

STATE OF MICHIGAN  
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET November 16, 2011  
PROCUREMENT  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 4  
TO  
CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Deborah Guskovict <b>(734)632-1558</b>
Lason Systems, Inc. 38120 Amrhein Rd. Livonia, MI 48150 Email:deborah.guskovict@hovservices.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517) 241-1640 <b>Mark Lawrence</b>
Contract Compliance Inspector: Patty Bogard <b>MICSES Print and Mail Services – MDIT/MDHS</b>		
CONTRACT PERIOD From: <b>November 28, 2006</b> To: <b>November 27, 2011</b>		
TERMS	SHIPMENT	
<b>Net 30 Days</b>		<b>N/A</b>
F.O.B.	SHIPPED FROM	
<b>Delivered</b>		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**NATURE OF CHANGE(S):**

Effective immediately, this Contract is hereby **INCREASED \$500,000.00**. Please also note that the buyer for this Contract is **CHANGED** to Mark Lawrence. All other terms, conditions, specifications and prices remain unchanged.

**AUTHORITY/REASON(S):**

Per agency and vendor agreement and DTMB approval as well as State AdBoard approval on 11/15/11.

**INCREASE: \$500,000.00**

**TOTAL REVISED CONTRACT VALUE: \$13,871,390.63**

STATE OF MICHIGAN  
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET      October 22, 2010  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

**CHANGE NOTICE NO. 3**  
**TO**  
**CONTRACT NO. 071B7200101**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF VENDOR		TELEPHONE Deborah Guskovict <b>(734)632-1558</b>
<b>Lason Systems, Inc.</b> <b>38120 Amrhein Rd.</b> <b>Livonia, MI 48150</b> Email:deborah.guskovict@hovservices.com		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-3215 <b>Steve Motz</b>
Contract Compliance Inspector: Patty Bogard <b>MICSES Print and Mail Services – MDIT/MDHS</b>		
CONTRACT PERIOD      From: <b>November 28, 2006</b> To: <b>November 27, 2011</b>		
TERMS	SHIPMENT	
<b>Net 30 Days</b>	<b>N/A</b>	
F.O.B.	SHIPPED FROM	
<b>Delivered</b>	<b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**NATURE OF CHANGE(S):**

Effective October 19, 2010 this Contract is hereby INCREASED \$2,500,000.00.

Effective October 19, 2010 the Buyer for this Contract is CHANGED to:

Steve Motz, Buyer  
(517) 241-3214  
[Motzs@michigan.gov](mailto:Motzs@michigan.gov)

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

**AUTHORITY/REASON(S):**

Per agency request, PRF dated 5/26/10, OSE approval dated 7/16/10 and AdBoard approval 10/19/10.

**INCREASE: \$2,500,000.00**

**TOTAL REVISED CONTRACT VALUE:      \$13