stakeholders, business managers, architects and operations team members to participate in Q & A sessions
7. Provide clarification to Contractor on any ambiguous requirements that could impact system implementation
8. Review and approve the Business Gap Analysis document.
9. Review and approve the Technical Gap Analysis document



Deliverable(s)

- *Implementation Readiness Questionnaire*
- Solution Requirements Specification (SRS). This shall include the requirements specification that will serve as the foundation of the overall design, interfaces, and configuration/customization needed to meet the requirements.
- DTMB Enterprise Architecture Solution Assessment
- DTMB Project Security Plan and Assessment
- All applicable SUITE documentation

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 3: Solution Architecture and Design (SEM Stage: Functional Design and System Design)

The GMS will be hosted on state supplied server hardware. The State will establish three separate environments: development, testing and production.

In this stage the Contractor will analyze the current state of the architecture and define an end-state, identify key design decisions and configuration components and document the rationale for such decisions. The outcome of this stage creates a Solution Design Specification.

The detailed Solution Test Plan will be drafted. Unit and integration testing will be performed prior to exiting Stage 5 to confirm that the solution is ready for User Acceptance Testing activities.

Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Conduct Design decision workshops
2. Create Solution Design Specification
3. Begin documentation of the Solution Installation Specification
4. The State and contractor agree on hardware environment upon completion of technical gap analysis
5. The contractor is to provide the business gap analysis document.
6. Contractor shall provide the technical gap analysis document.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Participate in Design decision workshops
2. Review and approve Solution Design Specification
3. Review initial documentation of the Solution Installation Specification
4. The State and contractor agree on hardware environment upon completion of technical gap analysis

Deliverable(s)

- Solution Test Plan
- Gap Analysis document of Business Requirements and contractor software
- Gap Analysis document of Technical Requirements and contractor software
- Solution Design Specification
- Solution Overview Presentation
- All applicable SUITE documentation

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted



Stage 4: Solution Integration and Configuration (SEM Stage: Construction)

In this stage, the solution is configured into the initial development environment. Individual components are deployed to the appropriate environment and then integrated to form a complete solution. The Solution Installation Specification may be used during this stage. It includes a governance process for the installation, parameter worksheets for identifying and documenting installation and configuration parameters, and checklists to track the installation of each individual component. The associated prerequisites checklist, verification steps and issues tracking provided in the Solution Installation Management Tool ties all of the individual component installations into an integrated deployment.

The GMS must have an interface into the State's email services (Microsoft Outlook and Novell GroupWise) to provide for automatic notification of submission of documentation to and from subgrantees. The GMS must also have a bi-directional interface to the MSP Accounting Revenue System (ARS) and a one directional interface to the Michigan Accounting Information Network (MAIN) for budgetary and financial information/updates. The Contractor shall develop the Interfaces as outlined below:

1. Interfaces
 - a. Accounting Revenue System (ARS) – bidirectional and MAIN – inbound only.
 1. From GMS to ARS.
 - i. Invoice data for creation of invoice in ARS.
 - ii. Subgrantee information.
 - iii. Billing detail information.
 - iv. ARS will generate the invoice, establish the accounts receivable number, and send accounts receivable information to MAIN.
 2. From ARS to GMS.
 - i. Returns the accounts receivable document number.
 3. From MAIN to GMS.
 - i. Expenditures and revenue data from MAIN.
 - b. State's Email Services – Novell Groupwise and Microsoft Outlook.
 1. Automatic notification to subgrantees when reports are due/overdue, information needed from subgrantee, funding reimbursements.
 2. Automatic notification to Grant Program Administrator when subgrantee has submitted financial and status reports, or grant modifications required by the subgrantee.

There are currently 2 divisions within MSP that have an electronic Grants Management System (Magic) of which the Contractor shall migrate their data to the new system as outlined below:

2. Data Migration

Contractor shall develop the migration process and migrate Agate grant data (from a SQL server database) to contractor solution.

 - a. Grants Management Section (formerly the Office of Drug Control Policy)
 - i. Managing six grants.
 - ii. Total award amount is \$62 million.
 - iii. Approximately 200 subgrantees.
 - b. Office of Highway Safety Planning
 - i. Managing two grants.
 - ii. Total award amount is \$17 million.
 - iii. Approximately 100 subgrantees.

Contractor shall develop the migration process and migrate non-legacy grant data to contractor solution.

- a. Auto Theft Prevention Authority (ATPA).
- b. Criminal Justice Information Center (CJIC).
- c. Departmental Services Division (DSD).
- d. Emergency Management and Homeland Security (EMHSD).
- e. Forensic Science Division (FSD).
- f. Michigan Commission on Law Enforcement Standards (MCOLES).
- g. Traffic Services Division (TSD).



Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Provide an installation and configuration library
2. Perform initial configuration of all grant programs for all MSP Divisions participating in this project and shall obtain sign-off from each division with the Program Area Configuration Confirmation Checklist
3. Configure the contractor software to meet the requirements agreed upon between the State and the Contractor in the Solution Design Specification document.
4. Develop Interface with MAIN.
5. Develop Interface with the MSP Accounting Revenue System.
6. Develop Interface with the State's email systems – GroupWise and Outlook.
7. Perform Data Migration of Agate grant data into the Contractor solution.
8. Perform Data Migration of all non-legacy grant data into Contractor solution.
9. Conduct Unit and System Testing
10. Develop Training Plan
11. Provide ongoing technical knowledge transfer to DTMB staff.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Review installation and configuration library
2. Provide sign-off from each division with the Program Area through the Configuration Confirmation Checklist
3. Review and approve Solution Design Specification document.
4. Provide details on MAIN to facilitate Contractor's Interface Development.
5. Provide details on MSP Accounting Revenue System to facilitate Contractor's Interface Development.
6. Provide details on State's email systems – GroupWise and Outlook to facilitate Contractor's Interface Development.
7. Facilitate communication between Contractor and Agate regarding the data migration.
8. Provide access to non-legacy grant data to facilitate Contractor's Migration of this data to the Contractor's solution.
9. Review results of Contractor's Unit and System Testing
10. Review and Approve the Training Plan
11. Receive ongoing technical knowledge transfer from Contractor

Deliverable(s)

- Delivery, configuration and customization of software
- Program Area Configuration Confirmation Checklist from each participating MSP Division
- Environment Build Procedure and Installation Report
- Training Plan
- All applicable SUITE documentation

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 5: Quality Assurance and Test (SEM Stage: Testing)

The Contractor must test the hardware and software to meet the requirements of the grant programs in both a development/testing and production environment. The system must be fully tested prior to final production implementation and acceptance.

Upon successful unit and system testing in the Development environment, the Contractor will migrate the configuration to the MSP Test environment for User Acceptance Testing. MSP will execute the Solution Test Plan to validate functional requirements, quality attributes and solution constraints, and Contractor will remediate test failures, based upon agreed severity appraisals.

Results of the testing are recorded in the Test Report. Any significant issues which require remediation will be addressed and documented, and another test cycle conducted to verify the remediation.



Once both parties have agreed, in writing, that the system is ready for production, the system will be placed into the production environment in Stage 8 below, and will be tested by the State to ensure complete functionality.

Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Promote the Development configuration to the State's Test environment
2. Request the State project manager's approval of the content and completeness of the test scripts.
3. Test all components and after proper operation has been achieved, turn the system over to the State for User Acceptance testing.
4. Ensure requirements are met to the State's satisfaction.
5. Correct all test errors, implement corrections, and re-execute tests in their entirety until the requirements are met to the State's satisfaction.
6. Monitor the operation and fix any problems related to improper operation within five (5) business days of their identification unless otherwise agreed to by the State.
7. Measure response times and system performance against reasonable expectations.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Assist in installation of software in State's Test environment.
2. Approve the test scripts.
3. Review results of system test to ensure the requirements are satisfied.
4. Ensure requirements are met to the State's satisfaction.
5. Conduct user testing.
6. Identify any problems related to improper operation.
7. Review response time measurements.

Deliverable(s)

- Test Report
- Update Solution Design Specification (SDS), Solution Installation Specification (SIS) and Solution Test Plan (STP)
- All applicable SUITE documentation

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 6: Configuration Documentation and Backup (SEM Stage: Implementation)

Updates will be made to the detailed configuration parameter worksheets in the Solution Installation Specification to record the final configuration settings. The final architecture is documented in the Solution Design Specification.

A solution maintenance plan is developed and documented in the Solution Run Book, along with other operational tasks. Finally a backup of the solution environment (Backup and Restore) is taken and is restored in order to test and validate the process.

The following shall apply to Contractor provided documentation:

- The documentation of components, features, and use of the hardware/software shall be detailed such that resolution of most problems can be determined from the documentation, and most questions can be answered.
- All system, operational, user, change, and issue documentation must be provided to the State in electronic format and updated regularly with unique numerical identifiers for each section and be consistent with the most current version of the application(s) and three (3) previous versions.
- All system, operations, user, change and issue documentation shall be organized in a format, which is approved by the State and facilitates updating and allows for revisions to the documentation to be clearly identified including the three (3) previous versions.



Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

- Install the solution into the production environment.
- Develop and submit for State approval complete, accurate, and timely system, operations, and user documentation.
- Assist the State in setting up a Knowledge Base in the State hosted Clarity solution.

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

- Participate and assist with installing solution into the production environment
- Review and approve system, operations, and user documentation.
- Set up a Knowledge Base in the State hosted Clarity solution.

Deliverable(s)

- Solution Run Book
- Updated Solution Installation Specification
- Updated Solution Design Specification
- Results of successful Backup and Restore
- Technical manuals.
 - a. Electronic Copy.
 - b. Data Element Dictionary.
 - c. Operations Manual (Solution Run Book).
 - d. All updates of documentation during the term of the Engagement
- System documentation - (provide for all modules).
 - a. Updates to System-wide documentation and specifications, as required. (SDS)
 - b. Installation procedures.
 - i. Installation Report
 - ii. Solution Gap Analysis
 - iii. Solution Design Specification
 - c. Module configuration documents sufficient for configuration maintenance purposes.
 - d. Testing scripts.
 - e. Specification documentation.
 - f. Production migration.
 - g. Error logging and access information.

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 7: Knowledge Transfer (SEM Stage: Implementation)

Mentoring and training of State staff is provided in preparation for transitioning the operation and support to the State of Michigan staff. DTMB Technical Lead will assign Agency Services staff for inclusion in the project to gain knowledge of the application and database in order to provide technical support.

The Contractor will perform a solution demonstration along with a configuration walk-through of key components with designated personnel. Additional education requirements are also identified at this stage.

The Contractor will utilize CA Productivity Accelerator (CAPA) End User Training. CAPA is a Clarity education content development and delivery platform designed to deliver specific documentation, training, and performance support. CAPA consists of generic Clarity content (with an editing/authoring tool) as well as an end-user interface, which is able to provide immediate guidance and support that reduces time, money, and resources required to support any Clarity implementation.

By utilizing CAPA, it will be possible to augment and create new specific education content that is able to be deployed in the form of documentation, self-paced (web-based) training, simulations and assessments, instructor-led training, and to provide a context-sensitive support mechanism within the Clarity solution for end users.



Contractor Roles and Responsibilities

The Contractor will provide a variety of professional training (classroom, online, CAPA, user manuals, etc.) to the MSP and DTMB personnel as defined below, which may be subject to change as mutually agreed upon:

1. The Contractor will provide training at a variety of levels (e.g. basic, advanced, refresher, etc.).
2. The State has identified the following required training classes with dates and times to be agreed upon between the contractor and the State:
 - a. One technical training session for the system administrator and DTMB (including Agency Services) which will include training of:
 - i. Knowledge transfer to DTMB Agency Services staff prior to implementation.
 - ii. Applications configuration.
 - iii. Database configuration.
 - iv. Specific instructions on application update processes.
 - v. Third party software integration processes.
 - vi. Other topics necessary for technical support
 - b. Two training sessions (held on different dates) on how to use the GMS for system analysts, grant program administrators and grant program analysts which will include training of:
 - i. Program area configuration
 - ii. CAPA
 - iii. Other topics necessary to manage the grants.
 - c. One train-the-trainer session for MSP grant program administrators and grant program analysts which will include training and transmittal of the curriculum for the use of GMS.
3. Upgrades and new versions to the system that affect end-user functionality include training at no additional cost (e.g. classroom or online training, training flier, release features, etc.).
4. The Contractor shall provide all training materials, training plans and other documentation to the State in hardcopy form as well as an electronic version.

State Roles and Responsibilities

The State will be responsible for providing the classroom facility and necessary equipment

Deliverable(s)

- User manual(s) – must provide information for the following roles to adequately use and administer the GMS.
 - h. Electronic Copy.
 - i. Subgrantee.
 - j. Grant program administrator.
 - k. System administrator.
- Completion of the Training Courses
- Knowledge Transfer Checklist
- End User Briefing Material and Documentation (Training Materials, Plans, etc.)
- All applicable SUITE documentation

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- State staff has a thorough understanding of the technical configuration of the application and database to provide adequate support.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 8: Production Deployment and Conversion (SEM Stage: Implementation)

Deployment of the solution into the production environment is based on the Solution Installation Specification plus any specific procedures developed to convert existing systems to the new solution. A Production Readiness Checklist is completed to determine the readiness to move the solution to production.



Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Provide the Production Readiness Checklist to the State and assist with completion
2. Migrate test instance to production instance infrastructure
3. Load production data
4. Perform pre-release production validation
5. Update project documentation as required
6. Complete post deployment support notes

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Complete the Production Readiness Checklist with the Contractor
2. N/A
3. Complete production data load template
4. Perform pre-release production validation
5. Review updated project documentation as required
6. Review post deployment support notes

Deliverable(s)

- Production Readiness Checklist
- MSP Configuration migrated to Production Instance infrastructure
- Production Data template completed
- Production data load completed
- Pre-Release Production validation completed
- Project documentation updated as required with results of production deployment
- Post Deployment Support notes completed

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted

Stage 9: Project Closure (SEM Stage: Implementation)

In this stage, the solution is validated against the requirements identified in the initial design and proposed next steps and/or implementation phases and outlined.

Contractor Roles and Responsibilities

The Contractor shall perform the following activities, which includes but is not limited to:

1. Conduct a Project Closure meeting or call
2. Provide all final documentation subjected to modification in Stage 8, if any
3. Conduct a "Roadmap" discussion with key Customer resources and document suggested next steps

State Roles and Responsibilities

The State shall perform the following activities, which includes but is not limited to:

1. Attend a Project Closure meeting or call
2. Participate in a "Roadmap" discussion with Contractor
3. Accept final deployment milestone, execute MAF.

Deliverable(s)

- Future Roadmap & Project Summary Presentation Template
- Use Case Summary

Acceptance Criteria

- High-level acceptance criteria for this Stage are identified in Section 1.501.
- All tasks and deliverables identified in this Stage must be completed and accepted



For services warranty, see Section 2.120.

K. Other Services

The State may purchase additional services related to the environment from this Contractor.

Services must be dependent upon mutually agreed upon statement(s) of work between the Contractor and the State of Michigan. Once agreed to, the Contractor must not be obliged or authorized to commence any work to implement a statement of work until authorized via a purchase order issued against this contract.

System enhancements/scope modifications include changes to the system that are necessary to meet:

- a. New State policy requirements.
- b. New Federal regulations.
- c. New technology requested by the State.
- d. Accommodate new or updated interfaces requested by the State.

The Contractor must be able to respond with costs and timelines to all requests to modify the Grant Management System software to meet future needed functionality.

Deliverable(s)

Specific deliverables will be defined in future Statements of Work.

Acceptance Criteria

Specific acceptance criteria will be defined in future Statements of Work.

III. Requirements

The State of Michigan, through this contract, is purchasing a Commercial Off The Shelf (COTS) Grants Management System solution that is highly configurable to reduce or eliminate the need of programming services for the implementation of revised or new grant programs. The Grant Management System (GMS) consists of several modules or processes:

- Roles and Security.
- Application.
- Award/contract.
- Monitoring/program management.
- Financial/budget.
- Reports.

The GMS must provide an online web application and reporting process where subgrantees can apply for published grants, submit status, financial and programmatic reports and other information required for grant reporting. The web application must be secure requiring a log in with username/password to allow only registered users to access the grant information. Multiple users can be associated to a grant application/award and users will only have access to their own information. Users can be associated to multiple grant applications/awards. Subgrantee user roles are established that determine the access rights of each role. The application information must be saved and accessible to automatically create award letters/contracts documents when an application has been approved for an award.

The GMS must allow management of multiple grant programs spanning multiple fiscal/calendar years with different/multiple reporting requirements. Management of grants must have role based security to determine access of the grant administrators, analysts, and financial staff. The grant program administrators and grant program analysts must have the capability to create/modify applications, reports and requirements for the same grant program or multiple grant programs. The grant program administrator and grant program analyst must have the capability to generate and/or create reports from the grant programs for applicants, awards, program and financial information. The grant program financial user must have access to all grant financial and program information and be able to create/modify reports.



The GMS must have an interface into the State's email services (Microsoft Outlook and Novell GroupWise) to provide for automatic notification of submission of documentation to and from subgrantees. The GMS must also have a bi-directional interface to the MSP Accounting Revenue System (ARS) and a one directional interface to the Michigan Accounting Information Network (MAIN) for budgetary and financial information/updates.

The GMS must have the capability to provide reports that "roll-up" the financial information by grant program, subgrantee, county, fiscal year, multiple years, MSP Division, Bureau and Department. These reports provide an overall picture of the financial status of the grant programs within the department. These types of reports are often requested by grant program administrators, MSP Executives, and Legislature.

The GMS software must be highly configurable to accommodate for the grant requirements within the individual grant programs. The State has identified six (6) modules or processes that make up the Grant Management System. High level requirements are indicated below. Detailed requirements are specified in the Business (Appendix D) and Technical requirements (Appendix C).

1. Roles and Security

- a. Organizations within the system shall be identified using a unique identifier (such as the Federal ID number). The organization will be given access to grant programs and specific grants by the System Administrator and Grant Program Administrator.
- b. Each user account must be associated with one or more organizations. The user accounts must have the capability of being restricted to specific grant programs and grants within each associated organization by the Grant Program administrator.
- c. There are three (3) levels of security:
 1. Executive Level
 - i. System Administrator
 1. Access to all grant information and provides access rights to other security levels.
 2. Creates grant program areas.
 3. Assigns grant program administrator to grant program.
 4. Establish, edit and disable/delete subgrantee user accounts and security rights.
 - ii. System Analyst
 1. Access to all "roll up" financial data for all grant programs.
 2. Grant Program Level
 - i. Grant Program Administrator
 1. Security is limited to grant program area.
 2. Create program areas pertaining to their specific grant program.
 3. Access to all grant information and administrative functions.
 4. Establish, edit and disable/delete subgrantee user accounts and security rights.
 5. Reset passwords for user information.
 6. Create and modify grant requirements for applications, awards, financial, and detailed reports for their grant program.
 - ii. Grant Program Financial User
 1. Access to all financial and program information for the grant programs assigned.
 2. Create/edit reports for assigned grant programs.
 3. Accept allowable costs.
 4. Perform program, financial and denial review.
 - iii. Grant Program Analyst
 1. Certify grant applications.
 2. Accept allowable costs.
 3. Perform program, financial and denial review.
 4. Access to all financial and program information for the grant programs assigned.
 5. Create/edit reports.

3. Subgrantee Level

- i. Authorized Official
 1. Submits an application.
 2. Accept an award/contract.
 3. Submit and accept amendments to award/contract.



- ii. Project Director
 - 1. Access to all subgrantee grant information assigned.
 - 2. Submit modifications and amendment requests.
 - iii. Financial Officer
 - 1. Access to all subgrantee financial/budget reporting functions.
 - iv. Subgrantee Analyst
 - 1. Access to all subgrantee reporting functions – financial and status reports.
2. Application
- a. Must function as a web browser in an internet environment for subgrantee access.
 - b. Subgrantee must be given rights (usercode/password) to access application.
 - c. Grant Program Administrator must be able to create and/or edit applications for grants assigned.
 - d. Subgrantee must be able to save drafts before submission.
 - e. After approval, applications must be locked against future changes.
3. Award/Contract
- a. Grant Program Administrator must be able to create/modify award letters/contract.
 - b. Must be able to generate from data provided in the application.
 - c. Must be able to amend specific awards/contracts for subgrantee.
4. Monitoring/Program Management
- a. Grant Program Administrator must be able to monitor all aspects of grant programs assigned.
 - b. Must be able to create/modify status reports to be completed and submitted by grantees.
 - c. Must be able to create/modify help menus for grant information.
 - d. Must be able to automatically generate/receive email notifications.
5. Financial/Budget
- a. Grant Program Administrator must be able to create and modify financial requirements based on grant program requirements.
 - b. Must be able to monitor all financial information related to grants.
 - c. Must be able to create/modify budget/financial reports to be completed and submitted by grantees.
 - d. Must be able to “roll up” financial and budgetary information in multiple levels/formats.
 - e. Access/transfer information to and from ARS.
 - f. Access/transfer information from MAIN.
6. Reports
- a. Must have program and financial pre-formatted reports available.
 - b. Must be able to generate on-line queries/reports of grant program and financial information.
 - c. Must be able to generate Federal reports, must be modifiable dependent on Federal requirements.
7. Software License Options
- a. Concurrent licenses for up to fifty (50) State Police users. Unlimited number of subgrantee users.
 - b. Enterprise license for unlimited use for state and subgrantee users.
8. Third Party Software
- a. Describe any third party software required for the contractor solution.
 - b. Must be included as part of contractor solution
 - c. Licenses and maintenance must be provided by the contractor.



9. Data Archive

The GMS solution must include a process to archive grant data after specific timeframes. The archived data must still be accessible limited to only the System Administrator and Grant Program Administrator roles. The data is eligible to be archived three (3) years after a grant has been marked as “inactive”. The System Administrator must have the capability to initiate and override an archive process. The solution must include a process to “unarchive” data to move it back into the production system.

A. Technical/General System Requirements

The detailed technical/general system requirements for the Grant Management System are identified in Appendix C, Grant Management System Technical/General Systems Requirements template.

B. Business Requirements

The detailed business requirements for the Grant Management System are identified in Appendix D, Grant Management System Business Requirements template.

1.200 Roles and Responsibilities

1.201 Contractor Staff, Roles, And Responsibilities

A. Contractor Staff

The staff identified in this Contract shall perform the assigned work.

The Contractor will identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:

- Supporting the management of the Contract.
- Facilitating dispute resolution.
- Advising the State of performance under the terms and conditions of the Contract.

The State reserves the right to require a change in the current SPOC if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

- **Single Point of Contact – Services Delivery**
 Blake Howitt
 Senior Director, Practice Services – Public Sector NA
 2291 Wood Oak Drive
 Herndon, VA 20171
 980-333-2730
Blake.Howitt@ca.com

The Contractor will provide sufficient qualified staffing to satisfy the deliverables of this Statement of Work. All personnel may be subject to the State’s interview and approval process. Any key staff substitution must have the prior approval of the State. The Contractor has identified the following roles and individuals as key personnel for this project:

- Project Manager: Jarvis Camp
- Business Analyst John Balsavage
- Technical Lead: Nathan Arp
- Trainer: John Balsavage
- Interface Specialist: John Leigh



The Contractor will provide a **Project Manager** to interact with the designated personnel from the State to insure a smooth transition to the new system. The project manager will coordinate all of the activities of the Contractor personnel assigned to the project and create all reports required by State. The Contractor's project manager responsibilities include, at a minimum:

- Manage all defined Contractor responsibilities in this Scope of Services.
- Manage Contractor's subcontractors, if any.
- Develop the project plan and schedule, and update as needed.
- Serve as the point person for all project issues.
- Coordinate and oversee the day-to-day project activities of the project team.
- Assess and report project feedback and status.
- Escalate project issues, project risks, and other concerns.
- Review all project deliverables and provide feedback.
- Proactively propose/suggest options and alternatives for consideration.
- Utilize change control procedures.
- Prepare project documents and materials.
- Manage and report on the project's budget.

The Contractor will provide a **Business Analyst**. The Contractor's business analyst responsibilities include, at a minimum:

- Conduct interviews with State grant program area administrators.
- Develop flowcharts of business processes.
- Verify and validate the business and functional requirements.
- Clarify any unclear or ambiguous requirements.
- Prepare business gap analysis document.
- Develop test plans, test scripts, and test scenarios.
- Facilitate testing results sessions.

The Contractor will provide a **Technical Lead**. The Contractor's technical lead responsibilities include, at a minimum:

- Verify and validate the technical requirements.
- Clarify any unclear or ambiguous requirements.
- Prepare technical gap analysis document.
- Develop technical design document with assistance from the State.
- Aid the State in development of the security document.

The Contractor will provide a **Trainer**. The Contractor's trainer responsibilities include, at a minimum:

- Develop training plans for all training classes.
- Develop and prepare training materials.
- Schedule classrooms and participants.
- Conduct training classes.
- Develop and provide class evaluations for each class.
- Provide completed class evaluations to the State Project Manager.

The Contractor will provide interface specialist. The responsibilities include, at a minimum:

- Develop interface from Grant Management System to the Accounting Revenue System (ARS).
- Develop interface from the ARS Grant Management System.
- Develop interface from MAIN to the Grant Management System
- Develop interface with the State's email services



The required skills and experience for the Key Personnel are provided below:

Required Skills for Project Manager	
1.	7 years of experience application configuration and implementation of projects of similar size and scope of this Contract
2.	2 years of experience in managing projects implementing the contractor's proposed solution
3.	Education: Bachelor's Degree or equivalent experience
4.	Certification: Project Management Professional certification (Preferred)
Required Skills for Business Analyst	
1.	5 years of experience eliciting and documenting business and functional requirements for complex web-based systems
2.	5 years of experience performing complex business task analysis to evaluate and document change requests
3.	5 years of experience conducting peer reviews to validate business and functional requirements
4.	3 years of experience creating usability test plans, test scenarios and testing scripts, documenting the results of usability testing, and facilitating sessions in which clients review usability testing results
5.	2 years of experience working with grant processes
6.	Education: Minimum 32 semester credit hours from an accredited college or university in an IT related field
7.	Certification: IT Professional certification or 5 years of technical experience within an IT related field.
Required Skills for Technical Lead	
1.	5 years of experience managing application development and implementation projects of similar size and scope of the RFP
2.	2 years of experience in managing a system implementation in a complex architecture using the Contractor's proposed solution
3.	Education: Minimum 32 semester credit hours in an IT related field
4.	Certification: IT Professional certification or 5 years of technical experience within an IT related field.
Required Skills for Trainer	
1.	3-4 years of experience in delivering user, systems administrator, and technical training
2.	2-3 years of experience working with the proposed Grant Management software
3.	2 years of experience working with grant processes
4.	2 years of experience developing training plans to align with customer needs
5.	Demonstrated excellent communication, presentation and classroom management skills
6.	Education: Bachelor's degree, Education or Instructional Design preferred
7.	Certification: IT Professional certification or 4 years of experience within an IT related field.

B. On Site Work Requirements

1. Location of Work

The work is to be performed, completed, and managed at the following location: Lansing, MI. Additionally work that doesn't require any interaction with MSP personnel, or other work as approved by the State can be performed at the contractor's off-site location.

2. Hours of Operation:

- Normal State working hours are 8:00 a.m. to 5:00 p.m. EST, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. No overtime will be authorized or paid.
- The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.
- Contractor shall observe the same standard holidays as State employees. The State does not compensate for holiday pay.

3. Travel:

- No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by Contractor.
- Travel time will not be reimbursed.



4. Additional Security and Background Check Requirements:

The Contractor and/or staff must be able to pass a security clearance check and drug tests prior to assignment to this project. Contractor must present certifications evidencing drug tests for all staff identified for assignment to this project. The Contractor shall authorize the investigation of its personnel proposed to have access to State facilities and systems on a case-by-case basis. The scope of the background check is at the discretion of the State and MSP. The results will be used to determine eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background Checks including State and FBI (IAFIS) Fingerprint check.

The Contractor must submit a completed Background Check Authorization Request (CJIS-008) to MSP's Information Security Officer for approval prior to the individual(s) starting of the project. As part of the background check process, the contractor will be required to submit an RI-8 Fingerprint card or submission of fingerprints via a livescan device. Depending on the nature of a contract or work assignment, the contractor may also be required to include a security addendum as part of the contract. The contractor is responsible for any and all costs associated with the background check process.

Approved Subcontractors

The Contractor will utilize the following subcontractor to complete the specified work.

Name:	John K. Leigh, Partner
Address:	28081 Southfield Rd.
City, State, Zip	Lathrup Village, MI 48076
Phone:	(248) 559-7910
Fax:	(248) 559-8066
E-Mail	J.Leigh@Kunzleigh.com

1.202 State Staff, Roles, And Responsibilities

The State will provide the following resources for the Contractor's use on this project:

- Work space.
- Desk.
- Telephone.
- Printer.
- Access to copiers and fax machine.
- Parking - all parking expenses will be the responsibility of the contractor.

The State project team will consist of Executive Subject Matter Experts (SME's), project support, and a MDTMB and MSP project manager.

Executive Subject Matter Experts

The Executive Subject Matter Experts representing the MSP divisions involved will provide the vision for the business design and how the application shall provide for that vision. They shall be available on an as needed basis. The Executive SME's will be empowered to:

- Resolve project issues in a timely manner.
- Review project plan, status, and issues.
- Resolve deviations from project plan.
- Provide acceptance sign-off.
- Utilize change control procedures.
- Ensure timely availability of State resources.
- Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.



Name	Agency/Division	Title	Phone/e-mail
Shawn Sible	MSP Office of State Services	Director	517-241-0407 sibles@michigan.gov
Sherri Irwin	MSP Departmental Services	Division Director	517-241-1001 irwins@michigan.gov
Jacqueline Reese	MSP Executive Office	Internal Control Coordinator	517-241-0981 reesej@michigan.gov

State Project Manager- (MDTMB and MSP)

MDTMB will provide a Project Manager who will be responsible for the State's infrastructure and coordinate with the Contractor in determining the system configuration.

The State's Project Manager will provide the following services:

- Provide State facilities, as needed.
- Coordinate the State resources necessary for the project.
- Facilitate coordination between various external contractors.
- Facilitate communication between different State departments/divisions.
- Provide acceptance and sign-off of deliverable/milestone.
- Review and sign-off of timesheets and invoices.
- Resolve project issues.
- Escalate outstanding/high priority issues.
- Utilize change control procedures.
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements.
- Document and archive all important project decisions.
- Arrange, schedule and facilitate State staff attendance at all project meetings.

Name	Agency/Division	Title
Gordon Mayes	MDTMB/Agency Services	Technical Lead
Shawn Sible	MSP/Office of State Services	Project Manager

MDTMB shall provide a Contract Administrator whose duties shall include, but not be limited to, supporting the management of the Contract.

Name	Agency/Division	Title
Barb Suska	MDTMB	Contract Administrator

1.203 Other Roles And Responsibilities - RESERVED

1.300 Project Plan

1.301 Project Plan Management

Project Plan

The Contractor will provide a Project Plan in accordance with this section and section 1.104.

1. The Project Plan will include:
 - a. Statement of project objectives
 - b. Statement of project approach, that is, how the contractor will apply their understanding and their experience while following the components in Section 1.104.
2. The Project Plan shall include a MS Project Schedule or equivalent (WBS), which shall identify:
 - a. All tasks as defined in Section 1.104



- b. All deliverables as defined in Section 1.104
 - i. Target start and end dates for the deliverables.
 - c. All phases/milestones for which payment will be made. A phase/milestone is defined as complete when all of the deliverables within the milestone have been completed.
 - d. Critical paths/ Dependencies that illustrate the relationship for tasks and deliverables
 - e. Identification of roles and responsibilities for both Contractor and State Personnel. Contractor is to provide a roles and responsibility matrix.
 - f. The labor, hardware, materials and supplies required to be provided by the State in meeting the target dates established in the Project Plan
 - g. Internal milestones including, but not limited to:
 - i. When hardware must be available
 - ii. When various environments must be ready
 - iii. When we go live
 - h. Task durations.
3. The Project Plan shall include the following:
- a. Change Management Plan – See Section 1.403 below
 - b. Communications Plan – Details how information is shared within the team and with stakeholders including meetings, reports, who creates the report, who attends meetings or receives reports, frequency, etc.
 - c. Initial Implementation and Resourcing Plan – Define, consistent with 1.104 D (Installation and Testing), the process to implement and verify software in each environment including test, training, and production, to also include a detailed work plan (in hours) and duration (in days) of the software and hardware installation including all modules both SOM and contractor effort. This will also detail the process to ensure skills and experience are identified and procured or developed to ensure “right people for the specific roles.”
 - d. Initial Maintenance Plan – Define the approach, roles and responsibilities, and staffing to provide ongoing maintenance and support as defined in 1.104 H (Maintenance and Support).
 - e. Initial Quality/Test Plan – Define, consistent with 1.104 D (Installation and Testing), the testing approach, scenarios, environment, tools, schedule, effort, and resources to ensure defects are defined, tracked and corrected.
 - f. Procurement Plan – Details the process behind any purchases of equipment or material is handled.
 - g. Risk Management Plan – See Section 1.402
 - h. Security Plan and Assessment – Details the DIT-170 which is created and updated throughout the life of the project to ensure security is integrated into the solution and associated risks monitored
 - i. Initial Training Plan – Details the approach to providing training as required in Stage 7, Knowledge Transfer.

Orientation Meeting

Upon ten (10) business days from execution of the Contract, the Contractor will be required to attend an orientation meeting to discuss the content and procedures of the Contract. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

Performance Review/Project Status Meetings

The State will require the Contractor to:

- 1) Attend/call into weekly status phone conferences with the MSP Project Manager. The meetings will review the Weekly Project Status Report, defined in section 1.302.
- 2) At a minimum, a monthly status meeting must be scheduled with the MSP Project Manager and MDTMB Technical Lead to review and discuss the previous month's Weekly Status Reports and any pending issues.

The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meetings.

Project Control

The Contractor will manage the project under the direction and control of the MSP Project Manager and the MDTMB Technical Lead in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at <http://www.michigan.gov/suite>



1. Contractor will use an automated tool for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool shall have the capability to produce:
 - a. Summary plan showing start and end dates for all phases.
 - b. Staffing tables with names of personnel assigned to Contract tasks.
 - c. Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each
 - Summary Plan showing start and end dates for all phases
 - Detailed plans for all Services to be performed within the next sixty (60) calendar days, updated semi-monthly.
 - For example, if the design phase is active the detail plan is required for that entire phase. However, if other phases should commence within this window, then detailed plans is also required for that phase/those phases.
 - Updates must include actual time spent on each task and a revised estimate to complete.
 - d. Graphs showing critical events, dependencies and decision points during the course of the Contract.
2. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

1.302 Reports

A Weekly Project Status Report will be required from the Contractor from the start of the project until the completion of the project or mutually agreed by the MSP project manager and the Contractor.

Report formats must be submitted to the State's Project Manager. The Contractor shall use as its base the Project Status Report SUITE template. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract unless changed with written agreement of the MSP Project Manager.

Minimum reports to be furnished by the Contractor. Contractor may include additional reports or propose options/groupings of reports as listed below:

- 1) Updated Project Plan upon request.
- 2) Weekly Project Status Report (due by close of business each Monday for the prior week). To include the following components:
 - Executive Summary of activity during the report period.
 1. The Contractor shall include a statement that the project is on schedule or, if not, reasons for discrepancies and a tracking date.
 2. The Contractor shall identify from the Project Schedule tasks that are behind schedule with their associated actions to address the situation.
 - Accomplishments during the report period. Please include narrative on milestones completed, more than just the milestone title/name.
 - Services for the next reporting period.
 - Deliverable status.
 - Schedule status – any discrepancies from critical path in project plan.
 - Action Item status.
 - Updated risk plan.
 - Change Control.
 - Repair Status.
 1. During testing and warranty period, information will be included or attached to the WPSR to indicate a summary of defects:
 - Open at the beginning of the reporting period
 - New defects reported during the reporting period
 - Defects closed during the reporting period
 - Defects in process as (being worked on) of the end of the period
 - Defects not yet worked on as of the end of the period
 - *Open defects as of the end of the period*
 2. Said report may be broken down further by severity level if defects are so categorized. A detailed report or access to any tool used to track said defects will be available to the State upon request.
 3. During system and user testing, information will be included to indicate:
 - Number of test cases that passed on first try



- Percentage of test cases that passed on first try against all test cases completed
- Maintenance Activity.
- Percentage of task completion
- Any Issues/ problems that require State attention

1.400 Project Management

1.401 Issue Management

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- Description of issue.
- Issue identification date.
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor).
- Resources assigned responsibility for resolution.
- Resolution date.
- Resolution description.

Issues shall be escalated for resolution from level 1 through level 3, as defined below:

- Level 1 – Business leads
- Level 2 – Project Managers
- Level 3 – Executive Subject Matter Experts (SME's)

1.402 Risk Management

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

The Contractor is responsible for establishing a risk management plan and process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, and periodic risk assessment reviews with the State.

A risk management plan format shall be submitted to the State. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon.

The Contractor shall provide the tool to track risks. The Contractor will work with the State and allow input into the prioritization of risks.

The Contractor is responsible for identification of risks for each phase of the project. Mitigating and/or eliminating assigned risks will be the responsibility of the Contractor. The State will assume the same responsibility for risks assigned to them.

1.403 Change Management

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Technology, Management and Budget, Procurement Buyer, who will make recommendations to the Director of Procurement regarding ultimate approval/disapproval of change request. If the MDTMB Procurement Director



agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Procurement Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the MDTMB Procurement, risk non-payment for the out-of-scope/pricing products and/or services.**

The Contractor must employ change management procedures to handle such things as “out-of-scope” requests or changing business needs of the State.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

1.500 Acceptance

1.501 Criteria

The following criteria will be used by the State to determine Acceptance of the services and/or deliverables provided under this Statement of Work (SOW).

The approval process is defined in more detail in the terms and conditions, specifically sections 2.253, 2.254 and 2.255.

1.502 Final Acceptance

For Final Acceptance Language, see Section 2.256.

1.600 Compensation and Payment

1.601 Compensation And Payment

Method of Payment

The project will be paid deliverables/milestone based. See attached cost table, Appendix F, for pricing.

Travel

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

If Contractor reduces its prices for any of the software or services during the term of this Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's MDTMB Contract Administrator with the reduced prices within fifteen (15) Business Days of the reduction taking effect.

Statements of Work and Issuance of Purchase Orders

- Unless otherwise agreed by the parties, each Statement of Work will include:
 1. Background.
 2. Project Objective.
 3. Scope of Work.
 4. Deliverables.
 5. Acceptance Criteria.
 6. Project Control and Reports.
 7. Specific Department Standards.
 8. Payment Schedule.
 9. Travel and Expenses.
 10. Project Contacts.
 11. Agency Responsibilities and Assumptions.
 12. Location of Where the Work is to be performed.
 13. Expected Contractor Work Hours and Conditions.



- The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

Invoicing

Contractor will submit properly itemized invoices to:

DTMB – Financial Services

Accounts Payable

P.O. Box 30026

Lansing, MI 48909

or

DTMB-Accounts-Payable@michigan.gov

Invoices must provide and itemize, as applicable:

- Contract number.
- Purchase Order number.
- Contractor name, address, phone number, and Federal Tax Identification Number.
- Description of any commodities/hardware, including quantity ordered.
- Date(s) of delivery and/or date(s) of installation and set-up.
- Price for each item, or Contractor's list price for each item and applicable discounts.
- Maintenance charges.
- Net invoice price for each item.
- Shipping costs.
- Other applicable charges.
- Total invoice price.
- Payment terms, including any available prompt payment discount.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

1.602 RESERVED - Holdback.



2.000 Contract Structure and Term

2.001 Contract Term

This Contract is for a period of **three (3) years** beginning **December 16, 2011** through **December 15, 2014**. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Contract, unless otherwise extended under the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.002 Options to Renew

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to seven (7) additional one (1) year periods.

2.003 Legal Effect

Contractor accepts this Contract by signing two copies of the Contract and returning them to the Procurement. The Contractor shall not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the Contractor receives a purchase order that authorizes the work.

Except as otherwise agreed in writing by the parties, the State shall not be liable for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract or Change Order has been approved by the State Administrative Board (if required), signed by all the parties and a Purchase Order against the Contract has been issued.

2.004 Appendices, Attachments & Exhibits

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

2.005 Ordering

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

2.006 Order of Precedence

The Contract, including any Statements of Work and Appendices, Attachments or Exhibits, to the extent not contrary to the Contract each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005**.



In the event of any inconsistency between the terms of the Contract and the Foundation Agreement or Statement of Work, the terms of the Foundation Agreement or Statement of Work shall take precedence (as to the relevant Software, Support, Services or Education Module or Statement of Work only); provided, however, that in no event shall any Module of the Foundation Agreement or a Statement of Work modify or amend the terms of the Contract. The Contract may be modified or amended only by a formal Contract amendment.

2.007 Headings

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

2.008 Form, Function & Utility

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

2.009 Reformation and Severability

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

2.010 Consents and Approvals

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

2.011 No Waiver of Default

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

2.012 Survival

Any provisions of the Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section

2.020 Contract Administration

2.021 Issuing Office

This Contract is issued by the Department of Technology, Management and Budget, Procurement and Department of Michigan State Police (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Procurement is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. The Procurement Contract Administrator for this Contract is:



Mark Lawrence
Procurement
Department of Technology, Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Email: LawrenceM1@michigan.gov
Phone: (517) 241-1640

2.022 Contract Compliance Inspector

The Director of Procurement directs the person named below, or his or her designee, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. **Monitoring Contract activities does not imply the authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract. Procurement is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contract Compliance Inspector for this Contract is:

The Project Manager will act as the CCI.

2.023 Project Manager

The following individual will oversee the project:

See Section 1.202.

2.024 Change Requests

The State reserves the right to request from time to time, upon at least 30 days written notice, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, Contractor shall provide a detailed outline of all work to be done, including tasks necessary to accomplish the Additional Services/Deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

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

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

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



- (1) **Change Request at State Request**
If the State requires Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").
- (2) **Contractor Recommendation for Change Requests:**
Contractor shall be entitled to propose a Change to the State, on its own initiative, should Contractor believe the proposed Change would benefit the Contract.
- (3) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal shall include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.
- (4) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it, or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice must be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").
- (5) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Technology, Management and Budget, Procurement.
- (6) If the State requests or directs the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of this Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

2.025 Notices

Any notice given to a party under the Contract must be deemed effective, if addressed to the party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State:
State of Michigan
Procurement
Attention: [Mark Lawrence](#)
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Contractor:
CA technologies
Name: Ken Schmok
Account Manager
Tel: 631-533-7116
Mobile: 317-437-0271
kenneth.schmok@ca.com

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



2.026 Binding Commitments

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

2.027 Relationship of the Parties

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

2.028 Covenant of Good Faith

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

2.029 Assignments

Neither party may assign the Contract, or assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the Contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. If the State permits an assignment, the Contractor is not relieved of its responsibility to perform any of its contractual duties and the requirement under the Contract that all payments must be made to one entity continues.

If the Contractor intends to assign the contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

2.030 General Provisions

2.031 Media Releases

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

2.032 Contract Distribution

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



2.033 Permits

Pursuant to receipt of written notice from the State of any applicable permit required under the Contract, Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.034 Website Incorporation

The State is not bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

2.035 Future Bidding Preclusion

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

2.036 Freedom of Information

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

2.037 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract shall provide the State with priority service for repair and work around, if applicable, in the event of a natural or man-made disaster.

2.040 Financial Provisions

2.041 Fixed Prices for Services/Deliverables

Each Statement of Work or Purchase Order issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices, or Time and Materials rates as mutually agreed upon in any applicable Statement of Work, for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor shall show verification of measurable progress at the time of requesting progress payments.

2.042 Adjustments for Reductions in Scope of Services/Deliverables

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

2.043 Services/Deliverables Covered

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



2.044 Invoicing and Payment – In General

- (a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.
- (b) Each Contractor invoice shall show details, or have accompanying details, as to charges by Service/Deliverable component. Invoices for Services performed on a time and materials basis shall show, for each individual, the number of hours of Services performed during the billing period and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State.
- (c) Correct invoices shall be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.
- (d) All invoices should reflect actual work done. Specific details of invoices and payments shall be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Procurement, Department of Management & Budget. This activity shall occur only upon the specific written direction from Procurement.

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

The Government may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

2.045 Pro-ration

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

2.046 RESERVED - Antitrust Assignment

2.047 Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor shall it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

2.048 Electronic Payment Requirement

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at <http://www.cpexpress.state.mi.us>. As stated in Public Act 431 of 1984, all contracts that the State enters into for the purchase of goods and services shall provide that payment shall be made by electronic fund transfer (EFT).



2.050 Taxes

2.051 Employment Taxes

Contractor shall collect and pay all applicable federal, state, and local employment taxes, including the taxes.

2.052 Sales and Use Taxes

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

2.060 Contract Management

2.061 Contractor Personnel Qualifications

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

2.062 Contractor Key Personnel

- (a) The Contractor must provide the Contract Compliance Inspector with the names of the Key Personnel.
- (b) Key Personnel must be dedicated as defined in the Statement of Work to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.
- (c) Based on answer to (a) this may need modification. The State shall have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate State representatives, and shall 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 shall provide a written explanation including reasonable detail outlining the reasons for the rejection.
- (d) Contractor must not remove any Key Personnel from their assigned roles on the Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause termination of the Key Personnel's employment. Unauthorized Removals does not include replacing Key Personnel because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its termination and cancellation rights.
- (e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the



State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

2.063 Re-assignment of Personnel at the State's Request

The State reserves the right, upon thirty (30) days written notification, to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request must contain reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good faith reasons. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service shall not be counted for a time as agreed to by the parties.

2.064 Contractor Personnel Location

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

2.065 Contractor Identification

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

2.066 Cooperation with Third Parties

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, the Contractor shall provide to the State's agents and other contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with this Contract and shall not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

2.067 Contract Management Responsibilities

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services. Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties shall include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the Project Plan is likely to delay the timely achievement of any Contract tasks.

The Contractor shall provide the Services/Deliverables directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor shall act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

2.068 Contractor Return of State Equipment/Resources

The Contractor shall return to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.



2.070 Subcontracting by Contractor

2.071 Contractor full Responsibility

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State shall consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

2.072 State Consent to delegation

Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Technology, Management and Budget, Procurement has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and, upon ten days written notification, to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall contain reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State shall agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work shall not be counted for a time agreed upon by the parties.

2.073 Subcontractor bound to Contract

In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor shall be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State shall not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. A list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract is attached.

2.074 Flow Down

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

2.075 Competitive Selection

The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract and in accordance with the then current CA policy for such source selection process.

2.080 State Responsibilities

2.081 Equipment

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



2.082 Facilities

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

2.090 Security

2.091 Background Checks

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

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

2.092 Security Breach Notification

If the Contractor breaches this Section, the Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State shall cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within 10 days of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

2.093 PCI DATA Security Requirements

Contractors with access to credit/debit card cardholder data must adhere to the Payment Card Industry (PCI) Data Security requirements. Contractor agrees that they are responsible for security of cardholder data in their possession. Contractor agrees that data can ONLY be used for assisting the State in completing a transaction, supporting a loyalty program, supporting the State, providing fraud control services, or for other uses specifically required by law.

Contractor agrees to provide business continuity in the event of a major disruption, disaster or failure.

The Contractor shall contact the Department of Technology, Management and Budget, Financial Services immediately to advise them of any breaches in security where card data has been compromised. In the event of a security intrusion, the Contractor agrees the Payment Card Industry representative, or a Payment Card Industry approved third party, shall be provided with full cooperation and access to conduct a thorough security review. The review will validate compliance with the Payment Card Industry Data Security Standard for protecting cardholder data. Contractor agrees to properly dispose sensitive cardholder data when no longer needed. The Contractor shall continue to treat cardholder data as confidential upon contract termination.



The Contractor shall provide the Department of Technology, Management and Budget, Financial Services documentation showing PCI Data Security certification has been achieved. The Contractor shall advise the Department of Technology, Management and Budget, Financial Services of all failures to comply with the PCI Data Security Requirements. Failures include, but are not limited to system scans and self-assessment questionnaires. The Contractor shall provide a time line for corrective action.

2.100 Confidentiality

2.101 Confidentiality

Contractor and the State each acknowledge that the other possesses and shall continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor must mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below), which is marked confidential, restricted, proprietary, or with a similar designation. "Confidential Information" of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. "Confidential Information" excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

2.102 Protection and Destruction of Confidential Information

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

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

2.103 Exclusions

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

2.104 No Implied Rights



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

2.105 Respective Obligations

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

2.110 Records and Inspections

2.111 Inspection of Work Performed

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

2.112 Examination of Records

For seven years after the Contractor provides any work under this Contract (the "Audit Period"), the State may examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the Contract and with applicable laws and rules. The State shall notify the Contractor 30 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the Contractor to the extent access would require the confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.

2.113 Retention of Records

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

2.114 Audit Resolution

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

2.115 Errors

If the audit demonstrates any errors in the documents provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four invoices. If a balance remains after four invoices, then the remaining amount shall be due as a payment or refund within 45 days of the last quarterly invoice that the balance appeared on or termination of the contract, whichever is earlier.

In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than 10%, then the Contractor shall pay all of the reasonable costs of the audit.



2.120 Warranties

The Contractor must provide a warranty of all services provided through this contract commencing on the first day following Performance and Reliability Evaluation (PARE) acceptance and formal written acceptance by the State.

Services Deliverable(s)

1. The maximum warranty period for Services provided above of Ninety (90) days will be provided.
2. During the warranty period, Contractor must correct any element of the system which, due to improper implementation or configuration by CA Services, fails to perform in accordance with the requirements of this contract and/or published specifications, at no cost to the State. Corrective action by the Contractor shall include, but is not limited, redesigning, repairing, or replacing the nonconforming element.
3. The Ninety (90) day warranty shall provide that the Services rendered upon the software is free from imperfections in design and free from any and all defects and is able to perform continuously and satisfactorily under normal operating conditions.

Product Maintenance and Support (Warranty) See Support Module under Foundation Agreement

The contractor must provide maintenance and support for their software solution, commencing with the purchase date of the Software, and concluding not less than three (3) years after purchase date with MSP right to renew for additional one, two or three year periods; including third party software and tools included in their overall solution in accordance with the terms set forth in the Support Module, US Public Sector (Direct) attached hereto as Exhibit H included as part of the Foundation Agreement, US Public Sector (Direct).

2.121 Warranties and Representations

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the software and support services necessary for the Deliverable(s) to perform and Support Services to operate in compliance with the Contract's requirements and other standards of performance including warranty for Contractor Software set forth in Section 7, Performance Warranty, of the Software Module, US Public Sector (Direct), section of the Foundation Agreement, US Public Sector (Direct) attached hereto as Exhibit H.
- (c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the licensed use, as applicable, of any and all Deliverables in accordance with the terms of the Foundation Agreement, set forth as Appendix H. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State shall infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) N/A
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
- (f) It is qualified and registered to transact business in all locations where required.
- (g) Neither the Contractor nor any Affiliates, nor any employee of either, has, must have, or must acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.
- (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.
- (i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.



- (j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.
- (k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by the financial statements, reports, other information. Since the respective dates or periods covered by the financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor.
- (l) All written information furnished to the State by or for the Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.
- (m) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or the department within the previous five years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract.
- (n) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after contract award, the Contractor is required to report those changes immediately to the Department of Technology, Management and Budget, Procurement.

2.122 RESERVED – WARRANTY OF MERCHANTABILITY

2.123 RESERVED - Warranty of Fitness for a Particular Purpose

2.124 Warranty of Title

See Appendix H.

2.128 Consequences for Breach

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

2.130 Insurance

2.131 Liability Insurance

The Contractor must provide proof of the minimum levels of insurance coverage as indicated below. The insurance must protect the State from claims that may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether the services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

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

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



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

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

See www.michigan.gov/dleg.

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

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

- ☒ 1. Commercial General Liability with the following minimum coverage:

\$2,000,000 General Aggregate Limit other than Products/Completed Operations
 \$2,000,000 Products/Completed Operations Aggregate Limit
 \$1,000,000 Personal & Advertising Injury Limit
 \$1,000,000 Each Occurrence Limit

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

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

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

- ☒ 3. Workers' compensation coverage must be provided according to applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If a self-insurer provides the applicable coverage, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

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

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

- ☒ 4. Employers liability insurance with the following minimum limits:

\$100,000 each accident
 \$100,000 each employee by disease
 \$500,000 aggregate disease

- ☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).

- ☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which must apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.



- ☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.
- ☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The policy must cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State must be endorsed on the policy as a loss payee as its interests appear.

2.132 Subcontractor Insurance Coverage

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

2.133 Certificates of Insurance and Other Requirements

Contractor must furnish to MDTMB Procurement, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). The Certificate must be on the standard "accord" form or equivalent. **The Contract Number or the Purchase Order Number must be shown on the Certificate Of Insurance To Assure Correct Filing.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State and its agents, officers and employees are listed as additional insured under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

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

2.140 Indemnification

2.141 General Indemnification

2.142 Code Indemnification

2.143 Employee Indemnification

2.144 Patent/Copyright Infringement Indemnification

2.145 Continuation of Indemnification Obligations

2.146 Indemnification Procedures



2.150 Termination/Cancellation

2.151 Notice and Right to Cure

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

2.152 Termination for Cause

- (a) The State may terminate this contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure (as defined in Section 2.242 (b) below, to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State
- (b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be liable for direct damages proven by the State up to the Limitation of Liability in section 2.220.
- (c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.
- (d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

2.153 Termination for Convenience

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

In the event the State elects to terminate for convenience prior to the expiration of the then current term, and such termination includes licenses for CA software, the State shall also, within a reasonable period of time, delete all copies of such software from its systems, including copies stored for archival or storage purpose, and either destroy or return them to Contractor. The foregoing shall not apply, however, where such licenses were perpetual and the State, at the time of such termination, has paid all associated perpetual license fees.



2.154 Termination for Non-Appropriation

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

2.155 Termination for Criminal Conviction

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract or subcontract.

2.156 Termination for Approvals Rescinded

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

2.157 Rights and Obligations upon Termination

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

2.158 Reservation of Rights



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

2.160 Termination by Contractor

2.161 Termination by Contractor

If the State breaches the Contract, and the Contractor in its sole discretion determines that the breach is curable, then the Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach. The Notice of Breach and opportunity to cure is inapplicable for successive and repeated breaches.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the Contractor must discharge its obligations under **Section 2.160** before it terminates the Contract.

2.170 Transition Responsibilities

2.171 Contractor Transition Responsibilities

If the State terminates this contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 90 days. These efforts must include, but are not limited to, those listed in **Section 2.150**.

2.172 Contractor Personnel Transition

The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor must allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

2.173 Contractor Information Transition

The Contractor shall provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

2.174 Contractor Software Transition

The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This must include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses must, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

2.175 Transition Payments



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

2.176 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to reconcile all accounts between the State and the Contractor, complete any pending post-project reviews and perform any others obligations upon which the State and the Contractor agree.

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

2.180 Stop Work

2.181 Stop Work Orders

The State may, at any time, by written Stop Work Order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to 90 calendar days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order must be identified as a Stop Work Order and must indicate that it is issued under this **Section**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order; or (b) terminate the work covered by the Stop Work Order as provided in **Section 2.182**.

2.182 Cancellation or Expiration of Stop Work Order

The Contractor shall resume work if the State cancels a Stop Work Order or if it expires. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the Stop Work Order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.024**.

2.183 Allowance of Contractor Costs

If the Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated for reasons other than material breach, the termination shall be deemed to be a termination for convenience under **Section 2.153**, and the State shall pay reasonable costs resulting from the Stop Work Order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this Section.

2.190 Dispute Resolution

2.191 In General

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

2.192 Informal Dispute Resolution



(a) All disputes between the parties shall be resolved under the Contract Management procedures in this Contract. If the parties are unable to resolve any dispute after compliance with the processes, the parties must meet with the Director of Procurement, DTMB, or designee, to resolve the dispute without the need for formal legal proceedings, as follows:



(1) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.

(3) The specific format for the discussions shall be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(4) Following the completion of this process within 60 calendar days, the Director of Procurement, DTMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

(b) This Section shall not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.193.

(c) The State shall not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work under the Contract.

2.193 Injunctive Relief

The only circumstance in which disputes between the State and Contractor shall not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is that the damages to the party resulting from the breach shall be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

2.194 Continued Performance

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.150**, as the case may be.

2.200 Federal and State Contract Requirements

2.201 Nondiscrimination

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

2.202 Unfair Labor Practices

Under 1980 PA 278, MCL 423.321, et seq., the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

2.203 Workplace Safety and Discriminatory Harassment

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall



comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.204 Prevailing Wage

Wages rates and fringe benefits to be paid each class of individuals employed by the Contractor, its subcontractors, their subcontractors, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general contractors, prime contractors, project managers, trade contractors, and all of their contractors or subcontractors and persons in privity of contract with them.

The Contractor, its subcontractors, their subcontractors and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the Contract. Contractor shall also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the agency responsible for enforcement of the wage rates and fringe benefits. Contractor shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

2.210 Governing Law

2.211 Governing Law

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

2.212 Compliance with Laws

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

2.213 Jurisdiction

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

2.220 Limitation of Liability

2.221 Limitation of Liability



2.230 Disclosure Responsibilities

2.231 Disclosure of Litigation

Contractor is subject to a variety of claims and suits that arise from time to time in the ordinary course of its business, including actions with respect to contracts, IP, product liability, employment and environmental matters.

While it is not possible to predict the ultimate outcome of the matters discussed above, given the unique factors and circumstances involved in each matter, historically, the company has been successful in defending itself against claims and suits that have been brought against it, and payments made by the company in such claims and suits have not been material to the company. The company will continue to defend itself vigorously in all such matters and believes that if it were to incur a loss in any such matter, such loss should not have a material effect on the company's business, financial condition or results of operations.

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party. Contractor intends to satisfy this requirement through submission of their annual report.

2.232 Call Center Disclosure

Upon request of a State employed inbound caller, Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State shall disclose the location of its call or contact center services to inbound callers.

2.233 Bankruptcy

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

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

Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.



2.240 Performance

2.241 Time of Performance

- (a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.
- (b) Without limiting the generality of **Section 2.241**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.
- (c) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.242 RESERVED - Service Level Agreement (SLA)

2.243 RESERVED - Liquidated Damages

2.244 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of a party; provided the non-performing party and its Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

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

If any of the above-enumerated circumstances substantially prevent, hinder, or delay the Contractor's performance of the Services/provision of Deliverables for more than 10 Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State is not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the Contract so affected and the charges payable will be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.



The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.250 Approval of Deliverables

2.251 Delivery of Deliverables

A list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable") is attached, if applicable. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and applicable terms and conditions of this Contract.

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities. Before delivering a Deliverable to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

In discharging its obligations under this Section, Contractor shall be at all times (except where the parties agree otherwise in writing) in compliance with Level 3 of the Software Engineering Institute's Capability Maturity Model for Software ("CMM Level 3") or its equivalent.

2.252 Contractor System Testing

Contractor will be responsible for System Testing each Deliverable in Contractor's development environment prior to turning over the Deliverable to the State for User Acceptance Testing and approval. Contractor's System Testing shall include the following, at a minimum, plus any other testing required by CMM Level 3 or Contractor's system development methodology:

Contractor will be responsible for performing Unit Testing and incremental Integration Testing of the components of each Deliverable.

Contractor's System Testing will also include Integration Testing of each Deliverable to ensure proper inter-operation with all prior software Deliverables, interfaces and other components that are intended to inter-operate with such Deliverable, and will include Regression Testing, volume and stress testing to ensure that the Deliverables are able to meet the State's projected growth in the number and size of transactions to be processed by the Application and number of users, as such projections are set forth in the applicable Statement of Work.

Contractor's System Testing will also include Business Function Testing and Technical Testing of each Application in a simulated production environment. Business Function Testing will include testing of full work streams that flow through the Application as the Application will be incorporated within the State's computing environment. The State shall participate in and provide support for the Business Function Testing to the extent reasonably requested by Contractor. Within ten (10) days before the commencement of Business Function Testing pursuant to this Section, Contractor shall provide the State for State review and written approval Contractor's test plan for Business Function Testing.

Within five (5) Business Days following the completion of System Testing pursuant to this **Section**, Contractor shall provide to the State a testing matrix establishing that testing for each condition identified in the System Testing plans has been conducted and successfully concluded. To the extent that testing occurs on State premises, the State shall be entitled to observe or otherwise participate in testing under this Section as the State may elect.



2.253 Approval of Deliverables, In General

All Deliverables require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, and software deliverables will include the successful completion of State User Acceptance Testing as defined in the Statement of Work, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed. If Contractor fails to provide a Deliverable to the State in a timely manner, the State will nevertheless use commercially reasonable efforts to complete its review or testing within the applicable State Review Period.

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with this Section.

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

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

The State, at any time and in its own discretion, may halt the UAT or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the review or UAT process and, in that event, Contractor will correct the deficiencies in such Deliverable in accordance with the Contract, as the case may be.

Approval in writing of a Deliverable by the State shall be provisional; that is, such approval shall not preclude the State from later identifying deficiencies in, and declining to accept, a subsequent Deliverable based on or which incorporates or inter-operates with an approved Deliverable, to the extent that the results of subsequent review or testing indicate the existence of deficiencies in the subsequent Deliverable, or if the Application of which the subsequent Deliverable is a component otherwise fails to be accepted pursuant to **Section 2.080**.



2.254 Process for Approval of Written Deliverables

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

2.255 RESERVED - Process for Approval of Custom Software Deliverables

Contractor will not provide Custom Software Deliverables through this Contract.

2.256 Final Acceptance

Final acceptance is expressly conditioned upon completion of ALL deliverables, completion of ALL tasks in the project plan as approved, completion of all applicable inspection and/or testing procedures, delivery of services, and the certification by the State that the Contractor has met the defined requirements. Final acceptance of any component or enhancement will be formally executed in writing by the State of Michigan and the Contractor after all issues identified during User Acceptance Testing have been resolved, tested, and accepted and certification by the State that the Contractor has met the defined requirements.

The system shall be deemed accepted by the State and final payment will be paid by the State when the standard of performance is met as defined in this section. Acceptance testing identified in this section must be sufficiently detailed to demonstrate the system's compliance with key criteria of the contract. At a minimum, the acceptance testing will confirm the following:

1. Functional – the capabilities of the system with respect to the functions and features described in the technical portion of the contract.
2. Performance – the ability of the application to perform the workload throughput requirements. All problems should be completed satisfactorily within the allotted time frame.

The State is responsible for final acceptance of the software using an Integrated Performance and Reliability Evaluation (PARE) as described below:

1. Determination of System Readiness Application.
 - a. Prior to the PARE, a committee of four (4) persons will be identified to evaluate the performance on a daily basis. The committee will consist of one Contractor representative, and three (3) state representatives.
 - b. The PARE will begin when the Contractor certifies in writing that the solution is ready for use by the State.
 - c. A functional benchmark demonstration will be run for the PARE Committee to confirm that the solution is operating and integrating per contract. This run must be completed to the satisfaction of the PARE Committee.
2. Standard of Performance.
 - a. The performance period (consisting of Ninety (90) consecutive calendar days) shall commence when the system is fully operational and system has been released for production use. The date and time of the start of the PARE will be agreed upon by the Contractor and the State.



1. During the successful performance period, all rerun time resulting from State equipment failure shall be excluded from the performance period hours. Equipment failure downtime shall be measured by those intervals during the performance period between the time that the Contractor is notified of equipment failure and the time that the equipment is returned to the State in operating condition. Any Services-related solution failure within the Ninety (90) consecutive calendar day PARE, will cause a re-start of the PARE.
 - i. The average effectiveness level is a percentage figure determined by dividing the total operational use time by the total operational use time plus associated downtime.
 - ii. If each component operates at an average level of effectiveness of 99.9 percent or more for a period of Ninety (90) consecutive calendar days from the commencement date of the performance period, it shall be deemed to have met the State's standard of performance.
 - iii. The State shall notify the Contractor in writing of the successful completion of the performance period.
 - iv. The software shall operate in substantial conformance with the Contractor's published specifications applicable to such equipment on the date of this Agreement.
 - v. If successful completion of the PARE is not attained within one hundred and eighty (180) consecutive calendar days from the original start date of the PARE, the State shall have the option of terminating the Contract, or continuing the performance tests. The State's option to terminate the contract shall remain in effect until such time as a successful completion of the performance period is attained. The Contractor shall be liable for all outbound preparation and shipping costs for contracted items returned under this clause.
 - vi. The PARE will be complete when the equipment has met the required effectiveness level of the prescribed time period.

2.260 Ownership

2.261 Ownership of Work Product by State

The State owns all Deliverables, as they are work made for hire by the Contractor for the State. The State owns all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables. Contractor may create materials that are originally developed for and provided to the State ("Deliverables"), and may utilize or provide Preexisting Materials (as that term is defined below), during the course of performance of this Contract. The Deliverables that Contractor is to create shall be described in each Statement of Work.

2.262 Vesting of Rights

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



2.263 Rights in Data

The State is the owner of all data made available by the State to the Contractor or its agents, Subcontractors or representatives under the Contract. The Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of the Contractor. No employees of the Contractor, other than those on a strictly need-to-know basis, have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, the Contractor must only use personally identifiable information as strictly necessary to provide the Services and must disclose the information only to its employees who have a strict need-to-know the information. The Contractor must comply at all times with all laws and regulations applicable to the personally identifiable information.

The State is the owner of all State-specific data under the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State may use personally identifiable information only as strictly necessary to utilize the Services and must disclose the information only to its employees who have a strict need to know the information, except as provided by law. The State must comply at all times with all laws and regulations applicable to the personally identifiable information. Other material developed and provided to the State remains the State's sole and exclusive property.

2.264 Ownership of Materials

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

2.270 State Standards

2.271 Existing Technology Standards

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

2.272 Acceptable Use Policy

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

2.273 Systems Changes

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

2.280 Extended Purchasing

2.281 RESERVED - MiDEAL (Michigan Delivery Extended Agreements Locally

2.282 RESERVED - State Employee Purchases



2.290 Environmental Provision

2.291 Environmental Provision

Energy Efficiency Purchasing Policy: The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

Environmental Purchasing Policy: The State of Michigan is committed to encouraging the use of products and services that impact the environment less than competing products. The State is accomplishing this by including environmental considerations in purchasing decisions, while remaining fiscally responsible, to promote practices that improve worker health, conserve natural resources, and prevent pollution. Environmental components that are to be considered include: recycled content and recyclables; energy efficiency; and the presence of undesirable materials in the products, especially those toxic chemicals which are persistent and bioaccumulative. The Contractor should be able to supply products containing recycled and environmentally preferable materials that meet performance requirements and is encouraged to offer such products throughout the duration of this Contract. Information on any relevant third party certification (such as Green Seal, Energy Star, etc.) should also be provided.

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

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

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



Refrigeration and Air Conditioning: The Contractor shall comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to this contract.

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

2.300 Deliverables

2.301 Software

A list of the items of software the State is required to purchase for executing the Contract is attached. The list includes all software required to complete the Contract and make the Deliverables operable; if any additional software is required in order for the Deliverables to meet the requirements of this Contract, such software shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice). The attachment also identifies certain items of software to be provided by the State.

2.302 Hardware

A list of the items of hardware the State is required to purchase for executing the Contract is attached. The list includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). The attachment also identifies certain items of hardware to be provided by the State.

2.310 Software Warranties

2.311 Performance Warranty

Set forth in the Software Module attached hereto as Appendix H.

2.312 No Surreptitious Code Warranty

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.



2.313 RESERVED – CALENDAR WARRANTY

2.314 Third-party Software Warranty

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

2.315 Physical Media Warranty

Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than (30) thirty days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Contractor, at Contractor's expense (including shipping and handling).

2.320 Software Licensing

Set forth in the Software Module attached hereto as Appendix H

2.324 License Retained by Contractor

Contractor grants to the State a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Software and related documentation according to the terms and conditions set forth in the Software Module (Appendix H). For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

2.325 RESERVED - Pre-existing Materials for Custom Software Deliverables

Contractor will not provide Custom Software Deliverables through this Contract.

2.330 Source Code Escrow

2.331 SOURCE CODE ESCROW

CA has deposited a copy of the source code of the Software with Mendelsohn, Kary, Bell & Natoli, 529 Fifth Avenue, 2nd Floor, New York, NY 10017. Such source code will be updated with each new release of the Software which will also be deposited with the escrow agent. Such copies of the source code will be held in escrow and in the event of a final adjudication of CA as bankrupt, the State will, upon payment of the duplication cost and other handling charges of the escrow agent, be entitled to obtain a copy of such source code from the escrow agent. The State will, however, only use such copy of the source code internally to support the Software. The escrow agent's only responsibility will be to use its good faith efforts to cause a copy of the source code, in the form as delivered by CA, to be delivered to the State at the appropriate time."



Glossary

Days	Means calendar days unless otherwise specified.
24x7x365	Means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
Additional Service	Means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Audit Period	See Section 2.110
Business Day	Whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
Blanket Purchase Order	An alternate term for Contract as used in the States computer system.
Business Critical	Any function identified in any Statement of Work as Business Critical.
Chronic Failure	Defined in any applicable Service Level Agreements.
Deliverable	Physical goods and/or commodities as required or identified by a Statement of Work
DTMB	Michigan Department of Technology, Management and Budget
Environmentally preferable products	A product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to, those that contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.
Excusable Failure	See Section 2.244.
Hazardous material	Any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of the Contract).
Incident	Any interruption in Services.
ITB	A generic term used to describe an Invitation to Bid. The ITB serves as the document for transmitting the RFP to potential bidders
Key Personnel	Any Personnel designated in Article 1 as Key Personnel.
New Work	Any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
Ozone-depleting substance	Any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydro chlorofluorocarbons
Post-Consumer Waste	Any product generated by a business or consumer which has served its intended end use, and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.
Post-Industrial Waste	Industrial by-products that would otherwise go to disposal and wastes generated after completion of a manufacturing process, but do not include internally generated scrap commonly returned to industrial or manufacturing processes.
Recycling	The series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.
RESERVED	Section is not applicable or included in this Contract. This is used as a placeholder to maintain consistent numbering.
Reuse	Using a product or component of municipal solid waste in its original form more than once.
RFP	Request for Proposal designed to solicit proposals for services
Services	Any function performed for the benefit of the State.
Source reduction	Any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment



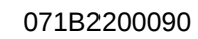
	prior to recycling, energy recovery, treatment, or disposal.
State Location	Any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
Subcontractor	A company Contractor delegates performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
Unauthorized Removal	Contractor's removal of Key Personnel without the prior written consent of the State.
Waste prevention	Source reduction and reuse, but not recycling.
Waste reduction and Pollution prevention	The practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.
Work in Progress	A Deliverable that has been partially prepared, but has not been presented to the State for Approval.
Work Product	Refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by this Contract.

MSP Glossary

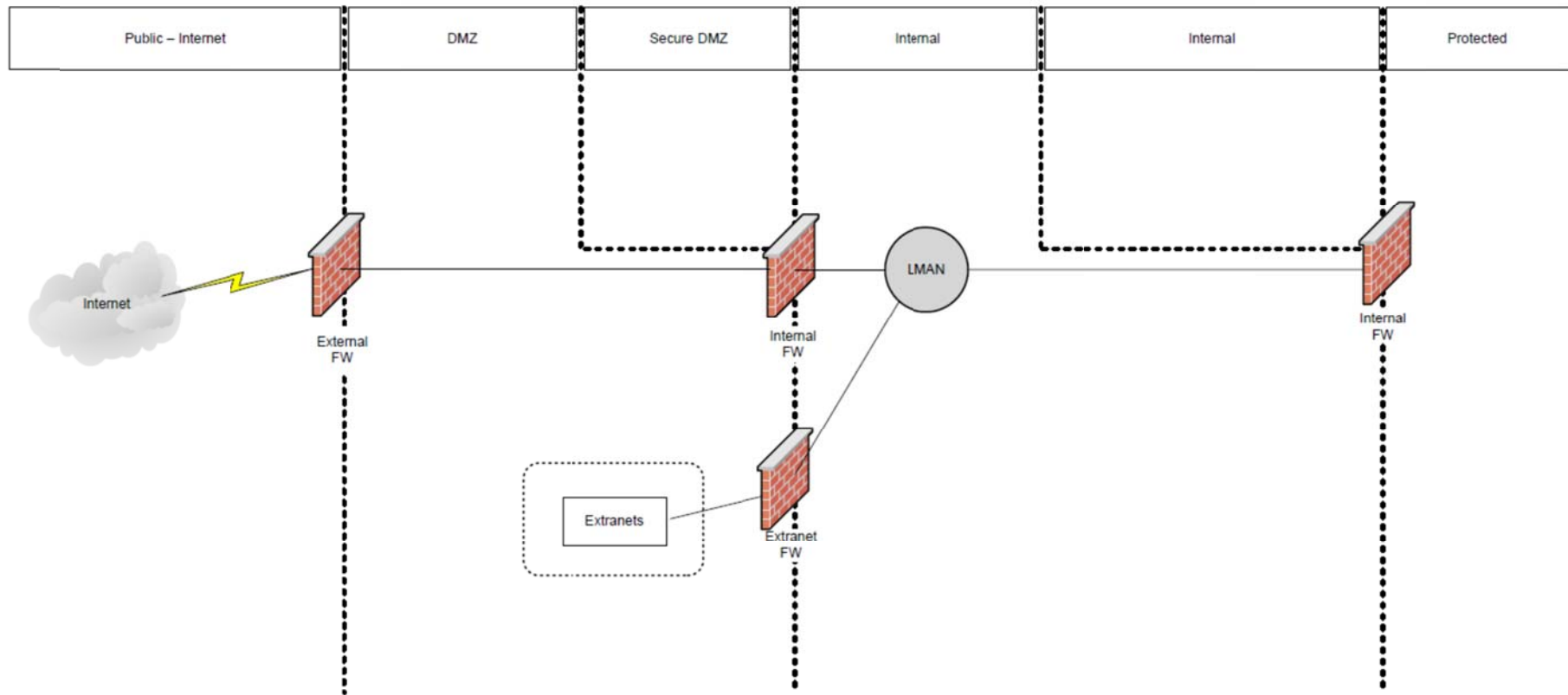
ACJ	Allowable Cost Justification form (MSP EMHSD form)
ARRA	American Recovery and Reinvestment Act
ARS	Accounting Revenue System
ATPA	Automobile Theft Prevention Authority- An MSP grant program area.
CCR	Central Contractor Registry – Primary Contractor database for the U.S. federal government.
CFDA	Catalog of Federal Domestic Assistance Number – The identifying number a federal program is assigned in the Catalog of Federal Domestic assistance.
CJIC	Criminal Justice Information Center- An MSP grant program area.
DHS	Department of Homeland Security
DOJ	Department of Justice
DOT	Department of Transportation
DSD	Departmental Services Division - An MSP grant program area.
DUNS	Data Universal Numbering System – A unique nine-character identification number provided by the commercial company Dun and Bradstreet (D&B).
EMHSD	Emergency Management and Homeland Security Division- An MSP grant program area.
FEIN	Federal Employment Identification Number
FFATA	Federal Funding Accountability and Transparency Act
FFR	Federal Financial Report
FSD	Forensic Science Division - An MSP grant program area.
Grant Award	An award of financial assistance, the principal purpose of which is to transfer a thing of value from a federal agency to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States (see 31 U.S.C. 6101(3)). A grant is distinguished from a contract, which is used to acquire property or services for the federal government's direct benefit or use.
Grant Expenditure	Charges made to the project or program.
Grant Program Administrator	Administrator of an individual grant program area.
Grant Program Analyst	Analyst of an individual grant program area.
Grant Program Area	An area within MSP that has responsibility for a particular group of grant awards.
Grant Program Financial	Financial User of an individual grant program area.



User	
Grantee/Recipient (i.e. MSP)	An organization receiving financial assistance directly from an awarding agency to carry out a project or program.
Local Government	A local unit of government, including specifically a county, municipality, city, town, township, local public authority, school district, special district, intra-state district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate entity, or any agency or instrumentality of local government.
MAIN	Michigan Accounting Information Network
Matching	The portion of project or program costs not borne by the federal government.
MCOLES	Michigan Commission on Law Enforcement Standards- An MSP grant program area.
MSP	Michigan State Police
ODCP	Office of Drug Control Policy - An MSP grant program area. Now known as the Grants Management Section
OHSP	Office of Highway Safety Planning - An MSP grant program area.
PCA	Program Cost Account
Performance Period	The period established in the award document during which awarding agency sponsorship begins and ends.
PJ	Project Justification form (MSP EMHSD form)
SEFA	Schedule of Expenditures of Federal Awards
Subgrantee/Subrecipient	The legal entity to which a subaward is made and which is accountable to the grantee/recipient for the use of the funds provided.
Subgrantee Analyst	Analyst of a subgrantee.
Subgrantee Authorized Official	Authorized Official of a subgrantee.
Subgrantee Financial Officer	Financial Officer of a subgrantee.
Subgrantee Project Director	Project Director of a subgrantee.
System Administrator	Administrator of overall system.
System Analyst	Analyst of overall system.
TSD	Traffic Services Division - An MSP grant program area.



Appendix A – State of Michigan network diagram



MI Department of Technology & Budget - Office of Enterprise Security
Classification: **Public Distribution**

Zone Drawing - Public.vsd
Rev3.0 12-21-2010



Appendix B: Technical Overview

The following Technical Overview was provided by CA in their proposal.

RESPONSE: CA Clarity is recognized by industry analysts as the Project and Portfolio Management (PPM) leader. CA Clarity PPM software supports the life cycle phases of Grant Management Project and Portfolio Investment management. CA Clarity extends beyond traditional strategic portfolio management—it's an integrated suite of modules that allows your organization to seamlessly manage its services, projects, products, people and financials. It gives your executives a real-time view into your organization's investments, initiatives and resources, and empowers your managers to deliver controlled and predictable execution of projects and programs.

CA Clarity is used by well over 900 customers, covering more than 45 governmental entities in the U.S., and 40 hosted customers. CA Clarity gives your organization a single system of record for comprehensive Grant Management:

The scalability, structure, and flexibility and the foundation upon which you can build a systematic Grant Management process.

Informed decision making, utilizing portfolio management, on all grants (services, products, applications, assets, programs and projects) that leads to better alignment between your organization and your various agencies and other applicants and grantees.

Best practice project execution, financial management and resource optimization that lead to greater efficiency.

100% financial transparency to all grants.

Make fact-based decisions about your portfolio through comprehensive Grants portfolio planning and analysis.

Maximize the utilization of your most valuable assets— your people.

Execute your programs flawlessly utilizing best-practice methodologies.

Get financial transparency of all your program and project costs.

Collect, review and disposition all new ideas, applications, requests, changes, issues and incidents through consolidated demand management.

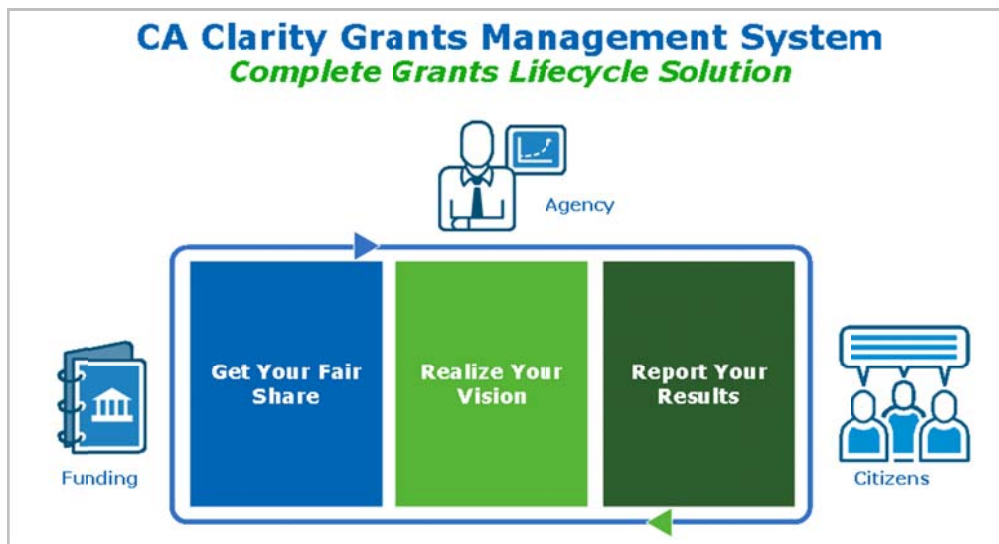
Automate manual processes to speed decision making, improve consistency and reduce cycle time.

Manage your risks and control activities in a single system of record.

Leverage existing software investments by integrating seamlessly with Loan Servicing, ERP and other management applications.

The CA Clarity Grants Manager Solution (GMS) is an offering that allows organizations to manage the grants lifecycle, from research to reporting. Using the tracking and reporting capabilities provided by CA's solution, your team can research and compare available grants, select the right grant opportunities, streamline the applications process, and manage awarded funds to track performance objectives. The solution also provides automated roll-up reporting to meet ARRA and other mandates.

CA Clarity Grants Manager helps increase transparency and accountability for regulatory requirements, helps reduce the risk of unspent grant dollars by tracking consumption of funds, and provides higher value to the public by aligning grants to organizational goals. By automating the tasks of stakeholders, such as grants developers and coordinators, program managers and finance officers, the CA solution helps organizations better manage the stages of the funding process.



CA Clarity Grants Manager provides powerful grants lifecycle management capabilities.

CA Clarity Grants Manager is built on CA's industry-leading CA Clarity PPM software and is fully configurable to accommodate both regulatory requirements and your evolving organizational needs. CA's solution incorporates deep functionality for grants lifecycle management, providing the ability to:

Prioritize and select the right funding opportunities

Perform "What if" analysis to compare different grants strategies

Streamline the grants application process

Track performance and financials for your grants

Automatically report with roll-up capabilities to address the requirements of Local, State and Federal (including ARRA) funding programs.

Prioritize and Select the Right Opportunities

CA Clarity Grants Manager allows the organization to compile possible grants in a Grant Opportunity Center, and to rank and prioritize these potential grants based on merits, ability to execute, and goals. Further, grants administrators can develop "What if?" scenarios to evaluate the impact of attaining different levels of funding, from different sources, and of varied grant types. This approach helps the organization construct an overall grants application strategy that is aligned with its strategic goals and mission.

Streamline the Grant Application Process

CA Clarity Grants Manager enables administrators to track resources, tasks, and milestones to meet grant application deadlines. ARRA and other regulatory compliances are also facilitated through central management of grant deliverables, requirements, and budgets.

A key technical feature of the CA solution is its integration of Adobe "Smart Forms," which helps streamline the grant application process by allowing online completion of customizable forms and workflows to optimize processes and decision-making. Centralized and detailed plans help users to track the deliverables and meet timelines to submit grants.

Track Performance and Financials for Grants

CA Clarity Grants Manager allows grantees to view contributions and consumption of funding sources, as well as funding rounds and funding agreements. The solution's dashboards allow the organization to measure progress against grant objectives by tracking outcomes, milestones, and resources.

Financial Tracking and Reporting

Automated financial and performance tracking within CA Clarity Grants Manager is designed to meet an organization's specific reporting requirements, freeing administrators from the time-consuming task of generating one-off reports. Financial Analysis by Impact Areas provides visibility into grants, funds, and financial amounts.

Grant Portfolio and Demand Management

Managing Incoming Grants Demand



CA Clarity features Demand Management, which aids in the management of incoming demand that may form part of a future work portfolio. The central demand register helps verify that all requests and ideas are captured and pass through a formal evaluation process.

Demand arrives in the form of 'Ideas', 'Requests', or in this instance applications for 'Grants', which can be categorized, estimated, routed and approved before being converted into a Project. This is useful in situations where there is a high level of incoming demand.

A powerful feature of CA Clarity is that Ideas (application for grants) can be contained in Portfolios. This allows for future budget and resource planning, even before projects are fully approved. Combined with optimization scenarios, this provides a means of objectively determining which projects can be approved based upon financial and resource

Idea Filter								[--Actions--]	
Filter [--Select--]				[Expand Filter]					
☒	Priority	Idea Subject ^	Business Unit	Estimated Benefit	Estimated Cost	Status	Submitted Date	Approved Date	
☐		Add Link to Employee Portal	Human Resources	50,000	10,000	Submitted for Approval	3/7/06		
☐		Integrate Catalog to Purchasing	Purchasing	80,000	40,000	Open	3/7/06		
☐		SOX Reporting Enhancement	Finance	60,000	50,000	Submitted for Approval	3/7/06		
Aggregation				190,000	100,000				
New	☒ Reject	☒ Approve	☒ Delete						

constraints.

Ideas can be converted to projects once approved.

Change Requests can be lodged, triggering associated workflows

Grant Portfolio Management

Portfolios are a collection of projects and investments. An unlimited number of portfolios can be created and projects can be allocated to multiple portfolios. A portfolio is defined either by manually selecting desired projects and investments or by specifying criteria and having CA Clarity find matching projects. Portfolios could be created based upon:

The source of budget or finance

The sponsor of projects

General Short Description: Sales Datamart is slow Tracking ID: IN2004 Detailed Description: The datamart is now taking 24 hours to process quarter end statements. Type: Incident Category: Incident Status: Service Request Urgency: Medium Impact: High Priority: High		Assigned To: Berry, Jason Flagged for Conversion: ☐ Assigned Project Manager: Martin, Paul Date Created: 1/20/06 1:35 AM Start Date: Expected End Date: 4/11/06 Estimated Total Effort (Hours): Actual Total Effort (Hours): 0 Resolved Date: Verified Date: Attachment: Browse... External ID:
--	--	---

Business unit

Type of project (e.g. capital works, maintenance, new development, compliance)

Strategy (e.g. efficiency, economic growth, alignment to mandates, safety and security)



Scenarios assist resource capacity planning by calculating capacity and demand across a portfolio of projects/grants and investments. Capacity shortfalls are highlighted, allowing manipulation of project/grant dates and resource allocations to help determine that sufficient capacity is available to deliver the portfolio.

Investments							
Filter: [--Select--] [Expand Filter]							
Investment	IL	Goal	Business Alignment	Risk	Stage	Start	Cost
Customer Support Portal	PR2014	Cost Avoidance	Green	Yellow	3/7/05		120,000.00 USD
eBank Portal	PR2013	Grow the Business	Green	Yellow	3/1/05		111,360.00 USD
HR System Migration	PR2010	Cost Reduction	Red	Yellow	1/15/06		450,000.00 USD
IE Enhancements - Capitalization	PR2004	Maintain the Business	Green	Yellow	2/23/06		190,000.00 USD
Loan Approval Enhancements	PR2007	Maintain the Business	Yellow	Red	1/15/06		130,000.00 USD
Reduce Document Archival Storage	PR2011	Infrastructure Improvement	Green	Red	2/1/05		375,000.00 USD
Self Service Banking Migration	PR2012	Grow the Business	Green	Yellow	7/1/05		91,760.00 USD
Transaction Management System	PR2038	Cost Avoidance	Yellow	Yellow	2/23/06		100,000.00 USD
Investment Total							1,567,640.00 USD
Portfolio Budgeted Cost							3,000,000.00 USD
Variance							1,432,360.00
Highlighted rows - Approval Flag							
Financials							
Filter: [--Select--] [Expand Filter]							
Investment	ID	Bdgt Cost	Bdgt Benefit	Bdgt ROI	Bdgt NPV	Bdgt Breakover	
Loan Approval Enhancements	PR2007	130,000.00 USD	500,000.00 USD	284.62%	365,786.78 USD	1/30/06	
IE Enhancements - Capitalization	PR2004	190,000.00 USD	450,000.00 USD	157.09%	250,393.54 USD	2/27/06	
Customer Support Portal	PR2014	120,000.00 USD	300,000.00 USD	150.00%	178,884.59 USD	3/30/06	
Transaction Management System	PR2038	100,000.00 USD	200,000.00 USD	100.00%	99,064.55 USD	2/27/06	
eBank Portal	PR2013	111,360.00 USD	134,360.00 USD	20.66%	22,773.83 USD	3/30/06	
Reduce Document Archival Storage	PR2011	375,000.00 USD	350,000.00 USD	-4.00%	14,944.74 USD	2/27/06	
HR System Migration	PR2010	450,000.00 USD	455,000.00 USD	1.11%	4,965.02 USD	1/30/06	
Self Service Banking Migration	PR2012	91,760.00 USD	80,400.00 USD	-11.02%	-10,765.79 USD		
Investment Total		1,567,640.00 USD	2,549,760.00 USD	88.29%	974,047.26 USD		
Portfolio Cost and Benefit		3,000,000.00 USD	7,500,000.00 USD				
Variance		1,432,360.00	4,950,210.00				

Resource Capacity reporting across multiple projects within a Portfolio

Reporting on Project Portfolios

Portfolios are also a valid means of grouping projects/grants for reporting purposes. Portfolios show rolled-up financial information and provide a means of viewing the status of multiple projects/grants on a single screen, showing project/grant progress and traffic light reports.

Financial Management

Project/Grant Cost Models

CA Clarity can help estimate cost and effort for projects/grants. When a project/grant plan is created within CA Clarity or Microsoft Project and resources are allocated to tasks, CA Clarity uses a resource rate matrix to calculate project costs. The matrix permits different rates by role, client, service provider and individual resource. Separate rates may be specified for cost and charge-out rate.

Resource Rate Matrix

Estimates of effort can be driven by estimation rules that take factors such as project/grant complexity and the number of deliverables to produce an estimate of effort based upon defined formulas.



Estimation rules formalize the process of project/grant estimation by applying objective rules garnered from previous projects/grants. This helps produce repeatable estimations without having to rely on specific knowledge of specialist staff.

Project/ Program/Portfolio Budgeting

CA Clarity provides budget forecasts based upon the project plan, allocated resources and applicable rates for labor, expenses, materials, and equipment. As actuals are recorded in timesheets, budget variances can be tracked and budget exceptions can be highlighted.

Plan Type: Budget

Grid Display Start Period: 2004-11

Plan Start Period: 2004-11

Plan Finish Period: 2005-01

Data to Display: Cost

Comparisons: Plan Only

Show Total Columns: ☒

Display Currency: Home Currency

Display Revision: 1

Revisions Notes:

Show Revenue or Benefits: Revenue

Plan Status: Not Submitted

Last Modified: 3/9/05

Previous Revision Approval: 2/15/05

Apply

	Total	2004-11	2004-12	2005-01
	Cost	Cost	Cost	Cost
Role ID	Plan	Plan	Plan	Plan
☐ Architect	6,720.00	4,800.00	1,440.00	480.00
☐ Business Analyst	1,120.00	0.00	1,120.00	0.00
☐ Financial Analyst	336.00	152.00	80.00	104.00
☐ Material	6,000.00	3,942.86	1,571.43	85.71
☐ Project Manager	18,880.00	8,000.00	3,200.00	7,680.00
☐ Test Engineer	3,520.00	0.00	3,200.00	320.00
☐ Travel Expenses	5,000.00	2,600.00	2,200.00	100.00
Total	41,576.00	19,494.86	13,311.43	8,769.71

Total Results: 7

Reorder Add Remove Save Submit Plan Submit and Approve Plan Populate from Staff Plan

☒ = Required Currency Code = USD

Budgeting page with cost breakdown by role.

Project Manager Cost Dashboard								
Filter: My Projects								
Cost Variance	Project	Risk	Stage	% ROI	Finish Date	Baseline Cost	EAC	% CV
	Customer Support Portal		Initiation	150.00	18/05/06	13,310.00	17,020.00	8.19
	eBark Portal		Planning	20.44	4/07/06	76,440.00	111,000.00	49.11
	Project Fudge		Initiation	23.12	31/07/06	0.00	0.00	0.00
	Self Service Banking Migration		Building	57.48	14/06/06	62,040.00	62,040.00	0.00
	Transaction Management System		Initiation	100.00	1/08/06	54,400.00	54,400.00	0.00
Totals				70.21		234,220.00	274,460.00	11.52

Budgets, actuals, and variances over multiple projects.

CA Clarity continually recalculates project/grant costs, presenting updated ROI, Cost Variance and 'Estimate to Completion' calculations. Project costs are automatically rolled-up to programs and portfolios.

Project/Grant Management

Project/Grant Management is at the core of CA Clarity's functionality. Projects/Grants link seamlessly with resource, financial and portfolio management, which are all interconnected. The important aspects of Project/Grants Management are:

Project/Grant Planning

Project templates

Workflow processes

Integration with Microsoft Project and



Risks and issues.

Knowledge Management and Collaboration

Document Management

Online discussions

Project calendars

Reporting and Dashboards

Real-time dashboards

Report writer

Project/Grant Planning

Templates are the means of validating standard processes and methods for project/grant management activities.

Templates can contain:

General project/grant attributes and any custom fields

Standard phase definitions, e.g., Initiation, Analysis, Design, Build, Test, Deploy

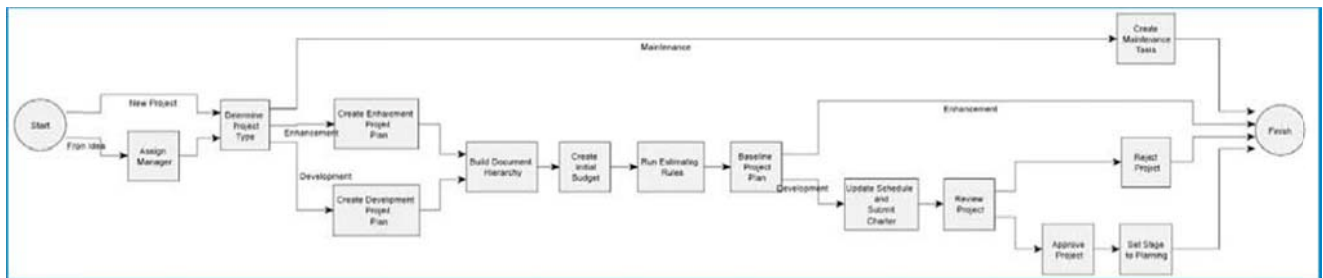
Milestones for approval, development and reviews

Roles, resources and participants

Tasks, Work Breakdown Structure and task assignments

Financial plans (budget or forecast) and

Documents for project's/grant's document library (e.g. Business Case and Test Plan templates).



Automated workflow with decision points that creates a project from a template.

In addition, a **workflow process** can be associated with a template which can 'build' the project/grant according to pre-defined rules. For example, the workflow can wait until certain project/grant attributes are defined, e.g., 'Major Project/Grant' vs. 'Maintenance', and create only those tasks that are appropriate for the project.

A plug-in provides **full, bi-direction integration with Microsoft Project**. This means that project/grant plans created and edited in Microsoft Project are automatically updated within Clarity, so users are always working on the most up-to-date information.

Multiple baselines can be created and historical views are provided to **show trends** in change terms that the project/grant has experienced. Controls can be placed over baselines to limit factors that can be changed unless authorized (e.g. locking fields or hiding phases).

What-if analysis can be performed either at the **Project/Grant level** (with schedule changes held in a 'temporary' state until committed) or at the **Portfolio level** where Scenarios can be created across multiple projects/grants without having to change the underlying information.

Risks, Issues and Change Requests can be attached to projects/grants together, with workflow triggering processes that manage the record through routing, approval and mitigation activities. Routing is dynamic, based upon associated logic such as decision points and risk ratings.

A **Risk Matrix** calculates risk scores based upon **probability and impact**, with risk ratings rolling-up to **risk categories** at the project/grant, program and portfolio levels.

Knowledge Management and Collaboration



Project documentation can be stored directly against a project/grant, including:

Automatic population from project template

Check-in / Check-out to avoid version conflicts

Assignment of Read / Write / Delete permissions

Version tracking

Auditing

Approval workflows and

Folder hierarchies.

Administrators can apply the **precise security rights to secure documents** not only by user, group or role, but also by organizational structure, ensuring that everyone has access to the documents they need and nothing more.

Documents can be **routed for review** and approval using standard or customized workflows. This reduces cycle time and provides metrics for finding and eliminating bottlenecks. In-built **search functionality** can search across all knowledge documents.

On-line discussion forums enable remote project/grant team members to establish discussion threads to post questions, resolve issues and share documents. A **team calendar** highlights project/grant-specific events, milestones and action items.

	Name	Size	Type	Status	Modified	Actions
	Project Management				1/10/05 10:50 PM	[-- Actions --]
☐	Project Communications Management Plan.doc	36 KB	MS Word		1/7/05 9:54 PM	[-- Actions --]
☐	Project Cost Management Plan.doc	19 KB	MS Word		1/7/05 9:54 PM	[-- Actions --]
☐	Project Quality Management Plan.doc	68 KB	MS Word		1/7/05 9:54 PM	Open
☐	Project Risk Management Plan.doc	44 KB	MS Word		1/7/05 9:54 PM	Check Out
☐	Project Scope Management Plan.doc	39 KB	MS Word		1/7/05 9:54 PM	Properties
						Permissions
						History
						Versions
						Processes
						Copy
						Move
						Delete

Reporting and Dashboards

Traffic lights feature throughout the CA Clarity interface to **highlight exceptions** according to defined rules:

Behind Baseline **Schedule** by more than 10 days

Cost >= 10% of Baseline

At least one high-priority **Risk/Issue**

At least one **Change Request**

CA Clarity comes with Actuate, a full-featured **report writer** for generating traditional batch reports on a scheduled basis. These reports can be saved as **PDF** or exported to Microsoft Word.

Workflow

Workflow is another aspect of CA Clarity that can be configured to meet specific organizational requirements. Workflow processes can be attached to:

Incoming demand ('Ideas') for estimation, approval and conversion to projects/grants

Risks and Issues for routing, processing and mitigation

Projects/Grants for initiation, stage gating and closure

Resource requisitions for staffing projects

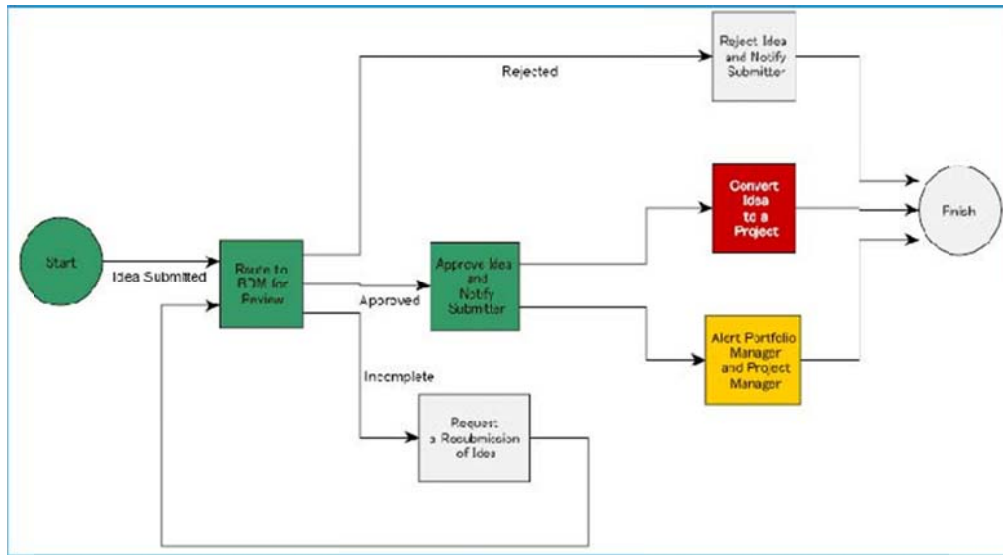


Timesheets for submission and approval

Documents for review and publishing

...and any other record type within CA Clarity.

Workflows can use **decision points** to dynamically route records for approval based upon defined criteria, e.g. gaining extra approval for projects over \$50,000.



Action Items and **Notifications** are sent to project/grant participants to inform them of action required. The workflow process can also **update values** on a project/grant, such as advancing to the next Stage or setting Status indicators.

Workflows are configured via the standard web interface and **do not require any programming**. Multiple workflows can be created that match the various methodologies in use.

Benefits of CA Clarity Grants Manager

CA Clarity GMS provides a structured, best practices approach to funding and grants management for grantors and grantees alike, delivering:

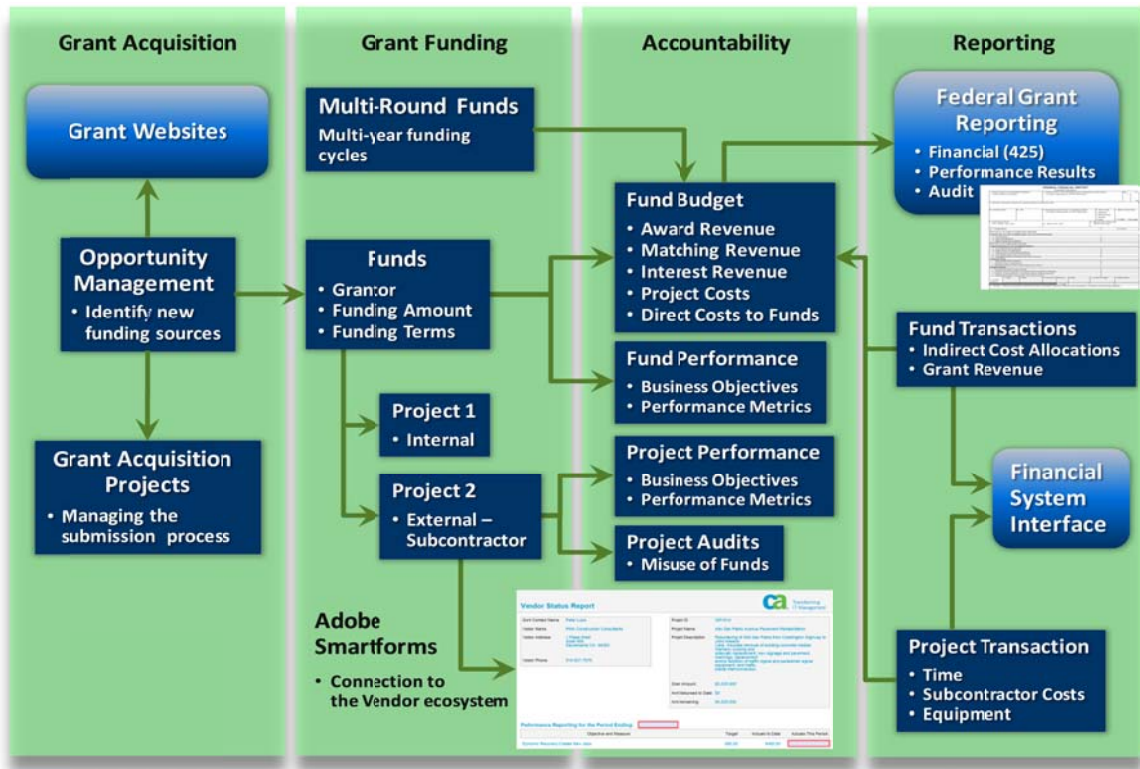
Efficient integration of input from all team members

Configurable forms and workflows to optimize processes and decision-making

Automatic tagging of critical information for regulatory reports

Smooth transition from “grantor” to “grantee” functions

Clarity Supports the Entire Grants/Funds Lifecycle



In summary, the CA Clarity Grants Manager delivers:

Single System of Record for all Fund types (e.g. State, Federal, Foundation)

Manage the entire Funding Program lifecycle

Meet all program reporting requirements (e.g. State, Fed (ARRA))



Appendix C: Technical Requirements

Technical Requirements	
1. Client / Workstation	
1a	If the application is browser based, the Application must function with the following web browser(s) in an INTRANET environment: • Microsoft IE 6.0 or above
1b	The Application must function with the following web browser(s) in an INTERNET environment: • Microsoft IE 6.0 or above • Firefox 3.0 and above • Chrome 3.0 and above • Safari 4.x and above
1c	The Application must function with the following desktop Operating System (OS): • Windows XP SP3 • Windows 7
2. Documentation and Standards	
2a	System documentation must describe error logging and how to access the error logs.
2b	System documentation must describe any batch processing requirements for the application.
2c	System documentation must describe application maintenance activities and time frames.
2d	Application/System documentation must provide FAQ and/or Support Information for frequent issues staff/users may encounter.
3. Installation	
3a	Provide a list of issues encountered by other users during a typical implementation of your software.
3b	For Client/Server applications, the application must be remotely deployable and supportable using the following management tool(s): • Microsoft's SCCM (SMS)
3c	Provide a detailed list of any browser plug-ins (e.g., ActiveX, Java, Flash) required by the application.
3d	Provide a detailed list of client components (e.g. ODBC, JDBC, Java Beans, other) required by the application, including permission(s) levels.
4. Product Development	
4a	Inclusion of any third-party code library or tool must be approved by the SOM Contract Manager or Project Manager.
4b	Inclusion of any 3rd party code library or tool must be approved by the SOM Contract Manager or Project Manager.
5. Reporting	
5a	The reporting product technology must be compatible with n-Tier architecture (client-server & web).



5b	The reporting product technology must be compatible with one or more of the following Server Operating Systems: • Linux Redhat Enterprise Server 5.x (standard) • Linux Suse Enterprise 10.x (standard) • Microsoft Windows 2008 (standard) • VMWare vSphere 4 (standard)
5c	The reporting tool/system must be certified for use with the VMWare x86 based virtualization platform.
5d	The reporting product technology must be compatible with the following Reporting tools: • Microsoft Office 2003 • Information Builders • Business Objects (BO) 11 (standard) • Crystal Reports 11 (standard)
5e	The reporting product technology must support ad-hoc reporting via custom-built queries.
6. Application Security	
6a	The solution must have built-in security controls and meet or exceed current SOM security requirements as described in the State Administrative Guide. http://www.michigan.gov/dmb/0,1607,7-150-9131_9347---,00.html
6b	Application access must be loggable and have a viewable audit trail(s).
6c	Changes to user permissions must be loggable and have a viewable audit trail(s).
6d	Access to audit trail logs must be able to be restricted to approved administrators.
6e	The System Administrator must be able to control access to audit trail logs.
6f	Passwords and User ID's must be able to: • Protect sensitive data • Restrict access to only those intended • Meet State/Agency Security Standards • Be encryptable http://www.michigan.gov/documents/1310_141292_7.03_Active_Directory_Password_Standard.pdf
6g	Session State must be stored and maintained in one or more of the following manners: • Cookie • URL String • Database
6h	Client application must support encryption of data both at rest and in motion, in accordance with the data classification.
6i	Applications and systems must adhere to SOM Policy 1350.10 regarding Access to Networks, Systems, Computers, Databases, and Applications: http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf
6j	Applications and systems must adhere to SOM Policy 1350.20 regarding Access to Protected Data Resources: http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf
6k	End-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.



6l	Application must have the ability to log changes made to records. Including date and time of the change, account that made the change, and the data before and after it was changed.
7. Identity Management	
7a	Application authentication and authorization must be by individual user. User account information must be stored securely in a database. Users may belong to groups and roles.
7b	The application must be able to enforce the following rules on individual passwords for allowable characters, length and expiration period: • Standard Windows characters allowed • Minimum of 8 characters in length • Expires every 90 days • Cannot reuse password for 1 year
7c	The application must provide the system administrators with the capabilities to define different roles with different privileges.
7d	The application must provide the system administrators with the capabilities to create groups whose members can be either role-based or individual login account names.
7e	The application must provide the system administrators with the capabilities to lock out users after six invalid login attempts due to bad passwords.
8. Network Security	
8a	Client applications must adhere to SOM Policy 1340.00 regarding "Information Security": http://www.michigan.gov/documents/dmb/1340_193162_7.pdf
8b	Applications and systems must adhere to SOM Policy 1350.10 regarding "Access to Networks, Systems, Computers, Databases, and Applications": http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf
8c	Web interface or browser technology must use TCP/IP protocol through Ports 80 or 443.
8d	Applications and systems must conform with SOM Policy 1345.00 regarding "Network and Infrastructure": http://www.michigan.gov/documents/dmb/1345.00_282982_7.pdf
8e	Applications and systems must adhere to SOM Policy 1350.20 regarding "Access to Protected Data Resources": http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf
9. Server Security	
9a	End-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.
9b	Applications and systems must adhere to SOM Policy 1350.10 regarding "Access to Networks, Systems, Computers, Databases, and Applications": http://www.michigan.gov/documents/dmb/1350.10_184594_7.pdf
9c	Applications and systems must adhere to SOM Policy 1350.20 regarding "Access to Protected Data Resources": http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf
10. Application Server	
10a	The reporting product technology must be compatible with n-Tier architecture (client-server & web).



10b	The application server must support one or more of the following Server Operating Systems (OS): • Linux Redhat Enterprise Server 5.x (standard) • Linux Suse Enterprise 10.x (standard) • Microsoft Windows 2008 (standard) • VMWare vSphere 4 (standard)
10c	DELETED
10d	The application tier must be certified for use with the VMWare x86 based virtualization platform.
10e	Systems running on the application server must support horizontal scaling.
10f	Systems running on the application server must support vertical scaling.
10g	The application must be capable of sharing the application server with multiple applications.
10h	End-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.
11. Database Server	
11a	The database application must be compatible with one or more of the following server operating systems: • Linux Redhat Enterprise Server 5.x (standard) • Linux Suse Enterprise 10.x (standard) • Microsoft Windows 2008 (standard) • VMWare vSphere 4 (standard)
11b	The application must use one of the following database management systems (DBMS) and version: • MSSQL Server 2005 (standard) • Oracle 11g (standard)
11c	The database server must support horizontal scaling by partitioning of tables and clustering of server instances.
11d	The database server must support replication and mirroring across multiple servers.
11e	The database server must support flashback capabilities for database, table, etc. for rapid recovery.
11f	The database server must support vertical scaling by the addition of additional CPU's, CPU Cores, and RAM memory.
11g	The database tier must support a shared connection with connection pooling.
11h	The database must support transactions and support transaction rollback.
11i	The database must support encryption at the database table/column level.
11j	The database must restrict access to data through the use of views, queries, roles and groups.
11k	The database must be able to operate in an n-Tier server architecture.
11l	The database must not require components that are not part of the default database licensing model for supporting any functionality.
11m	The database must not require users to have elevated database privileges/accounts for normal operation.
12. Web Server	



12a	The Web server must support one or more of the following Operating Systems (OS): • Linux Redhat Enterprise Server 5.x (standard) • Linux Suse Enterprise 10.x (standard) • Microsoft Windows 2008 (standard) • VMWare vSphere 4 (standard)
12c	The Web Server component updates must occur at the same time without regard to the hosting platform or OS.
12d	The web server for this application be one of the following: • MS IIS 2003, 2008 (standard) • Apache 2.2.x (standard) • Jboss 5.x (standard)
12e	The application must be capable of sharing a web server with multiple applications.
12f	The Web Server must support horizontal scaling.
12g	The Web Server must support vertical scaling.
12h	The web server tier must be certified for use with the VMWare x86 based virtualization platform.
12i	The application shall support clustering and/or load balancing across several servers.
12j	The reporting product technology must be compatible with n-Tier architecture (client-server & web).
13. Solution Architecture	
13a	The solution/application must utilize the features and capabilities of the SOM enterprise data storage services for the following data storage needs: • Storage Area Network (SAN)
13b	The solution/application must support installation and operation in one or more disparate hosting centers. Fail-over from one hosting center to another must be possible without exceeding parameters specified in the Service Level Agreement (SLA).
13c	The solution/application must support distributed deployment of application components and database tier components (n-Tier architecture).
13d	Systems operating on an application server must interoperate with CA Unicenter monitoring agents.
13e	Systems operating on an application server must interoperate with Veritas Backup and Recovery agents.
14. Solution Integration	
14a	System integration must support one or more of the following method(s): • API • Web Services • SOAP • ODBC • JDBC
14b	The ability to export data in the following output formats must be available: • HTML • XML • Test file • CSD



15. System Administration and Licensing	
15a	Software licensing must be inclusive for all packages included in the solution, unless explicitly listed and detailed.
15b	Application/System documentation must provide access to FAQ and/or Support Information for frequent issues administrative staff may encounter.
15c	Documentation must indicate recommended staffing requirements to administer and support the system.
15d	Documentation must provide backup/recovery procedures to be used with the SOM Veritas solution, including information on hot/online backups.
15e	A system maintenance window must be designed into the application which will allow the system to be taken off-line for updates, upgrades and maintenance.
15f	System Documentation describing how to take the system off-line for maintenance, updates and upgrades must be provided.
15g	System Documentation must describe the level of effort and anticipated downtime for product upgrade installation.
15h	System Documentation must provide the anticipated frequency and requirements of patches (releases, break-fix, 0-day), minor, and major releases.
15i	System Documentation must provide information on certification/compatibility with OS patches, Service Pack, and upgrade paths.
15j	System documentation must clearly describe any special requirements (such as middleware, Operating System (OS), hardware, etc.) that could affect the capabilities or performance of the system.
15k	System documentation must clearly describe all critical factors in sizing or configuring the application (e.g., number of concurrent users, specific transaction volumes, number of products, number of layers in the product hierarchy, etc.).
15l	Documentation must address upgrade paths and procedures for each component/tier.
16. System Performance	
16a	The application must provide performance-optimization capabilities.
16b	System documentation must clearly describe all versions of the package that are deployed for different scaling situations.
16c	System documentation must clearly describe what support will be provided to the State for performance optimization activities.
16d	System documentation must clearly describe all activities that affect optimum performance such as service recycling, rebooting, or batch jobs and their frequency.
16e	System documentation must clearly describe any special requirements (such as middleware, Operating System (OS), hardware, etc.) that could affect the capabilities or performance of the system.
17. COTS Software	



17a	Commercial Off The Shelf (COTS) third-party libraries included within the application must be owned and supportable by the State. Inclusion of any third-party code library or tool must be approved by the SOM Contract Manager or Project Manager.
17b	COTS software must have maintenance and support available from the developer, Contractor or an approved 3 rd party.
17c	COTS software providers must make available for inspection the End User License Agreement (EULA) prior to purchase or contract signing.
17d	End User License Agreements (EULA) must be approved by DMB Purchasing or MDIT Enterprise Project Management Office prior to purchase or contract signing.



Appendix D: Business Requirements#

Business Requirements	
1. Overall Grant	
1.0.1	Name of subgrantee organization
1.0.1.1	Federal Employment Identification Number
1.0.1.2	Organization address (street address, City, Zip, including phone/fax number)
1.0.1.3	Delivery address
1.0.1.4	County Name of primary subgrantee (system has to automatically capture county number, when the user inputs a county name)
1.0.1.5	Data Universal Numbering System (DUNS) Number Each subgrantee must have a DUNS number.
1.0.1.6	Registered state Contractor Information will need to be provided to the subgrantee regarding the necessity of registering with the state of Michigan as a Contractor.
1.0.1.7	Central Contractor Registration All subgrantees are required to acquire or renew registration with the Central Contractor Registration (CCR) Database. CCR registration is required to receive funding. A page must be included in the GMS where an applicant subgrantee can certify that their entity has in fact registered with CCR, and must also provide a date of CCR expiration. CCR registration expires annually and must be redone each year.
1.0.2	School district number (if applicable)
1.0.2.1	State Senate District
1.0.2.2	State House District
1.0.2.3	Congressional District (Federal)
1.0.2.4	Contact Name
1.0.3	Contact email address
1.0.3.1	List of authorized officials
1.0.3.2	Title of authorized officials
1.0.3.3	Email address of authorized officials
1.0.3.4	Phone number of authorized officials
1.1	Current application user manual for subgrantees, Updates
1.1.1	Must be provided in electronic format
1.1.2	Contractor will provide on-line user manuals for grantors
1.2.1	Performance Period Ability to have the subgrantees performance period and the most current extension listed in the system for the specific users to be able to view based on security settings.



1.2.2	Ability to have the subgrantees performance period listed for reporting and financial purposes; for view only by the subgrantee.
1.2.3	Ability to have different performance periods for multiple grants.
1.3.1.1	Defining security roles and responsibilities Ability to create system users with roles and responsibilities as outlined in Article 1, 1.104, C.
1.3.1.2	Original login and password must be randomly assigned and emailed to the person registering or being registered by a Project Director or Grant Program Administrator.
1.3.1.3	An add/edit user function must be incorporated to specifically assign or remove persons from active grants. Persons who have been removed from grants or not actively assigned to grants must be automatically deactivated by the system.
1.3.1.4	Fields are properly edited for format.
1.4.1	Establish Grant Program Areas Grant Program Administrator/System Administrator (Grantee) shall have the ability to create program areas that pertain to the grants.
1.4.2	System Administrator (Grantee) shall have the ability to assign a grant program administrator to a specific area.
1.4.3	The ability to enter information into data fields with or without a grant application.
1.4.4	The ability to delete unused program areas is needed.
1.4.5	The ability to edit a grant program area after it has been created, which includes an active/inactive checkbox.
1.5	Modify grant award requirements by fiscal/grant year Ability to have different requirements for different subgrantees and grant years. Every year there are new requirements for the grants, therefore it must be possible for MSP to modify the grant program without relying on the Contractor to provide these services year after year. The system needs to make sure that the requirements are part of the grant that it is associated with, and that they do not get deleted with the new grant.
1.6	Electronic certification The ability to allow subgrantees to electronically certify a grant application and grantee to electronically certify various phases of the grant review process.
1.7	Data Migration Ability to migrate data from other grant management systems in an industry standard.
1.8.1	Narrative requirements The purpose of this function is to provide program narrative as required by the granting agency (grantee). Open narrative with space defined. Applicant can insert tables and charts and submit attachments. All information is formatted for printing.
1.8.2	All information can/will be transferred to a printable application, contract, amendment, progress report, other source as identified.
1.8.3	Forced answer narrative. Identified/Required information fields for capturing specific information
1.8.4	Include a character count (with and without spaces) and a search option.



1.9.1	Applicant User Security Ability to set up users (for the subgrantee) with the ability to only see the information that is applicable to the subgrantee.
1.9.2	Include "help questions" for forgotten passwords.
2.0 Grant Application/Agreements	
2.1.1	The System Administrator and Grant Program Administrator have the ability to modify grant program area requirements, documentation and required fields, with the capability of retaining all historical versions.
2.1.2	The System Administrator, Grant Program Administrator, Grant Program Financial Officer and Grant Program Analyst shall have the ability to access all grant applications.
2.2	Ability to post grant applications to websites for subgrantees to register
2.2.1	Ability to complete and save the application document on line in draft and final form.
2.2.2	Ability to add any Grant Adjustment Notices (GAN) that are received, so that the subgrantee can track the new requirements that the GAN has introduced. New requirements might be the extension of the performance period; adding special conditions; removing special conditions.
2.3	Information from grant application is stored in central database and have the ability to query online and create reports, sort and compile grant data, including: Index number, Program Cost Account (PCA), Catalog of Federal Domestic Assistance (CFDA) number, pass-through entity name, pass-through entity award number, grant/contract number, award period, award amount, contact.
2.3.1.1	Roll-up financial information within Grant Program Area Ability to combine financial information from multiple grants within a grant program area.
2.3.1.2	Roll-up financial information – Overall Department Ability to combine financial information from multiple grants and multiple grant program areas.
2.3.1.3	Ability to query information from multiple grants or grant program areas.
2.3.1.4	Ability to query information based on scenario in Attachment X.
2.3.2	Error checking The purpose of this function is to ensure applicants provide all required information before submission. 1. Application 2. Spell Check 3. Federal Financial Reports (including Business Rules) 4. Program Reports Agency (grantee) will identify the required information and proper formatting. . Grant program administrator must have capability to require mandatory fields, add data edits to data input fields, and create help aides for subgrantee.



2.3.3	The Federal Employment Identification Number of the subgrantee will correspond back to the entity's FEIN number, which will match and be used to connect the subgrantee to that specific entity (e.g., Village of Elsie will be connected to the Elsie Police Department). The FEIN number for all subgrantees previously awarded or denied should be transferred into the new GMS system. For those subgrantees that have never applied to the GMS system, the FEIN number shall be supplied to the Administrator so they can properly identify the entity and connect it to the subgrantee.
2.3.4	The Data Universal Numbering System (DUNS) number information is requested from the subgrantee at the initial registration. The subgrantee shall be able to provide this information at a later date, as sometimes they need to register at the DUNS website and then wait for the number to be sent to them. However, this information is required by time of submission. If this field is left blank by the subgrantee, error checking will not allow them to submit until it is provided.
2.3.7.1	State/Fed Legislative Districts: This information needs to be available to the subgrantee to fill out as part of the application process.
2.3.7.2	Subgrantee will need to provide political district information indicating the U.S. Congressional, State House and State Senate District(s) in which the project will be conducted.
2.3.7.3	Subgrantee will indicate the above by clicking on the box next to the appropriate district. A minimum of one check mark in each district category is required for submission of the application.
2.3.7.4	Subgrantees shall be able to view maps of those districts, to help them determine their district numbers. See attachments
2.3.8	Contact record 1. Allow for entry and storage of contact information pertaining to grant related personnel/system users. 2. Fields including, but not limited to: a. User ID(default should be a system assigned counter) * b. Name Fields (Title; First*; Middle; and Last*) c. Entity (drop-down list to assist user input) d. Title (Agency Title) e. Address Line 1 f. Address Line 2 g. City h. Zip Code i. County (drop-down list of counties in Michigan) j. System Security Level (drop-down list of available security levels)* k. Status (Active check box) l. Phone m. Fax n. E-mail* o. Password p. Confirm Password Note: Items with an asterisk (*) above are required fields. 3. When a user (subgrantee) is viewing their user (subgrantee) contact information, they should [shall] have the ability to change any field except Entity, Security Level, and User Status.



2.3.9	Subgrantee/Subrecipient Award Information Detailed data fields shall be determined by each grant award/program area. 1. Shall be populated with data directly from the grant application information, including but not limited to: a. Budget Item Summary 1. Travel 2. Supplies & Materials 3. Other Expenditures 4. Salary and Wages 5. Fringe Benefits 6. Contractual (Subcontracts) 7. Equipment b. Grant Summary c. Problem Statement d. Project Description e. Anticipated Outcomes and Performance Measures f. Project Description g. Central Contract Registration i. Check box confirmation that the grantee is registered with Central Contractor Registration ii. Link to www.ccr.gov for those that need to register. Ability to edit, save, delete, and view as a PDF, linking any edits back to the original submission and record appropriate revisions.
2.4	Printability The ability to allow grantees/subgrantees to download the completed application in a PDF format for the purpose of printing.
2.5	Capability to accept both alpha and numeric info Ability to allow subgrantees to input into grant application summary narrative (alpha) and numerical (budget detail) form.
2.6	User help menus to clarify what is required, which includes a searchable, robust automatic help feature for end-users. If something is wrong, a message will "pop-up" indicating required action or missing information. As indicated in the proposal, this system will include the "CAPA" (CA Productivity) feature, which allows an intuitive step-by-step guidance to provide configurable instructions to all fields.
2.6.1	Grant guidelines Ability for grant program administrator to add URL links to the correct federal or state website and/or attach a copy of the federal or state guidance. Shall have search feature for any attached documents.
2.6.2	Ability to update help menu content as needed by MSP.



2.7	Catalog of Federal Domestic Assistance (CFDA) number The Catalog of Federal Domestic Assistance (CFDA) number is one of the numbers needed to track grant awards, which is the number assigned to individual grant awards in this format: ##.####. The number can change every grant year, but will be the same for all subgrantees within that grant award and grant year. Ability for the grant program administrator to assign the CFDA number to a grant program. This number is assigned to all applications under that grant program.
2.8	Budgets Ability to allow budget categories by grant award/program area.
2.8.1	Roll-up budgets Ability to roll-up budgets by subgrantee entity, region, grant award, grant year.
2.8.2	Summarize and calculate all budget requests for a specific grant program area and grant award. Ability to export subgrantees award information. Includes subgrantee, amount requested, amount awarded, and grant program area/project.
2.8.3	Spending plan (budget) The system shall have a function to produce a report with award amounts by category.
2.9	Grant Program Information For each specific grant award, System Administrator and Grant Program Administrator needs ability to input the title of the grant, the budget period, the CFDA number, number available grant program areas and other specific information necessary for that year.
2.1	Criteria for Program For each specific grant award, the System Administrator and Grant Program Administrator needs area to input criteria for applicants or funding that will show up when a user logs in to apply for that funding.
2.11	Eligibility Period For each specific grant program, the System Administrator and Grant Program Administrator (grantee) needs ability to input when grant applications become available for users (subgrantee) and when the system shuts down so applicants can no longer submit. Must include date, time and time zone (i.e. EST). System Administrator and Grant Program Administrator (grantee) also needs ability to modify this at any time during process (in case deadline needs to be extended).



2.12	Assurance and Certifications The purpose of this function is to ensure all applicants, subgrantees, contractors, subcontractors are knowledgeable and held accountable for all application/contract requirements, accounting regulations and requirements, program regulations and requirements, allowable and non-allowable costs. 1. All applicants (subgrantees) must be required to read and accept all required assurances and certifications prior to submitting an application, accepting a contract or amendment, submitting a request for reimbursement, submitting a program report, and closing a contract. 2. Agencies (subgrantees) must be able to enter any grant audit findings/sanctions within last three years for any state or federal grant. 3. Project Director (subgrantee) acceptance of all assurances, certifications, program description and allowable costs prior to initiating an application. 4. Authorized Official (subgrantee) acceptance of all assurances, certifications, program description and allowable costs prior to submitting an application and accepting a contract or amendment. 5. Financial Officer (subgrantee) acceptance of allowable costs. 6. Grant Program Analyst and Grant Program Financial User (grantee) acceptance of allowable costs.
2.13	Previous Sanctions Check box with a narrative field for grantee to briefly describe previous sanctions to be used as part of the review process.
2.14.1	Program Review, Budget Review, Denial Review The purpose of this function is to provide MSP Grant Program Financial User and Grant Program Analyst (grantee) with an application review process to make recommendations for approval or denial. Included in this function is the ability to communicate modification requirements to the applicant prior to a final approval. Programming must include all the requirements with check boxes and narrative space included in the individual grant application.
2.14.2	The review must contain both secure information not visible to the applicant (subgrantee) and information visible to the applicant (subgrantee).
2.14.3	The review process must contain a tiered approval process maintaining a record of recommendation with identification of reviewer.
2.14.4	Generate a review form with recommendation/denial notifications for Grant Program Analyst and Grant Program Financial User (grantee)
2.14.5	Create modification information visible to the applicant (subgrantee) after notification of modifications required.
2.14.6	Create status change function for different phases of the review process: Review in Progress, Program Office Review Complete, Recommend Funding Without Modifications, Recommend Funding with Modifications, Application Denied.
2.14.7	Email notification of modifications required.
3.0 Project Management	



3.1.1	Ability for subgrantees to submit financial and programmatic status reports online Ability for subgrantees to either enter required financial and programmatic reports online or manually upload as a readable document. The system shall not allow a subgrantee to load reimbursement requests if they have not submitted required reports.
3.1.2	Shall have modify, copy, paste, and query capabilities. Shall be able to save data at every step so users can stop and go back later.
3.1.3	Financial reports need to include the award amount broken down by line item, requested amount, previous expenditures, balance for each line item, and the total.
3.1.4	Ability to make corrections from previously submitted reports by adding or removing funds from a line item.
3.1.5	Automatically calculate match and source of match if required.
3.1.6	Program reports developed from the grantee requirement.
3.1.7	Data outputs providing all requested information from program reports. For example EMHSD reports will include: Program & Reporting Unit's Quarterly Reporting form and requirements, a set form that is an extension of the Project Justification (PJ) form, with a narrative section of accomplishments. Quarterly need a reconciliation that lists all PJs submitted with dollar amounts to reconcile against total award. Allowable Cost Justification (ACJ) form submitting and review per existing internal process. This allows the subgrantee some assurance that what they are proceeding with is allowable under the grant. They are reviewed by EMHSD for concurrence or denial and it offers a place to notify them on requirements necessary.
3.2.1	Grant indexes (for EMHSD only) Ability to create an online query and output report that tracks current status of all allocations for an individual grant. Needs to include data fields: individual project/subgrantee for "Agency Lead", Project Lead, Project number, PCA, Project Name, Agency, Local, State, Fund Allocation (from Grant Agreement), Salary, Indirect, Expensed, Spent, Encumbered, Actual, Encumbered Projected, (both from the Project Workbooks) "NOT Encumbered State", "NOT Encumbered Local", State Encumbered, Local Encumbered, "All State Allocated by Grant Program", "All Local Allocated by Grant Program".
3.2.2	Grant workbooks (for EMHSD only) Ability to create an online query and output report that provides individual project breakdown by expenditure for Project Lead planning projections and validation purposes. Needs to include data fields: allocation, amount spent, encumbered estimated, encumbered projected, unencumbered, transaction numbers allowability validation, and description section by expense. Ability to calculate data fields.
3.3	Submit grant adjustment requests The ability for subgrantees to submit grant award adjustment requests, such as performance period extensions, project scope adjustments and associated cost category adjustments.
3.4	Grant Close-out Check box with a pop-up list of reviews that must have been completed prior to indicating this grant award has been closed. This list will vary based on the grant award
3.5	Federal Financial Reports (FFR's) of Grant Awards Automated preparation of the Federal Financial Reports (SF-425, SF425a, 1512, and other Federal reports) required to be submitted to the Federal agency each quarter.



3.6.1	Attachments (single and mass) This system shall allow users (subgrantees) associated to include various types of attachments to be stored with that specific grant award.
3.6.2	The grant program administrator shall also have the ability to attach items to a specific grant award and to be stored within the system. Sometimes the grant program administrator sends out the same email to a specific set of subgrantees. The grant program administrator (grantee) shall be able to pick from a dropdown the multiple subgrantees that have that "specific attachment/email" attached to their grant award; rather than having to go into EACH specific grant award to attach the attachment/email.
3.6.3	Attachments shall only be able to be deleted by the specific user (subgrantee) class that added them (i.e. user associated with a subgrantee versus grant program administrator(grantee)).
3.6.4	Allowable attachment types need to include at a minimum: Word, Excel, Image files, PowerPoint, Text files, and PDF.
3.6.5	Attachments are to be accessible and available from the grant award to which they were attached, and shall remain a permanent part of the subgrantee's grant award.
3.6.6	Attachments are to be opened and viewable (not able to be edited) in a separate window once the link is clicked.
3.6.7	There shall be a central attachment area within the project, for the subgrantee, showing their attachments.
3.6.8	There the system shall include an additional attachment section within the project only viewable by the grant advisors (grantee). These items can be confidential in nature.
3.7	Ability for MSP (grantee) to manage all subgrantee information per specific grant award.
3.7.1	Track or query by fiscal year, grant program area, project, subgrantee, and specific grant award.
3.7.2	Ability to track/manage specific grant requirements within a grant award (i.e. a specific percentage of expenditures for payroll).
3.7.3	Ability to pull up multiple years (user definable up to 10 years) of budget and expenditure information for an individual subgrantee for comparison purposes
3.7.4	Award Tracking The ability to calculate and subtract expenditures from the award amount each time the grantee reviews and approves the expenditures submitted by the subgrantee
3.7.5	Budget Tracking (not all grants will have detailed budget categories) The ability to calculate and subtract the expenditures from the approved budget (by budget category) amount each time the grantee reviews and approves the expenditures submitted by the subgrantee.
3.7.6	Site Monitoring Questionnaire Ability for the grant program administrator to post on the grant program website an online questionnaire to be completed by subgrantees prior to each site visit. Information being captured is narrative. Grant summary information shall indicate if this has been completed.



3.8	Add/Edit users login and password 1. The Project Director (subgrantee) associated with an individual grant award shall have the ability to add users to their own grant award. 2. The Project Director of a particular subgrantee shall have the ability to change security levels of users on their grant (i.e. subgrantee determines use access at subgrantee, not MSP). 3. A System Administrator/Grant Program Administrator (grantee) shall have the ability to add new users to any grant award. 4. A System Administrator/Grant Program Administrator (grantee) shall have the ability to change any contact record, including their own. 5. A System Administrator/Grant Program Administrator (grantee) shall have the ability to reset a user's password.
3.9	User contact query System Administrator/Grant Program Administrator (grantee) shall have the ability to query based on any of the following fields within the User Contact Record data, including but not limited to: a. Login Name b. First Name c. Last Name d. Entity (drop-down list of entities to assist the user) e. Entity (free form field for user defined search) f. County (drop-down list of available counties) g. User Status (Active versus Inactive) h. System Security Level (drop-down list of various levels of security within the system)
3.10.1	Records/Information storage 1. The system shall have the necessary storage space/functionality to house and maintain information regarding currently open grants as well as prior years. 2. This information shall be housed until it has been deemed no longer necessary to be viewable "online". All inactive grant information that is no longer required to be "online" will be be archived in a manner that is accessible electronically . 3. Keep active data plus three years inactive. 4. System Administrator shall be able to override.
3.10.2	Access to archive limited to Grant Program Administrator and System Administrator.
3.10.3	System shall have the ability for Grant Program Administrator and System Administrator to set a grant to inactive status.
3.11	Automated notification to Subgrantees by email Ability to automatically notify subgrantee when reports are due, overdue, or when an action is required of them. Send notices when grant's performance periods are ending, or specific subgrantees are getting close to over expending their allocation, or have spent too little of their allocation. Flags and deadline dates can be entered into the system to implement these notices. User definable deadlines for notification based upon subgrantee/subrecipient.



3.12	Ability to easily modify subgrantee/subrecipient objectives and budgets with tracking The purpose of this function is to allow the subgrantee to request to amend the original contract and/or previous contract amendments and approval process. 1. Determine what contract amendments will be allowed: Change the original starting/ending date, increase/decrease the amount of funding, create a new line item from existing funds, move money from one line item to another, change work statement. Provide a form with all amendment requirements. 1. Create a status that will allow the subgrantee to access the current grant agreement and/or budget and make changes. 2. Archive the original grant agreement and budget before changes can be made. 3. Provide a submission process for the project director. 4. Program an amendment to be completed by the grant advisor. 5. Create an acceptance process for the Authorized Official. 6. Link any changes to the budget with the financial reporting system. 7. Create an acceptance process for the subgrantee/subrecipient agency.
3.13	Approval process for project submission under an existing subgrantee award (for EM HSD only). Ability for the subgrantee to enter information to be able to produce the current project justification and allowable cost justification forms for approval and tracking. Within a grant award, there can be multiple projects. Those projects will have same grant information, but additional budget, objectives and timeline information may be added.
4.0 Reimbursement	
4.1	Ability to interface with the state's accounting system (MAIN) and Accounting Revenue System (ARS) for reimbursements, direct vouchers, inter-agency payments and journal vouchers. See attachment.
4.2	Ability to create online query and output report to track reimbursements/payments by fiscal year, program area, geographic area, governmental boundaries, per grantee or grant.
4.3	Automatic notification to subgrantees via email of reimbursements or additional documentation
4.4	Automatic update subgrantees budget/expenditure balance The ability to automatically calculate and update subgrantees budget and expenditure balance after grantee reviews and approves subgrantees expenditures.
4.5	Disallow payment when total expenditure exceeds the approved budget amount by flagging the record and not allowing the grant program administrator to approve payment. Provide message to grant program administrator.
4.6.1	Calculate match and indirect cost Calculate match based on specific grant requirements and indirect cost based on the established rate per fiscal year.
4.6.2	Ability for the system to make sure that the subgrantees meet the match requirements of the grants in order to be reimbursed.
4.7	Approval process for release of reimbursements and requests for Federal Draw Down.
4.8	Ability for subgrantees to submit reimbursement requests via an online form (including approval process).
5.0 Financial Reporting	



5.1.1	Create and save standard financial reports See attachments.
5.1.2	The System Administrator, System Analyst, Grant Program Analyst, Grant Program Financial User and Grant Program Analyst shall have the ability to run, view and modify all reports.
5.1.3	The Project Director, Subgrantee Analyst and Financial Officer (subgrantee) shall have the ability to run and view subgrantee reports of their own award.
5.2	Create financial reports required for federal grants, FFR Quarterly Reports and Cash Handling Reports, and including all requirements associated with the FFATA and other ARRA related requirements See attachments. The grant program administrator must have the capability to modify these reports as federal requirements change.
5.2.1	The ability to report total allocation amount awarded by grant name and grant year (and other user defined fields)
5.2.2	The ability to report amount reimbursed to date by grant name, grant year, grant recipient, and allocation type (and other user defined fields)
5.2.3	The ability to report reallocation amounts by grant name, grant year and adjusted allocation amount (and other user defined fields)
5.2.4	Payroll and non-payroll detail Ability to download payroll and non-payroll detail from the state's accounting system and sort by PCA and Comptroller Object Codes (COBJ) into specific grant and billing categories. For EMHSD: PCA (Project) summaries of this data will populate the Grant Indexes (Section 3.1.1) Salary and Expensed columns for each grant. The detail data will populate the Grant Workbooks (Section 3.1.2).
5.2.5	The ability to report on advanced funds
5.3	Data Retention (user definable up to 10 years)
5.4.1	The ability to roll-up financial information into summary reports from multiple grants within a grant program area.
5.4.2	The ability to roll-up financial information into summary reports from multiple grants and multiple grant program areas.
5.4.3	Ability to query information from multiple grants or grant program areas.
5.4.4	Ability to query information based on scenario in Attachment X.
5.5	The ability to print any/all reports
5.6	Flexibility in allowing modification/adjustment The ability to allow modifications or adjustments to the financial reports by the grantee/subgrantee, including adding Contractor name, and journal voucher transactions.
5.7	Email notification to program staff (grantee) when system receives report from subgrantees.
5.8	Schedule of Expenditures of Federal Awards (SEFA) Ability to capture grant related detail that is required for inclusion into the SEFA report. This information may include: Index, PCA, pass-through entity & award number, grant/contract number, award period, award amount, contact.



5.9	Federal Draw Downs Ability to track all draw downs and grant program area Ability to generate a monthly billing /revenue report for purposes of drawing down funds.
6.0 Ad Hoc Reporting	
6.1	Ability to use Crystal Reports, Business Objects or Information Builders.
6.2	Ability to generate ad hoc reports and data extracts from user-defined queries Ability to generate and print ad hoc reports and data extracts from user-defined queries based on any selected field(s). Standard reports shall be developed, but also be able to query for new information and modify or combine the standard reports.
6.3	Ability to develop and save customized reports to meet the unique requirements of each grant award. (Performance metrics and progress report requirements vary by federal program.)
7.0 Interface with Federal (if allowed), internal grant management systems, MAIN and ARS	
7.1	Provide a web service or application programming interface to allow MSP to extract data from Agate.
7.2	Upload reports (SF-425, SF425a, 1512, and other Federal reports) to federal grant management systems
7.3	Interface with ARS
7.4	Interface with MAIN
8.0 Technical Assistance	
8.1	Full administrative rights required to all software and hardware access assignments by DTMB for users
8.2	Ability to create and modify online help screens
8.3	Grantee (MSP) ability to define repair/bug priorities
8.3.1	Level 1 repairs – handled via helpdesk call to Contractor and will include all repairs/fixes that do not affect entire system
8.3.2	Level 2 repairs – handled via on-site visit by Contractor and will include all repairs that affect entire system, system performance, or integrity/safety of data
8.4.1	Ability to track progress of repairs. Status of repairs will be documented on the behalf of the Contractor and the administrator for historical purposes.
8.4.2	Repairs shall have detailed business and functional requirements contained within this history. Requirements will include how the applications are expected to function and the rules behind the scenes on each database field and edit.
8.4.3	Repair history will remain on file for several years for reference by both the administrator and Contractor.
8.4.4	Administrator shall be able to view the status of a repair at all times and show who initiated the repair.
8.4.5	Repair status(es) shall be pre-defined in advance of use by the Contractor and the administrators, so that there is a set group of definitions and an understanding of workflow depending on the status chosen.



8.4.6	Contractor will provide administrator an actual workflow chart for reference when moving a status in repairs.
8.4.7	Administrator shall be able to filter repairs by status category.**
8.4.8	Administrator shall be able to filter repairs by project.**
8.4.9	Administrator shall be able to upload attachments to the repair tracking system, in the event that an attachment will assist in the Contractor being able to understand a repair.
8.4.10	Notifications of tasks should be automatically sent to pre-defined users, so they are aware of revisions to the system.
8.5	Audit trails and tracking 1. An internal audit/tracking system will be programmed by the Contractor. 2. Tracking system shall be real-time and include date/time of event, the event and the user that performed the event.



RESERVED: Appendix E: Personnel Resume Templates

**Appendix F: Cost Proposal****Grants Management System Proposal****COST SUMMARY TABLE**

COST CATEGORY	TOTAL COSTS
SERVICES	\$442,160.00
SOFTWARE	\$136,310.00
MAINTENANCE AND SUPPORT (Year 1-3)	\$81,849.00
TOTAL CONTRACT VALUE (Year 1-3)	\$660,319.00
MAINTENANCE AND SUPPORT (Year 4-5)	\$54,565.91
TOTAL CONTRACT VALUE (Year 1-5)	\$714,884.91

DOLLARS AVAILABLE FOR ADDITIONAL SOFTWARE AND SERVICES: \$54,250.09

MILESTONE PAYMENT SCHEDULE FOR SERVICES

CA Services Payment Profile	Milestone Description	Fees Due
Invoice Milestone 1	Project Planning (Stage 1) - Customer Sign-off	\$ 74,496.00
Invoice Milestone 2	Solution Requirements (Stage 2) - - Customer Sign-off	\$ 49,043.75
Invoice Milestone 3	Design (Stage 3) - Customer Sign-off	\$ 49,043.75
Invoice Milestone 4	Solution Configuration (Stage 4) - Customer Sign-off	\$ 77,404.00
		\$ 17,516.88
Invoice Milestone 5	Solution Testing (Stage 5)- Customer Sign-off	
Invoice Milestone 6	Documentation (Stage 6) - Customer Sign-off	\$ 17,516.87
Invoice Milestone 7	Knowledge Transfer (Stage 7) - Customer Sign-off	\$ 49,051.24
Invoice Milestone 8	Production Release (Stage 8) - Customer Sign-off	\$ 49,043.75
Invoice Milestone 9 (Final)	Project Handoff and Closure (Stage 9) – Customer Sign-off	\$ 59,043.76
	Total CA Fees Due For Services	\$ 442,160.00

**MILESTONE PAYMENT SCHEDULE FOR SOFTWARE AND SUPPORT (Year 1-3)**

Due Date	License Fees (USD)	Support Fees (USD)	Total Fees Due (USD)
Upon Delivery of Software	\$136,310.00	\$27,283.00	\$178,093.00
1 Year following Delivery of Software	\$0.00	\$27,283.00	\$27,283.00
2 Years following Delivery of Software	\$0.00	\$27,282.91	\$27,282.91
Total	\$136,310.00	\$81,848.91	\$232,658.91

**SOFTWARE AND SUPPORT COST DETAIL (Year 1-5)**

Product Name	License Type*	Operating System	Authorized Use Limitation (State – This should be concurrent)	Start Date	End Date	Ship (Y/N, ESD)	License Fee	First Year Support Fee	Second Year Support Fee	Third Year Support Fee	Optional First Year Renewal Fee	Optional Second Year Renewal Fee
CA Clarity™ PPM Enterprise Visibility Option ¹	Perpetual	All CA GA WINDOWS	1- Environment	12/16/2011	12/16/2014	Y, ESD	\$21,500.00	\$4,303.93	\$4,303.93	\$4,303.93	\$4,303.93	\$4,303.93
CA Productivity Accelerator for Project & Portfolio Mgmt Editor License ²	Perpetual	All CA GA WINDOWS	1-1.0	12/16/2011	12/16/2014	Y, ESD	\$12,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
CA Productivity Accelerator for Project & Portfolio Mgmt User License ²	Perpetual	All CA GA WINDOWS	100 Named User	12/16/2011	12/16/2014	Y, ESD	\$5,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
CA Productivity Accelerator for CA Clarity PPM Grants Manager Content ²	Perpetual	All CA GA WINDOWS	1- installation	12/16/2011	12/16/2014	Y, ESD	\$4,000.00	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00
CA Clarity PPM Manager ¹	Perpetual	All CA GA WINDOWS	80-user	12/16/2011	12/16/2014	Y, ESD	\$39,560.00	\$7,919.23	\$7,919.23	\$7,919.23	\$7,919.23	\$7,919.23
CA Clarity™ PPM Core License ¹	Perpetual	All CA GA WINDOWS	1-100 User Pack	12/16/2011	12/16/2014	Y, ESD	\$53,750.00	\$10,759.82	\$10,759.82	\$10,759.82	\$10,759.82	\$10,759.82
Total							\$136,310.00	\$27,282.98	\$27,282.98	\$27,282.98	\$27,282.98	\$27,282.98

*With respect to perpetual licenses, Start Date and End Date refer to the start date and end date for Support.

(1) The terms of Appendix I apply in addition to all other terms and conditions

(2) The terms of Appendix J apply in addition to all other terms and conditions

**MAXIMUM HOURLY RATES FOR FUTURE ENHANCEMENTS (Year 1-5)**

Note: Travel expenses will NOT be reimbursed by the State under this contract.

All pricing and hourly rates provided shall be fully loaded.

Rates Staffing Category	Firm Fixed Hourly Rate
Project Manager / Technical Lead	\$ <u>294</u> / hr
Business Analyst	\$ <u>345</u> / hr
Senior Software Developer	\$ <u>297</u> / hr
Programmer	\$ <u>273</u> / hr
Data Migration Specialist	\$ <u>297</u> / hr
...List Any Other(s)	
Not to Exceed Hourly Rates Total Costs (Average Hourly Rate Across all Categories)	Avg. \$ <u>301</u> /hr

Notes:

- Hourly rates quoted are firm, fixed rates for the duration of the contract. Travel and other expenses will not be reimbursed. The State will utilize the fully loaded hourly rates detailed above for each staff that will be used as fixed rates for responses to separate statements of work for enhancements and modifications to the system. These hours are to be proposed as a firm, fixed price and must be deliverable based and will need to be supported by a statement of work mutually agreed upon by the State and Contractor.



Appendix G: Preliminary Project Schedule and 9 Stage Implementation Diagrams

The following Preliminary Project Schedule was Provide by CA in their proposal.

Task ID	Task Name	Duration	Start Date	Finish Date	Predecessors	Role
	Stage 1: Project Setup and					
1	Initiation	0 days	6/6/11	6/6/11		Solution Project Manager
	Stage 2: Solution					
2	Requirements Definition	9 days	6/6/11	6/16/11	1	Solution Architect
3	Development Installation	5 days	6/6/11	6/10/11		Solution Senior Consultant (Technical)
	Conduct Technical					
	Infrastructure Review and					Solution Senior Consultant (Technical)
4	Sizing Analysis	0.5 days	6/6/11	6/6/11		
	Install Core software to					
	Development and Test					
5	environments	4 days	6/6/11	6/10/11	4	
	Load Selected Accelerator					Solution Senior Consultant (Technical)
6	and Components	0.5 days	6/10/11	6/10/11	5	
	Produce and Present					
	Test/Dev Solution					
7	Integration Specification	0.5 days	6/10/11	6/10/11	5	Solution Project Manager
	Core Team Functional					
8	Training	1 day	6/6/11	6/6/11		Solution Architect
	Conduct Grants					
	Management					
	Functionality Orientation					
9	Sessions	0.5 days	6/6/11	6/6/11		Solution Architect
	Solution Requirements					
10	Workshops	9 days	6/6/11	6/16/11		Solution Architect
	Set Up and Conduct					
	Grants Management					
11	Requirements Workshop	5 days	6/6/11	6/10/11		Solution Architect
	Solution Requirements					
12	Development	5 days	6/6/11	6/10/11		Solution Architect
	Develop Solution					
	Requirements					
13	Specification (SRS)	3 days	6/13/11	6/15/11	11	Solution Architect
	Review Requirements					
	with Customer Project					
14	Sponsors	0.5 days	6/16/11	6/16/11	13	Solution Architect
	Findings Preparation and	0.25				
15	Delivery	days	6/16/11	6/16/11	14	Solution Architect
	Create Solution					
	Requirements					
16	Presentation	0 days	6/16/11	6/16/11	15	Solution Architect
	Present Solution	0.25				
17	Requirements	days	6/16/11	6/16/11	16	Solution Architect
18	Stage 3: Solution	18 days	6/16/11	7/12/11	2	Solution Architect



	Architecture and Design					
	Solution Design					
	Specification					
19	Development	18 days	6/16/11	7/12/11	9	Solution Architect
	Conduct Gap Analysis and					
	Document Configuration					
20	Changes - Onsite	3 days	6/17/11	6/21/11		Solution Architect
	Complete Solution Design					
	Specification (SDS) -					
21	Onsite	7 days	6/17/11	6/27/11		Solution Architect
	Create Solution Test Plan					Solution Senior
22	(STP)	3 days	6/28/11	6/30/11	21	Consultant (Functional)
	Document Functional					
23	Design Settings	3 days	6/28/11	6/30/11	21	Solution Architect
	Create Component					
	Technical Specification -					Solution Senior
24	Integrations	7 days	7/1/11	7/11/11	23	Consultant (Technical)
	Create Component					
	Technical Specification -					Solution Senior
25	Portlets	3 days	6/17/11	6/21/11		Consultant (Technical)
	Create Component					
	Technical Specification -					Solution Senior
26	Reports	6 days	7/1/11	7/8/11	23	Consultant (Technical)
	Create Component					
	Technical Specification -					Solution Senior
27	Workflows	4 days	6/17/11	6/22/11		Consultant (Functional)
	Create Component					
	Technical Specification -					
	Business Objects					Solution Senior
28	Universes	0 days	6/16/11	6/16/11		Consultant (Technical)
	Assist Completion of					
	Solution Design,					
	Functional Design and					Solution Senior
29	Test Plan	10 days	6/17/11	6/30/11		Consultant (Functional)
	Review Design with					
	Customer Project					Solution Senior
30	Sponsors	1 day	7/12/11	7/12/11	21,23,24,25,26,27,28	Consultant (Functional)
	Stage 4: Solution					
	Integration and					Solution Senior
31	Configuration	40 days	7/13/11	9/6/11	29	Consultant (Functional)
	Core Team Technical					Solution Senior
32	Training	3 days	7/13/11	7/15/11	30	Consultant (Functional)
	Configure Grants					
	Management					Solution Senior
33	Functionality	15 days	7/13/11	8/2/11	30	Consultant (Functional)
	Configure Grants					
	Management Technical					Solution Senior
34	Configuration Changes	6 days	7/13/11	7/20/11	30	Consultant (Functional)
	New Technical					Solution Senior
35	Component Development	25 days	8/3/11	9/6/11		Consultant (Technical)



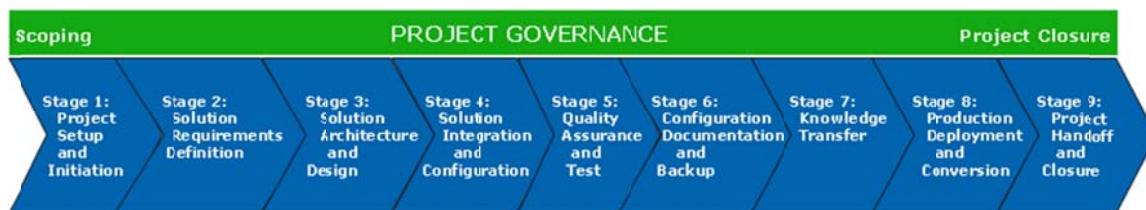
	Develop, Unit Test, Remediate, and Document New					
36	Integrations	25 days	8/3/11	9/6/11	33,34	Solution Senior Consultant (Technical)
	Develop, Unit Test, Remediate, and					
37	Document New Portlets	15 days	8/3/11	8/23/11	33,34	Solution Senior Consultant (Functional)
	Develop, Unit Test, Remediate, and					
38	Document New Reports	15 days	8/3/11	8/23/11	33,34	Solution Senior Consultant (Technical)
	Develop, Unit Test, Remediate, and					
	Document New					
39	Workflows	10 days	8/3/11	8/16/11	33	Solution Senior Consultant (Functional)
	Stage 5: Quality					
40	Assurance and Test	12 days	9/7/11	9/22/11		Solution Senior Consultant (Technical)
41	System Testing	6 days	9/7/11	9/14/11		Solution Senior Consultant (Functional)
	Promote Development configuration to Test					
42	environment	1 day	9/7/11	9/7/11	39,33,34,36,37,38	
	Conduct Grants Management System					
43	Testing	5 days	9/8/11	9/14/11	33,34,36,37,38,42	Solution Senior Consultant (Functional)
	Conduct New Technical Components System					
44	Testing	5 days	9/7/11	9/13/11	33,34,36,37,38,39	Solution Senior Consultant (Technical)
45	User Testing	5 days	9/15/11	9/21/11		Customer
	Execute New					
46	Functionality User Testing	5 days	9/15/11	9/21/11	43,44	Customer
	Execute New Technical					
47	Component User Testing	5 days	9/15/11	9/21/11	43,44	Customer
	Support Grants Management					
48	Functionality User Testing	5 days	9/15/11	9/21/11	43,44	Solution Senior Consultant (Functional)
	Support and Assist New					
	Technical Component					
49	User Testing	5 days	9/15/11	9/21/11	43,44	Solution Senior Consultant (Technical)
50	Quality Assurance Review	1 day	9/22/11	9/22/11	49	Solution Architect
	Review Test Results with					
51	Customer Project Sponsor	1 day	9/22/11	9/22/11		Solution Architect
	Stage 6: Configuration					
	Documentation and					
52	Backup	5 days	9/23/11	9/29/11		Solution Senior Consultant (Technical)
	Configuration					
	Documentation and					
53	Backup	5 days	9/23/11	9/29/11	51	Solution Senior Consultant (Technical)
54	Backup Installation	1 day	9/23/11	9/23/11	51	Solution Senior Consultant (Technical)



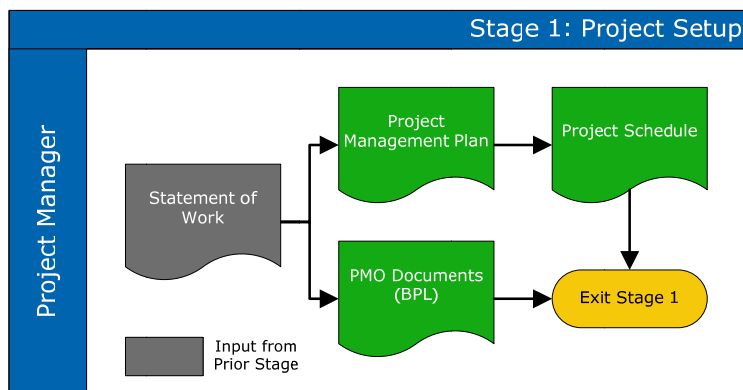
55	Perform Installation Backup and Recovery Verification	2 days	9/26/11	9/27/11	54	Solution Senior Consultant (Technical)
56	Document Configuration	2 days	9/28/11	9/29/11	55	Solution Senior Consultant (Functional)
57	Stage 7: Knowledge Transfer	9 days	9/30/11	10/12/11	56	Solution Senior Consultant (Functional)
58	Administrative Walkthrough	5 days	9/30/11	10/6/11	56	Solution Senior Consultant (Functional)
59	Review and Revise Administrative Walkthrough Material	2 days	9/30/11	10/3/11	56	Solution Senior Consultant (Functional)
60	Conduct Administrative Walkthrough	3 days	10/4/11	10/6/11	59	Solution Senior Consultant (Technical)
61	Support End-User Training Material Development	7 days	10/4/11	10/12/11		Solution Senior Consultant (Technical)
62	Review and Revise Grants Management Briefing Materials	2 days	10/4/11	10/5/11	59	Solution Senior Consultant (Technical)
63	Run Grants Management End User Briefings	5 days	10/6/11	10/12/11	62	Solution Senior Consultant (Functional)
64	Stage 8: Production Deployment and Conversion	11 days	10/13/11	10/27/11	57	Solution Senior Consultant (Technical)
65	Production Deployment	11 days	10/13/11	10/27/11		Solution Senior Consultant (Functional)
66	Promote Solution to Production Environment	1 day	10/13/11	10/13/11		Solution Senior Consultant (Education)
67	Update Production Solution Integration Specification	1 day	10/13/11	10/13/11		Solution Senior Consultant (Functional)
68	On-Boarding	1 day	10/13/11	10/13/11		Customer
69	Run Grants Management On-Boarding Sessions	1 day	10/13/11	10/13/11		Solution Senior Consultant (Technical)
70	Post Deployment Support	10 days	10/14/11	10/27/11	67	Solution Senior Consultant (Technical)
71	Stage 9: Project Handoff and Closure	1 day	10/28/11	10/28/11	64	Solution Project Manager



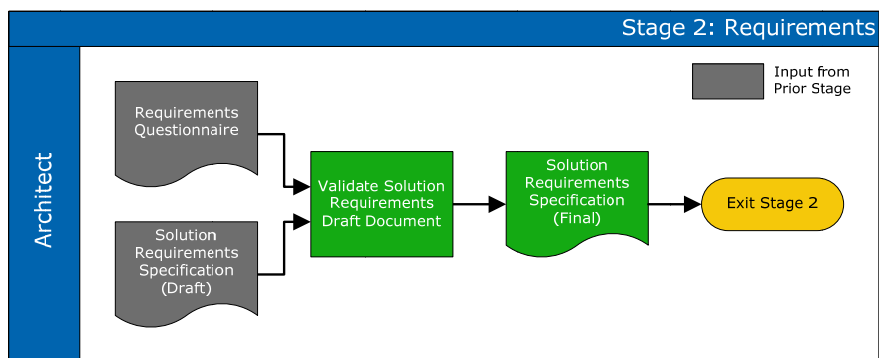
Nine-Stage Deployment Overview



Stage 1: Project Setup and Initiation

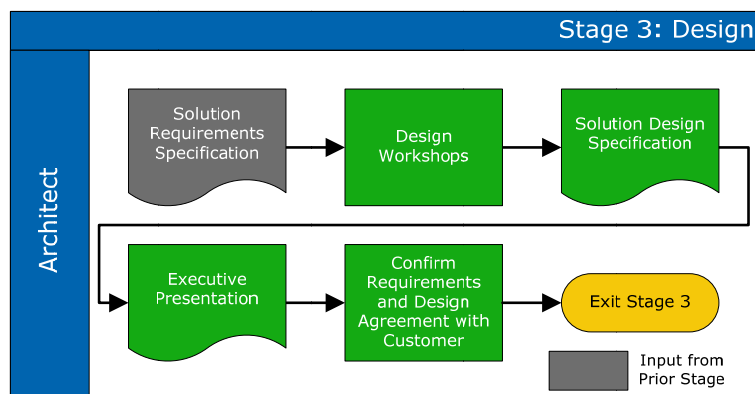


Stage 2: Solution Requirements Definition

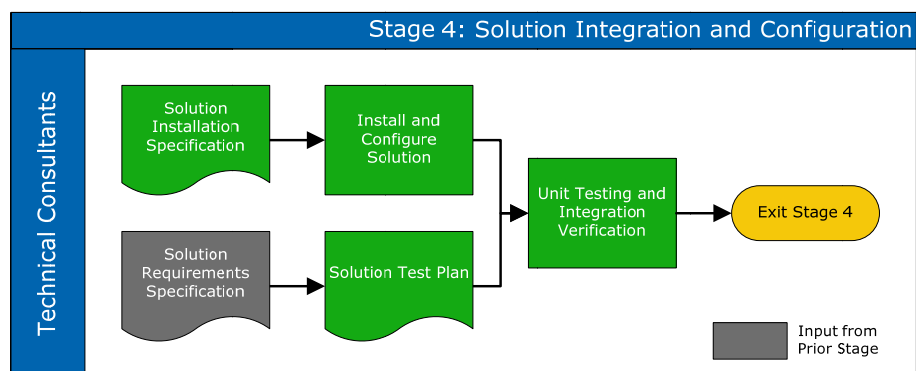




Stage 3: Solution Architecture and Design

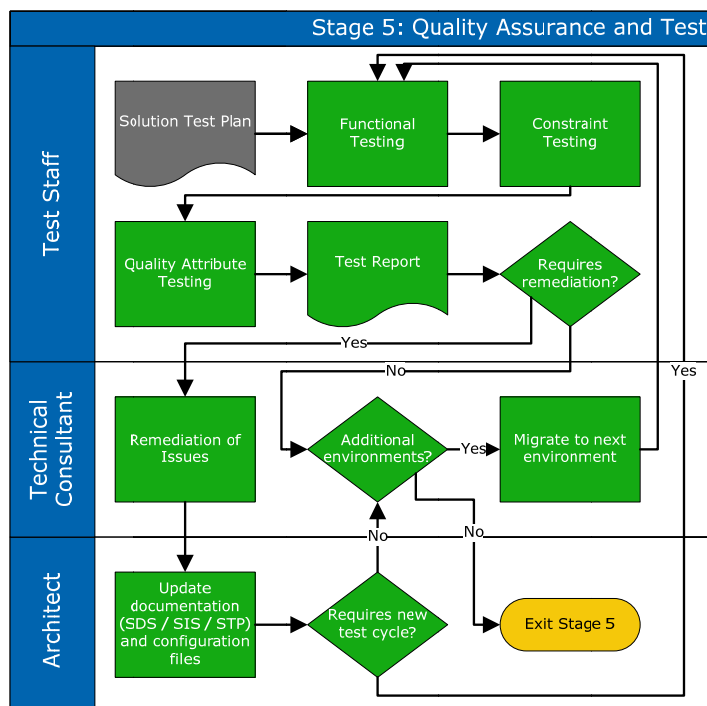


Stage 4: Solution Integration and Configuration

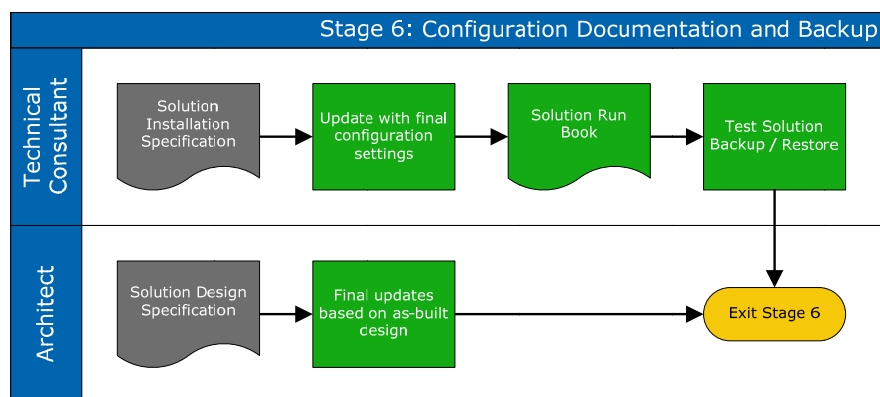




Stage 5: Quality Assurance and Test

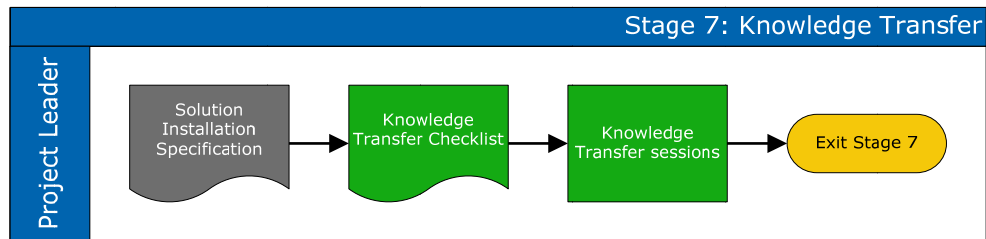


Stage 6: Configuration Documentation and Backup

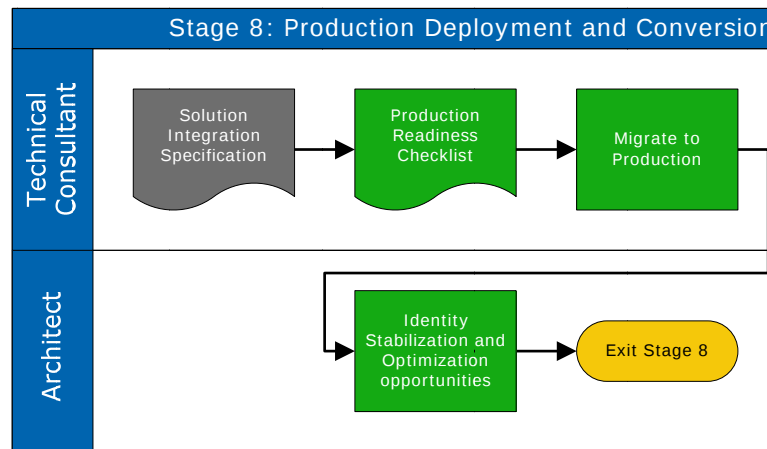




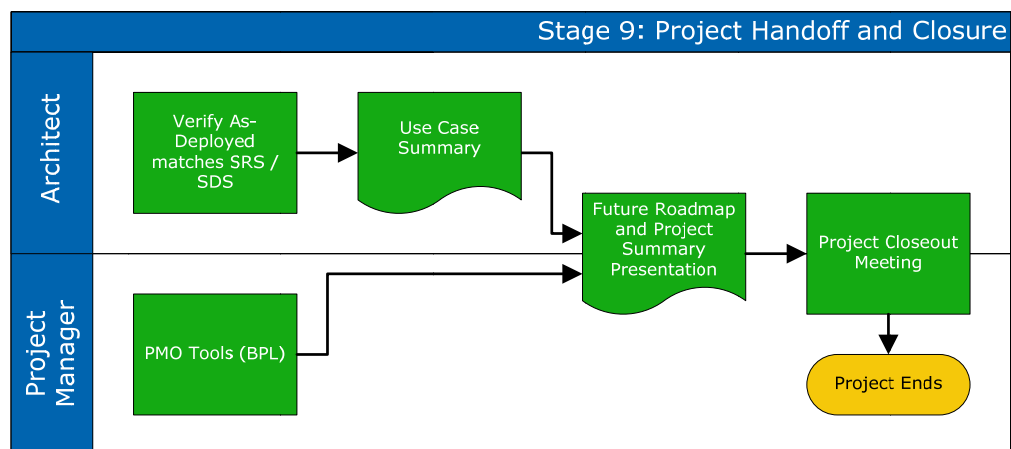
Stage 7: Knowledge Transfer



Stage 8: Production Deployment and Conversion



Stage 9: Project Closure





Appendix H: CA Technologies Foundation Agreement

Foundation Agreement US Public Sector (Direct)

1. INTRODUCTION

- 1.1 This Foundation Agreement ("Foundation Agreement") specifies the terms and conditions agreed between the Parties as a foundation for their relationship as further defined in the applicable Modules.
- 1.2 The Foundation Agreement may incorporate any Module that is attached hereto or signed separately by the Parties.

2. DEFINITION

- 2.1 "Affiliate" with respect to Customer means any legal entity in which the Customer directly or indirectly Controls.
- 2.2 "Agreement" means this Foundation Agreement, the applicable Module and applicable Transaction Document, and any document incorporated expressly therein by reference.
- 2.3 "CA Offering" means the individual offering (such as software, services, software as a service etc.) made available by CA as defined in the Module and/or Transaction Document.
- 2.4 "Confidential Information" means any information, maintained in confidence by the disclosing Party, communicated in written or oral form, marked as proprietary, confidential or otherwise so identified, and/or any information that by its form, nature, content or mode of transmission would to a reasonable recipient be deemed confidential or proprietary, including, without limitation, CA Offerings, Documentation, and any benchmark data and results produced.
- 2.5 "Control" means ownership or control of greater than 50% of an entity's shares or control the board of such entity by force of law or contract, or the equivalent.
- 2.6 "Documentation" means the documentation, technical product specifications and/or user manuals, published by CA or any entity within CA group of companies (each a CA entity) that is made generally available with CA Offerings.
- 2.7 "Module" means the additional terms and conditions applicable to the CA Offering.
- 2.8 "Parties" means individually and or collectively CA and or the Customer.
- 2.9 "Term" means, with respect to each Transaction Document, the period during which the CA Offering is provided, licensed or granted.
- 2.10 "Transaction Document" means a signed mutually agreed ordering document such as a CA order form or statement of work or in the alternative, may be a Customer issued purchase order, referencing the CA order form or CA statement of work issued for the specific CA offering licensed or purchased.

3. ORDERING AND DELIVERY

- 3.1 Under the terms of this Agreement, Customer may purchase and CA shall provide the specific CA Offering in a Module signed by the Parties. This Agreement does not entitle Customer's Affiliates that is a separate legal entity in a jurisdiction different from Customer to directly purchase any CA Offering from CA, unless such Affiliate signs a participation agreement with CA to adopt and adhere to the terms for this Agreement.
- 3.2 Any terms that may appear on a Customer's purchase order which purport to add to or otherwise vary from the referenced CA ordering document (including without limitation pre-printed terms) shall not apply to the Agreement and shall be deemed null and void.
- 3.3 The CA Offering will be delivered either by electronic delivery (ESD) or in tangible media carriage paid to (CPT), as defined in INCOTERMS 2010, from CA's shipping point as indicated in the Transaction Document. CA agrees to be responsible for all customs duties and clearances and title to any CA hardware if included will pass upon point of delivery to carrier at CA's shipping location.
- 3.4 In the event of a payment or set off issue relating to one CA Offering, such payment issue shall not impact any other obligation to pay for any CA Offering provided to Customer.

4. DELETED

5. DELETED

6. TITLE



CA retains all right, title, copyright, patent, trademark, trade secret and all other proprietary interests to all CA Offerings and any derivatives thereof. No title, copyright, patent, trademark, trade secret or other right of intellectual property not expressly granted under the Agreement is exchanged between the Parties.

7. WARRANTY

- 7.1 Each Party represents and warrants that it has the legal power to enter into the Agreement.
- 7.2 CA represents and warrants that it owns or otherwise has sufficient rights to grant Customer the rights defined in any Transaction Document during the Term.

8. DELETED

9. DELETED

10. DELETED

11. DELETED

12. GENERAL TERMS

- 12.1 **Customer Data.** If Customer transfers any personal data to CA as a requirement pursuant to any CA Offering, then Customer represents that (i) it is duly authorized to provide personal data to CA and it does so lawfully in compliance with relevant legislation, (ii) CA and any entity within the CA group of companies (each a "CA entity") or its subcontractors can process such data for the purposes of performing its obligations and (iii) CA may disclose such data to any CA entity and its subcontractors for this purpose and may transfer such data to countries outside of the country of origin. CA, Inc. is Safe Harbour certified and the CA Entities have committed to comply with relevant data protection/privacy legislation.
- 12.2 **Counterparts.** This Foundation Agreement, any Module and any Transaction Document as applicable may be signed in any number of counterparts and each part shall be considered part of the whole and valid, legally binding document.
- 12.3 **Headings.** The section headings used herein are for information purposes only and shall not affect the interpretation of any provision of this Agreement.
- 12.4 **Validity.** In the event any term or provision of the Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of the Agreement.
- 12.5 **Third Parties.** This Agreement shall not create any rights in favor of, or any obligations owed by, any third Party unless otherwise expressly defined in any Module. The Parties agree that any action arising from this Agreement shall solely be brought by Customer or CA.
- 12.6 **Survival.** Sections pertaining to Confidentiality, Title, Limitation of Liability and Termination shall survive termination of this Foundation Agreement.



Software Module US Public Sector (Direct)

1. INTRODUCTION

- 1.1. This Module for CA Software ("Software Module") specifies terms and conditions which apply to CA Software that CA will license to Customer and the Support that applies.
- 1.2. This Software Module incorporates by reference the terms of the Foundation Agreement . Any capitalized terms used in this Software Module shall have the meanings given in the Foundation Agreement unless otherwise provided herein.

2. DEFINITION

- 2.1 "Access" means use of CA Software remotely by an Authorized End User.
- 2.2 "Authorized End Users" means Customer, Affiliate and their employees and independent contractors (but excluding any outsourcer, facilities management providers or application service provider) that are bound by terms and conditions no less restrictive than those contained herein and are acting on behalf of Customer and not a third party.
- 2.3 "Authorized Use Limitation" means the quantity of the CA Software licensed in accordance with the License Metric specified on the Transaction Document.
- 2.4 "CA Software" means the computer software programs, either provided individually or packaged as a software appliance, made generally available and licensed to a Customer under this Module pursuant to the applicable Transaction Document including all Versions, Releases, provided as part of Support if applicable.
- 2.5 "Distributed" means the CA Software designated as distributed that is generally used for independent usage across individuals systems or hardware based on the Licensed Metric in a decentralized form of computing.
- 2.6 "License Metric" means the specific criteria for measuring the usage of the CA Software (such as MIPS, CPUs, tiers, servers, or users).
- 2.7 "Mainframe" means CA Software designated as mainframe that is generally used for a large capacity processor that provides links to users through less powerful devices such as workstations or terminals based on the Licnesed Metric in a centralized form of computing.
- 2.8 "Maintenance" means the provision of new Releases made available while on active Support or new Versions if applicable to the generally available CA Software licensed by Customer.
- 2.9 "Perpetual Licence" means a license to use CA Software for an indefinite period subject to compliance with the Agreement.
- 2.10 "Release" means a general available release of a CA software product, which may contain minor new software product functionality, code, or compatibility and incorporates all previous fixes (if any exist) since the last Version. Typically, a Release requires a new installation, rather than an overlay to the already installed software. Unless otherwise specified by CA for a particular product, a Release is tied to the preceding Version and is typically designated by a number to the right of the decimal point such as 1.1, 1.2, 1.3, etc.
- 2.11 "Subscription" or "UMF" (Usage and Maintenance Fee) licence means a license to use CA Software for a specific period of time which shall include Support unless otherwise stated in a Transaction Document.
- 2.12 "Support" means the provision of technical support and Maintenance provided for a particular CA Software as further defined on the Transaction Document.
- 2.13 "Territory" is the location indicated on the Transaction Document where Customer is authorized to install the CA Software.
- 2.14 "Version" means a release of a CA Software Product that contains major changes in software product functionality, code, or compatibility and incorporates the previous release (if one has occurred), fixes and service Packs (if they have occurred). Typically, a Version requires a new installation, rather than an overlay to the already installed software. Unless otherwise specified by CA for a particular product, a Version is designated by the number to the left of the decimal point such as 1.0, 2.0, 3.0, etc.

3. SOFTWARE OFFERING & OBLIGATIONS

- 3.1 CA grants the Customer a limited, non-exclusive, non-transferable licence, for the Term:
 - 3.1.1 install and deploy the CA Software in the Territory up to the Authorised Use Limitation.
 - 3.1.2 permit its Authorized End Users Access to the CA Software for Customer's and Affiliates' internal business wherever located. Customer hereby expressly agrees that a breach by an Authorized End User of the Agreement shall be considered to be a breach by and the responsibility of the Customer.



3.1.3 make a reasonable number of copies of the CA Software for disaster recovery “cold standby”, backup and archival purposes. Use of such copies is limited to testing Customer’s disaster recovery procedures and effectiveness and as is necessary during any reasonable period subsequent to the occurrence of an actual disaster during which Customer cannot operate the CA Software.

3.1.4 relocate CA Software to a new Customer location within the Territory upon prior written notice.

- 3.2 The CA Software's specifications and specified operating environment information may be found in the Documentation accompanying the CA Software, if available (e.g., a user manual, user guide, or readme.txt or notice.txt file).
- 3.3 Upon request by CA, Customer agrees to provide records reasonably requested by CA to verify its compliance with the Authorized Use Limitation defined in the Transaction Document during the period in which Customer is licensed to use the Software and for a period of twelve (12) months after expiration including certified copies of statements or records as applicable. Such reports will be based on the License Metric indicated on the Transaction Document.
- 3.4 The grant of license is contingent upon Customer’s compliance with the following obligations set out under this provision: Customer agrees, that it shall not: (i) access or use any portion of the CA Software not expressly authorized in the Transaction Document or the Documentation of the CA Software; (ii) cause or permit de-compilation, reverse engineering, or otherwise translate all or any portion of the CA Software; (iii) modify, unbundle, or create derivative works of the CA Software and/or Documentation; (iv) rent, sell, lease, assign, transfer or sublicense the CA Software or use the CA Software to provide hosting, service bureau, on demand or outsourcing services for the benefit of a third party; (v) remove any proprietary notices, labels, or marks on or in any copy of the CA Software or Documentation; (vi) use the CA Software beyond the Authorized Use Limitation.
- 3.5 CA reserves the right, on notice to the Customer, to conduct an audit remotely or onsite of Customer and/or its Affiliates facilities to verify Customer’s compliance with the terms of the Agreement. CA agrees that such audit shall be conducted during regular business hours at Customer’s offices and CA shall endeavor to conduct such audit so as not to interfere unreasonably with Customer’s activities and/or use an independent third party to conduct the audit subject to terms of non-disclosure if required.
- 3.6 All rights not specifically granted hereunder are expressly reserved.

4. SUPPORT OFFERING

- 4.1 If Support is purchased as defined in the Transaction Document, CA will provide Customer with technical support for the CA Software to operate according to the Documentation, help desk support and Maintenance for the CA Software based on Support guidelines as described on <http://www.support.ca.com>.
- 4.2 In order to initiate an issue, Customer will provide CA sufficient information so that CA can provide assistance to Customer in a timely manner.
- 4.3 CA will provide a minimum of twelve months prior written notice to Customer if CA ceases to provide new Versions or Releases for a CA Software product.
- 4.4 If renewal fee of Support is defined on the Transaction Document then CA may automatically invoice Customer for such renewal of Support unless CA receives not less than thirty (30) days written notice from Customer prior to the anniversary of the applicable Term that such Support is not required.
- 4.5 If selected in the Transaction Document, Customer may purchase a higher tier of Support (Plus or Premier) as further defined at <http://www.support.ca.com> for additional fees for each CA Software product.

5. FEES

If indicated on the Transaction Document, Customer may pay initial payments through same day fed wire to ensure payments are made on the due date defined on the Transaction Document when entering a new Term. For other payments required by Customer, CA will send Customer an invoice containing the applicable remit to address or updated wire transfer information at least thirty (30) days prior to each respective due date. The following wire transfer routing information applies: Wells Fargo Bank, NA, ABA# 121000248, Account Name: CA, Inc. Lockbox, Account#: Contact CA for Account Number

6. THIRD PARTY TERMS

In the event that the CA Software contains third-party software components, additional terms, notices and/or information that may be applicable to such third-party software components may be found in the Documentation accompanying the CA Software (e.g., a user manual, user guide, or readme.txt or notice.txt file), and/or at <https://support.ca.com/prodinfo/tptterms>.

7. PERFORMANCE WARRANTY

- 7.1 For Distributed Software. CA warrants that the CA Software as defined in the Transaction Document will operate materially in accordance with the applicable specifications set forth within the Documentation for a period of ninety (90) days after delivery of the CA Software subject to Customer’s compliance with the Agreement.



- 7.2 For Mainframe Software. CA warrants that the Mainframe Software will operate materially in accordance with the applicable specifications set forth within the Documentation for the Term of the Transaction Document, subject to Customer's compliance with the Agreement.

8. PERFORMANCE WARRANTY REMEDY

- 8.1 If CA has breached either warranty set forth in the section entitled: Performance Warranty, Customer's remedy is for CA to, in consultation with Customer, to either (i) use reasonable efforts consistent with industry standards to cure the defect, or (ii) replace the CA Software(s) with one that materially complies with the Documentation, or (iii) terminate the license and provide a pro-rata refund of the license fees paid and or Support fees. If option (iii) applies, the pro-rata refund shall be calculated on the number of months left remaining on the Term of the applicable Transaction Document or if the CA Software is licensed under a Perpetual License, using (only for purposes of a refund calculation) an amortization schedule of three (3) years.
- 8.2 Warranty remedies are conditioned upon (i) any error or defect complained of is reasonably reproducible by CA, (ii) the CA Software is not modified and is being used in accordance with CA Documentation, and (iii) the breach is not attributable in whole or in part to any non-CA product(s) or service(s).
- 8.3 **THE ABOVE WARRANTIES ARE THE SOLE WARRANTIES PROVIDED BY CA. NO OTHER WARRANTIES, INCLUDING THAT THE CA SOFTWARE IS ERROR FREE, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, OR SUITABILITY AND/OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE MADE BY CA OR ITS SUPPLIERS.**

9. GENERAL TERMS

Any conflict or inconsistency among or between the terms and conditions of the documents comprising the Agreement shall be resolved according to the following order of precedence, from the document with the greatest control to the least: (1) the Transaction Document; (2) the Software Module; (3) the Foundation Agreement. Notwithstanding this Order of Precedence, a Customer issued purchase order shall not modify the terms of the documents indicated herein.



Support Module US Public Sector (Direct)

1. INTRODUCTION

- 1.1. This Module for Support ("Support Module") specifies terms and conditions which apply to the Support that CA will provide to Customer.
- 1.2. This Support Module incorporates by reference the terms of the Foundation Agreement. Any capitalized terms used in this Support Module shall have the meaning given in the Foundation Agreement unless otherwise provided herein.

2. DEFINITIONS

- 2.1. "Customer Data" means all electronic data or information provided by Customer to CA or provided by Customer in order to resolve a Support incident.
- 2.2. "Fix/Fixes" means any change, interim solution, recommendations, or advice that CA makes to the CA Software product, including changes made for purposes of maintaining system compatibility, error correction, improved operation and security and Workarounds that establish or help to restore material conformity to the specifications in the Documentation for such software.
- 2.3. "Maintenance" means the provision of new Releases made available while on active Support or new Versions if applicable to the generally available CA Software licensed by Customer.
- 2.4. "Release" means a general available release of CA Software, which may contain minor new software product functionality, code, or compatibility and incorporates all previous Service Packs and Fixes (if any exist) since the last Version. Typically, a Release requires a new installation, rather than an overlay to the already installed software. Unless otherwise specified by CA for a particular product, a Release is tied to the preceding Version and is typically designated by a number to the right of the decimal point such as 1.1, 1.2, 1.3, etc.
- 2.5. "Service Pack" means a set of cumulative Fixes for a particular Version or Release of the software, and typically does not contain new features or functionality. A Service Pack may be available either as a download from Support Online or as a media kit. It is generally installed as CA Software overlay (also known as a patch). Service Pack nomenclature is tied to the related Version or Release. For example, a Service Pack relating to Version 1.0 would be designated as 1.0 SP 1, 1.0 SP 2, etc., and a Service Pack for Release 2.1 would be designated as 2.1 SP1, 2.1 SP2, etc.
- 2.6. "Support" means the provision of standard technical support and Maintenance provided for a particular CA Software product as further described in this Support Module.
- 2.7. "Support Online" means web-based support available to Customers that are active on Support with the current url: ca.support.com.
- 2.8. "Support Plus" means the provision of Support and additional benefits as further described in this Support Module.
- 2.9. "Support Premier" means the provision of Support Plus and additional benefits as further described in this Support Module.
- 2.10. "Version" means a release of a CA Software product that contains major changes in software product functionality, code, or compatibility and incorporates the previous release (if one has occurred), fixes and service Packs (if they have occurred). Typically, a Version requires a new installation, rather than an overlay to the already installed software. Unless otherwise specified by CA for a particular product, a Version is designated by the number to the left of the decimal point such as 1.0, 2.0, 3.0, etc.
- 2.11. "Workaround" means an interim resolution of an incident and may include specific modifications to the software to address critical problems (sometimes also called "hot fixes"). In some cases, the incident addressed by the Workaround will be permanently resolved when Customer install the next upgrade; the Workaround itself may be considered final if it materially reduces the impact of an error or defect.

3. SUPPORT OFFERING

- 3.1. CA will provide Customer with Support for the CA Software product as specified in the Transaction Document.
- 3.2. If selected in the Transaction Document, Customer may purchase a higher tier of support (Plus or Premier) as further defined at <http://www.support.ca.com> for additional fees for each CA Software product.

4. TECHNICAL SUPPORT

- 4.1. Technical Support includes online and telephone support for the CA Software to operate according to the Documentation. Such technical support in the form of Workarounds, Fixes, Service Packs and call support based on guidelines as defined further herein. Support does not include technical support at the Customer's site.



- 4.2. CA provides technical support for the then current Version or Release of the CA Software and the immediately prior Release or Version (GA-1).
- 4.3. In order to initiate a technical support issue, Customer will provide CA sufficient information so that CA can provide assistance to Customer in a timely manner and describe the conditions under which the problem can be duplicated.
- 4.4. Customer may be requested to provide CA information in English, or in the local language if available including but not limited to, Customer number or site identification number, incident severity, software name including release, version, service pack and any other descriptive terms as requested by technical support and will include a technical contact familiar with Customer's environment or the problem to be solved.
- 4.5. Technical support will be provided by qualified support professionals as follows:
 - i. Access to technical support 24x7x365 and the ability to open and manage support incidents via Support Online or by telephone.
 - ii. Production environment support: 24x7 for Severity 1 incidents; normal business hours for severities 2-4.
 - iii. Non production support: normal business hours Severity 2-4 applies.
 - iv. Access to Support Online for 24x7x365 online support and access to Documentation, global user communities, FAQs, samples, webcast recordings and demos, usage tips, technical updates and HYPER notifications (an option the Customer can use to receive automatic emails for critical updates or Fix), as such are made available by CA.
 - v. Interactive remote diagnostic support allowing technical support engineers to troubleshoot an incident securely through a real-time browser-based remote control feature.

5. TECHNICAL SUPPORT GUIDELINES

- 5.1. Technical support logs calls 24 hours a day, 7 days a week. Any technical support issue logged is addressed based on level of severity according to the Customer's determination of the severity level. Each severity level has a differing impact on the response time. The following parameters shall be referenced by Customer when classifying each technical support issue:
 - i. "Severity 1" should be used when the Customer indicates "system down" or a product or a product-inoperative condition impacting a production environment, such as (i) production server or other mission critical systems are down; (ii) a substantial portion of mission-critical data is at a significant risk of loss or corruption; (iii) a substantial loss of service; (iv) business operations have been severely disrupted; or (v) an incident in which the software causes catastrophic network or system failure or that compromises overall system integrity or data integrity when the software is installed or when it is in operation (i.e. system crash or loss of system security) and significantly impacts ongoing operations in a production environment, and in each of the foregoing situations (i) through (v), no Workaround is immediately available.
 - ii. "Severity 2" should be used for a high-impact business condition possibly endangering a production environment. The software may operate but is severely restricted.
 - iii. "Severity 3" should be used for a low-impact business condition with a majority of software functions still usable; however, some circumvention may be required to allow the CA Software to operate.
 - iv. "Severity 4" should be used for (i) a minor problem or question that does not affect the software function, (ii) an error in a CA Software product Documentation that has no significant effect on operations; or (iii) a suggestion for new features or a CA Software product enhancement
- 5.2. CA will provide responses based on the guidelines below:

Service Level Guidelines for Support	
Incident Severity	Initial Response Time
1	1 hour
2	2 business hour*
3	4 business hours*
4	1 business day

*During normal business hours as published on Support Online, based on the time from an incident's submission online or telephonically.

6. MAINTENANCE

- 6.1. CA will provide Maintenance to Customer for CA Software including if available new Versions and Releases for a minimum of eighteen (18) months from the date of general release of the Release or Version of CA Software.
- 6.2. In the event CA moves a Version or Release into limited support availability, where new Versions or Releases will not be made available, then CA will provide a minimum of twelve (12) months prior written notice to Customer.
- 6.3. CA will not provide any upgrades to or installations of any third party software or applications.



7. LEGACY VERSION POLICY

- 7.1. If CA determines that it will terminate support of a Version or Release, it shall provide Customer at least twelve (12) months notice that such support will no longer be available. If Customer requires support for any legacy version, it may opt for extended support if offered by CA, for those Versions or Releases for a limited period of time for a separate fee.
- 7.2. If indicated in the Transaction Document, CA Software may be defined as “Stabilized” which indicates that new updates will not be made available for that CA Software. In such cases, CA will provide notice to Customer and may provide Customer an option to upgrade or migrate to another alternative version as applicable and appropriate.
- 7.3. If at the end of the Term, Customer wishes to renew Support for CA Software that is designated at the time of expiration as “End of Life” then support may be offered at CA’s discretion but will provide Customer at least twelve (12) months notice prior to such designation.

8. FEES & RENEWAL

- 8.1. The fees for Support shall be provided in the Transaction Document and shall be determined by the level of Support selected for the applicable CA Software.
- 8.2. If renewal fee of Support is defined on the Transaction Document, then CA may automatically invoice Customer for such renewal of Support unless CA receives not less than thirty (30) days written notice from Customer prior to the anniversary of the applicable Term that such Support is not required.

9. SUPPORT PLUS

- 9.1. CA will provide **Support Plus** if such level of support is selected in the Transaction Document, for the particular CA Software product. Customer will receive standard technical support described above and in addition, the benefits defined in this section.
- 9.2. Technical support will be provided by a dedicated support engineer and will provide specific deliverables including review of Customer’s overall support needs and provides updates and fixes specifically designed for the CA Software licensed to Customer. Support Plus shall include the following:
 - i. A remote designated engineer will be identified for the Customer account to provide assistance with product-related support, problem analysis, debugging and resolution.
 - ii. 24x7 access to the designated engineer (or an alternate engineer during the designated engineer’s absence) in order to receive after hours support for Severity 1 incidents.
 - iii. Designated engineer will review all status and resolution targets with Customer on a mutually agreed schedule.
 - iv. Quarterly planning calls to review case history and support planning for future technology updates.
 - v. Customer will be provided with a single phone number with direct telephone access to the designated CA engineer (or an alternate professional during the designated engineer’s absence).
 - vi. Engineer will work with Customer to develop and maintain CA’s knowledge of its business priorities.
 - vii. Workload and schedule permitting, designated engineer will proactively review with Customer CA’s existing knowledge base regarding current and, where feasible, potential new versions and releases of the Customer licensed CA product(s).
 - viii. The designated engineer will review fix and release levels for the designated software products, and provide Customer with notification of Upgrades, Service packs, Fixes, and other related support information.
 - ix. CA will provide proactive Fixes to common errors.
 - x. Technical support will be available to Customer during upgrade processes and will review upgrade plans, manage support requirements and provide advice from a supportability standpoint.
 - xi. CA will expedite and prioritize the Customer support cases to promote shorter response times within Service Level Guidelines.

Support Plus Guidelines	
Incident Severity	Initial Response Time
1	30 minutes
2	1 business hour*
3	2 business hours*
4	4 business hours*

*During normal business hours as published on Support Online, based on the time from an incident’s submission online or telephonically.



- xii. Additional Named Contact(s). One (1) additional named contact to serve as liaison with Support (for a total of up to three (3) named contacts, including those authorized for Support) per licensed CA product for which CA Support Plus has been ordered. Customer named contacts should be CA product administrators with standard CA accreditation and/or users with high CA product(s) acumen and experience, who are capable of implementing, debugging and replicating product errors.
- 9.3. Personnel. CA reserves the right to select and assign; or reassign the designated engineer and other support resources including subcontractors as it deems appropriate in the fulfillment of Support Plus. CA will provide an alternative technical support engineer as backup for such times that the designated engineer is (i) yet to be assigned, (ii) in training, or (iii) otherwise temporarily unavailable.

10. SUPPORT PREMIER

- 10.1. CA will provide **Support Premier** if such level of support is selected in the Transaction Document, for the particular CA Software product. Customer will receive standard technical support, the benefits of **Support Plus** and in addition, the benefits defined in this section
- 10.2. Support Premier means that the technical support will be provided and administered by a dedicated support engineer and will provide up to five (5) annual onsite consultations to address specific and unique support requirements that are beyond the scope of standard technical support. Each consultation will be up to eight (8) hours per day during normal business hours and will be scheduled within the year of the Term that such level of Support Premier is provided. The topics for consultation may include potential product enhancements, customized customer-generated reporting, product installation advice, product migration guidance, and custom script file evaluations and modifications.
- 10.3. Short Term- Onsite technical support. CA will provide a designated engineer for short term onsite support for up to five (5) business days during the year at one designated site if requested by Customer or more subject to Customer's separate purchase or additional onsite visits. All travel expenses will be separately billed.
- i. Onsite visits must be scheduled a minimum of two (2) weeks in advance and must be on mutually agreeable dates but shall be no more than five (5) days in duration. Topics of discussions during such meetings shall be mutually agreed upon at time of scheduling but may include activities such as assistance for support related issues, oversight for disaster recovery testing, onsite presence during an upgrade or migration, advanced troubleshooting and problem identification, participation in working sessions for problem resolution and knowledge sharing to review and plan for problem prevention.
 - ii. Customer has responsibility to schedule these allotted onsite visits such that all allotted days are used within the contract year. Unused days will not be carried forward through any subsequent contract year nor will any unused days (or any portion thereof) be exchanged for any refund or credit.
- 10.4. Additional Named Contact(s). One (1) more additional named contact to serve as liaison with support (for a total of up to four (4) named contacts, including those authorized for support) per licensed CA Software product for which Support Premier has been purchased. Customer named contacts should be CA product administrators with standard CA accreditation and/or users with high CA product(s) acumen and experience, who are capable of implementing, debugging and replicating product errors.

11. GENERAL TERMS.

Any conflict or inconsistency among or between the terms and conditions of the documents comprising the Agreement shall be resolved according to the following order of precedence, from the document with the greatest control to the least: (1) the Transaction Document; (2) the Support Module; (3) the Foundation Agreement. Notwithstanding this Order of Precedence, a Customer issued purchase order shall not modify the terms of the documents indicated herein.



Services Module US Public Sector (Direct)

1. INTRODUCTION

- 1.1. This Module for Services ("Services Module") specifies terms and conditions which apply to Services and Education that CA will provide to Customer.
- 1.2. This Services Module incorporates by reference the terms of the Foundation Agreement. Any capitalized terms used in this Services Module shall have the meaning given in the Foundation Agreement unless otherwise provided herein.

2. DEFINITIONS

- 2.1 "Attendees" means the participants authorized by the Customer to attend Education classes or courses or as indicated in the Transaction Document.
- 2.2 "CA Intellectual Property" means Deliverables, business processes, software, tools, databases, data, materials, information, and any derivatives or modifications thereof, which includes, without limitation any and all patents, copyrights, trademarks, trade secrets, and other intellectual property rights therein, that are either (i) owned at anytime (ii) developed independently of the Services (iii) licensed from a third party.
- 2.3 "CA Personnel" means employees, sub-contractors or agents on behalf of CA that have entered into confidentiality provisions no less restrictive than defined in the Agreement.
- 2.4 "Course Materials" means any Education content provided to Customer in any media pursuant to a Transaction Document, including without limitation, all publications, courseware, training manuals and materials, user guides, web portals, or virtual labs provided by CA or a CA subcontractor.
- 2.5 "Customer Intellectual Property" means Confidential Information and any business requirements, materials, customer data, information and/or intellectual property owned or licensed that is provided by Customer, which includes, without limitation all patents, copyrights, trademarks, trade secrets, and other intellectual property rights that may be accessed or used during the provision of Services but in all cases excludes any CA Intellectual Property.
- 2.6 "Deliverables" means Packaged Work Product and/or other items provided to the Customer pursuant to an SOW.
- 2.7 "Education" means any standard or customized education offerings, training or instruction, or related services, provided by CA or a CA subcontractor in any format or location, including without limitation, (i) instructor led training, including at CA or Customer site(s), (ii) virtual training, including online classes, courses, or course catalogues and/or (iii) class room training or testing, at a CA or third party training facility.
- 2.8 "Education Funds" means a pool of funds prepaid by Customer which may be applied to purchase Education.
- 2.9 "Packaged Work Product" means any CA Intellectual Property developed prior to the Services which relates to the functionality of CA software provided to the Customer as a Deliverable pursuant to a Statement of Work.
- 2.10 "PIN" means a unique number generated by CA and assigned to the Customer as described in this Services Module.
- 2.11 "Project Coordinator" means the individual appointed by a party to act as a project coordinator for each Services engagement to (i) coordinate the performance of its obligations under the Agreement, (ii) act as its representative regarding the Services, and (iii) maintain primary responsibility for communication with the other party in relation to the Services.
- 2.12 "Services Documentation" means the documentation provided to the Customer pursuant to a Services engagement, including without limitation, such documentation describing the project specifications, design, configuration, architecture and testing procedures, or installation and user guides, as applicable.
- 2.13 "Services" means the professional services provided by CA or its designated subcontractors to the Customer as set out in the relevant SOW.
- 2.14 "SOW" or "Statement of Work" means a description of Services to be provided or as referenced in the Transaction Document.

3. SERVICES OFFERING

- 3.1 CA will provide the Services as agreed in an SOW or Transaction Document, on the basis of time and materials, fixed price or staff augmentation each of which will be further described in the SOW.
- 3.2 CA and the Customer will mutually determine the personnel required for the provision of the Services. This shall be in accordance with Section 1.201 of the Contract.
- 3.3 Customer may request CA to change any particular CA Personnel assigned to the provision of the CA Services upon prior written notice provided that it can show reasonable cause for such request. CA will use reasonable efforts to replace such



CA Personnel subject to parties agreeing that work schedules or time allotted for the Services may be impacted and require a change order.

4. EDUCATION OFFERING

- 4.1 CA will provide Education as agreed in a Transaction Document. The Transaction Document will indicate the courses or classes ordered, the number of Attendees and the location of the Education services, if applicable. Customer is responsible for any travel costs and/or expenses incurred to attend Education.
- 4.2 CA may require the registration or pre-registration of Customer's Attendees in order to attend or access the applicable Education. Customer acknowledges that CA has (or reserves) the right to refuse entry or access to any individual that cannot authenticate their registration or authorization for such Education. Any customized educational courses will be based on the rates and expenses of the instructor providing the course or such fees as stated in the Transaction Document, as applicable.
- 4.3 If CA cancels a class, due to unforeseen circumstances, or low enrollment, CA will provide as much advance notice as possible but no less than ten (10) business days prior to the class in which case Customer may receive credit or reschedule the class to an alternative time
- 4.4 If Customer elects to use the CA Education web access point to allow its Attendees to select and apply Education Funds, CA will supply Customer with a PIN associated with the Transaction Document. The PIN shall be used to help manage the expenditure of the Education Funds and Customer will be responsible for (i) maintaining the confidentiality and proper use of that PIN by its Attendees designated to use such PIN and (ii) advising CA of such designated Attendees.
- 4.5 Cancellation in writing by Customer must be provided at least ten (10) business days prior to the class. If such notice is not given CA may charge up to 100% of the fees for the class. If fees are pre-paid, no refund will be provided.

5. COOPERATION

- 5.1 Each party acknowledges that the success of the Services requires the cooperation of both parties. Customer and CA shall each assign, where appropriate, a Project Coordinator that has requisite authority to decide day-to-day questions that may arise in relation to the Services as defined in the SOW.
- 5.2 Customer acknowledges and agrees that in order for CA to effectively perform the Services in a timely manner, Customer will cooperate with CA by making available on a timely basis (i) management decisions, information, approvals and acceptances (such as a milestone acceptance form where applicable) required by CA for the completion of the Services; (ii) appropriate access to Customer facilities, personnel, equipment, resources and systems; and (iii) any relevant information and documentation as necessary to facilitate performance of the Services. In addition to the above, Customer shall supply CA Personnel with suitable office and work space, and normal office equipment and support, adequate computer resources (including necessary rights to third party software), internet, telephone and facsimile support as necessary to perform the Services.
- 5.3 Each party agrees to assign competent and qualified staff to participate in the performance of the Services.

6. FEES AND EXPENSES

- 6.1 Customer acknowledges and agrees that it must use Education Funds within one (1) year from the effective date of the Transaction Document purchasing such funds. Any portion of Education Funds unused following such period shall expire and not be subject to any refund or credit.

8. WARRANTY

- 8.1 CA warrants that (i) it will perform the Services as detailed in the applicable SOW; (ii) its instructors will provide Education in a professional workman like manner as described in a Transaction Document; and (iii) any Deliverable provided pursuant to a Transaction Document will conform to the Services Documentation.
- 8.2 Customer shall provide written notice of a warranty claim within thirty (30) days of date of delivery ("Notice") of the Services or Education claimed defective or in the case of a Deliverable, the date of delivery, that gave rise to the warranty claim. If Notice is not provided to CA that a breach occurred and/or if milestone or acceptance forms are signed by Customer, then the Deliverable, Services and/or Education will be deemed delivered in accordance with the warranty obligations.
- 8.3 EXCEPT AS SET FORTH IN THIS SECTION, NO OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THIRD PARTY WARRANTIES, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR SATISFACTORY QUALITY AND NONINFRINGEMENT AND/OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, ARE MADE BY CA.

9. WARRANTY REMEDY

In the event of a breach by CA of the above Warranty section, Customer's remedy, at CA's discretion and in consultation with Customer, shall be to re-perform the Services and/or Education at no additional charge to Customer or to refund the applicable fees paid which correspond to the Services, applicable Deliverable or Education. These remedies are contingent upon the following: (i) that the Deliverable has not been modified by Customer; and (ii) that the alleged breach did not



result from Customer's failure to abide by its obligations defined in the applicable Transaction Document or for its failure to follow the Services Documentation.



Education Module US Public Sector (Direct)

1. INTRODUCTION

- 1.1. This Module for Education ("Education Module") specifies terms and conditions which apply to Education that CA will provide to Customer.
- 1.2. This Education Module incorporates by reference the terms of the Foundation Agreement. Any capitalized terms used in this Education Module shall have the meanings given in the Foundation Agreement unless otherwise provided herein.

2. DEFINITIONS

- 2.1. "Attendees" mean the participants authorized by Customer to attend or participate in the Education offerings as indicated in the Transaction Document.
- 2.2. "Course Materials" means any Education content provided to Customer in any media form pursuant to a Transaction Document, including without limitation, all publications, courseware, training manuals and materials, user guides, web portals, or virtual labs provided by CA or a CA subcontractor.
- 2.3. "Education" means any standard or customized education offerings, training or instruction, or related services, provided by CA or a CA subcontractor in any format or location, including without limitation, (i) instructor led training, including at CA or Customer site(s), (ii) virtual training, including online classes, courses, or course catalogues and/or (iii) class room training or testing, at a CA or third party training facility.
- 2.4. "Education Funds" means a pool of funds prepaid by Customer which may be applied to purchase Education.
- 2.5. "PIN" means a unique number generated by CA and assigned to the Customer as described in this Education Module.

3. EDUCATION OFFERING

- 3.1. CA shall provide the Education as agreed in a Transaction Document. The Transaction Document will specify the type of Education offering being purchased, including at a minimum, the courses or classes ordered, the quantity of Attendees, and the manner and/or location of delivery of such Education services, as applicable.
- 3.2. CA may require the registration or pre-registration of Attendees in order to attend or access the applicable Education. Customer acknowledges that CA reserves the right to refuse entry or access to any individual that cannot authenticate their registration or authorization for such Education. Any customized educational courses will be based on the rates and expenses of the instructor providing the course or such fees as stated in the Transaction Document, as applicable.

4. FEES AND CANCELLATION

- 4.1. The Customer will pay to CA the fees, expenses and other charges as defined in the Transaction Document and acknowledges that such fees are due and payable upon execution of such Transaction Document. Any customized educational courses will be based on the rates and expenses of the instructor providing the course or such fees as stated in the Transaction Document, as applicable.
- 4.2. Customer may use Education Funds in one or more transactions. Customer acknowledges and agrees that it must use Education Funds within one (1) year from the effective date of the Transaction Document purchasing such funds. Any portion of Education Funds unused following such period shall expire and not be subject to any refund or credit.
- 4.3. If CA cancels a class due to unforeseen circumstances, or low enrolment, CA will provide as much advance notice as possible but no less than ten (10) business days prior to the class in which case Customer may receive credit or reschedule the class to an alternative time.
- 4.4. If Customer elects to use the CA Education web access point to allow its Attendees to select and apply Education Funds, CA will supply Customer with a PIN associated with the Transaction Document. The PIN shall be used to help manage the expenditure of the Education Funds and Customer will be responsible for (a) maintaining the confidentiality and proper use of that PIN by its Attendees designated to use such PIN and (b) advising CA of such designated Attendees.
- 4.5. Cancellation in writing by Customer must be provided at least ten (10) business days prior to the class. If such notice is not given CA may charge up to 100% of the fees for the class. If fees are pre-paid, no refund will be provided.
- 4.6. Neither party shall be liable for any travel related fees or expenses incurred by the other party in relation to Education which such party has properly cancelled in compliance with this section.

5. INTELLECTUAL PROPERTY RIGHTS



CA grants to Customer, a non-exclusive, non-transferable license to use the Course Materials for the internal use of the Customer, but limited to the specific Attendees and subject to terms of the Agreement. Customer shall be responsible for all use of the Education and Course Materials by its Attendees.

6. WARRANTY

- 6.1. If CA provides an instructor, the delivery of the Course Offering shall be provided in a professional, workman-like manner.
- 6.2. EXCEPT AS SET FORTH IN THIS SECTION, NO OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THIRD PARTY WARRANTIES, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR SUITABILITY AND/OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE MADE BY CA.

7. WARRANTY REMEDY

- 7.1. In the event of a breach of the Warranty section, Customer's remedy shall be, at CA's discretion and in consultation with Customer, to re-perform the Education at no additional charge to Customer or to refund the applicable fees paid which relate to the specific Education, Course or Course Material. These remedies are contingent upon the alleged breach not resulting from Customer's failure to abide by its obligations as defined in the Transaction Document or to conform to the Course Materials.
- 7.2. Any conflict or inconsistency among or between the terms and conditions of the documents comprising the Agreement shall be resolved according to the following order of precedence, from the document with the greatest control to the least: (1) the Transaction Document; (2) the Education Module; (3) the Foundation Agreement.



Appendix I: Specific Program Documentation - CA Clarity PPM

Specific Program Documentation

1. The CA software program(s) ("CA Software") listed below is provided under the following terms and conditions in addition to any terms and conditions referenced on the Order Form entered into by you and the CA entity ("CA") through which you obtained a license for the CA Software. These terms shall be effective from the effective date of the Order Form.

2. **Program Name:** CA Clarity™ Project & Portfolio Manager

3. **Specified Operating Environment**

The CA Software's specifications and specified operating environment information may be found in Documentation accompanying the CA Software, if available (e.g., a user manual, user guide, or readme.txt or notice.txt file).

4. **Licensing Model**

When CA Software is used on multiple machines (physical and "virtual"), each such use of the CA Software shall be counted for the purposes of determining the Authorized Use Limitation for that CA Software. A "virtual" PC or server environment is created where Virtual Machine Technology (which applies to both client and server hardware) is used to enable multiple instances of an operating system(s) to run on a single computer simultaneously.

For purposes hereof, CA Software means the CA Clarity Project and Portfolio Manager (also known as CA Clarity PPM) and the Enterprise Visibility Option CA Software described herein in object code form and as set forth on the Order Form.

A. An "Environment" can consist of any or all of the following, provided that all of the servers in the Environment function as one logical Environment: one or more application servers, search servers, report servers, background servers, and/or database servers. Typical examples of Environments include production Environments, development Environments and test Environments. Customer may not install and use CA Software in more than three (3) Environments, nor in more than one (1) production Environment, without paying additional software license fees to CA. A production Environment is a computer system used to process an organization's daily work on a real-time operation and may be a mission critical computer system in the organization. Production Environments are not systems used only for development and testing.

B. "Manager User" means Customer's designated users who have full use of and access to the functions within the CA Clarity PPM products licensed.

C. "Team Member User" means Customer's designated users who have limited rights to the functions within the CA Clarity PPM products licensed, and may only (i) view data and run reports in all licensed products; (ii) collaboratively participate in processes, discussions and document sharing and receive notifications in all licensed products; (iii) view project tasks and calendars, and report and approve time and project status; and (iv) enter and view status of ideas.

D. "Viewer User" means Customer's designated users who have limited rights to the functions within the CA Clarity PPM products licensed and may only (i) view data and run reports; (ii) originate idea workflows, and participate in the continuation of those workflows.

E. The CA Software is licensed by Environment and the number of Users (Manager, Team Member or Viewer) set forth in the Order Form (the "Authorized Use Limitation"). Customer is granted the right to install and use the CA Software in not more than three (3) Environments, of which only one (1) may be a production Environment.

F. Enterprise Visibility Option includes unlimited Viewer Users and unlimited Business Objects report distribution and use within Customer's business.

5. **Third Party Terms**

No Third Party Terms are included Clarity version r.12.1.



Appendix J: Specific Program Documentation - CA Productivity Accelerator (CA PA)



Specific Program Documentation

The CA Education offering ("Education") listed below is provided under the following terms and conditions and otherwise as expressly set forth on the Order Form entered into by you and the CA entity ("CA") through which you acquire this Education. These terms shall be effective from the date specified in the section of the Order Form entitled "Effective Date of Order Form".

CA Education Offering: CA Productivity Accelerator (CA PA) For CA Clarity PPM

CA PA Terms

The CA Productivity Accelerator (CA PA) is a unique, synchronized, customizable solution that helps you quickly create the critical documentation, training and support materials your organization needs to drive user productivity throughout the life cycle of your software.

Your end users play a key role in increasing the value of your enterprise applications. With the right set of skills, this group can have the confidence, knowledge and competency necessary to achieve long-term success. Properly trained users require less support and learn new tasks up to four times faster than untrained users. CA PA is available for use in accordance with the CA Education Terms related to the CA Productivity Accelerator (CA PA) below. The CA Productivity Accelerator (CA PA) is available for use with CA Clarity. This document may be updated by CA from time to time in its sole discretion, provided that any such updates made by CA to the CA Education Terms shall only apply prospectively to CA Education purchased by you on or after the date of such update.

Scope of CA PA

In accordance with the education services provided under the Education Module, CA PA includes the following:

- ✓ Leveraging training, support documentation and delivery across the entire enterprise.
- ✓ Providing sophisticated content that can be modified and deployed without IT expertise
- ✓ Offering multiple deployment options that are suited to varied organizational infrastructures.
- ✓ Increasing user acceptance, decreasing support costs and enhancing productivity
- ✓ Provide one synchronized content platform
- ✓ Enable the ease of creating test scripts

Additional Options for CA Education Customers

CA may make other education offerings available that provide specific, customized, and/or more comprehensive forms of enhanced education.

CA Productivity Accelerator for CA Clarity Terms

1. GRANT OF LIMITED LICENSE.

Subject to the terms of this agreement, CA hereby grants to Customer and its Users, which Users shall be limited to Customers employees and independent contractors (but excluding any outsourcer, facilities management providers or application service



providers, and as described herein, a perpetual, non-exclusive and non-transferable license, without rights of sublicense, to access and use the CA Productivity Accelerator (hereinafter referred to as the "Licensed Program") and related Courses and Materials, as such terms are defined in this agreement (hereinafter referred to as "Licensed Materials") only with CA proprietary software product(s), for which product(s) Customer has a current license granted by CA and is identified as licensed for use with the Licensed Program in the Order Form. Title to and full ownership of the Licensed Program and Licensed Materials and the Work Product, including but not limited to copyright, patent, trade secrets, trademark and any other proprietary rights, shall be and remain the property of CA, and Customer shall have no rights or interests therein, except for the limited license granted in this Section 1. Customer shall be fully responsible to CA for the actions or inactions of its Users.

2. SPECIFIC LICENSE TERMS.

A. Developer User License.

A licensed Developer User is a named individual authorized by Customer to access and use the Licensed Program pursuant to the provisions of this ESA.

B. Primary User License.

A licensed Primary User is a named individual authorized by Customer to access and use the Licensed Materials pursuant to the provisions of this Attachment and this agreement.

C. Work Product License.

CA acknowledges and agrees that CA may, on request of Customer, or Customer may, perform modifications to the Licensed Materials, including any Documentation, materials, and other information created or provided by CA (hereinafter referred to as "Work Product"). Such Work Product shall be owned by CA and licensed to Customer hereunder. Any pre-existing data or other material of Customer used to create or contained within such modifications shall continue to be owned by Customer.

D. Customer's use of the Licensed Program and Licensed Materials shall not exceed the number of licensed users identified in the "Licensed Users/QTY" column in the Order Form, as may be amended upon written agreement of the parties.

3. CUSTOMER REPORT.

Upon the anniversary date of this ESA, Customer shall provide to CA a written report stating the amount of Customer's Developer Users and Primary Users. In the event that any such amount is greater than Customer's applicable then current license, such report shall be accompanied by payment of any and all User fees due to CA in accordance with the provisions of the Order Form.

4. MAINTENANCE.

Subject to payment of applicable fees, maintenance services applicable to the Licensed Program and Licensed Materials that are accessed through Hosting services as described in this ESA, if applicable, would then be solely comprised of certain Course updates which may be developed by CA, from time to time, in response to ongoing development of CA's software, in CA's sole discretion and at the fees and the Term, and any renewal period thereof, all as set forth in the Order Form.

5. RENEWAL.

Upon expiration of the initial Term stated on the Order Form, unless CA or the Customer shall have given at least 30 days prior written notice of its election not to renew or unless otherwise agreed in writing, maintenance shall automatically renew for successive terms each equivalent to the initial Term on the same terms and conditions except that Customer shall pay CA's then prevailing fees for maintenance.

6. KEYS.

The Licensed Program may be equipped with a program key file necessary for its operation or activation. CA shall email the Customer the program key file when the media is shipped to the Customer.

Unless stated otherwise, the license granted herein does not supersede any other license or agreement between Customer and CA all of which remain in full force and effect. Any previous quotation including any of the above Licensed Program and Licensed Materials is withdrawn.

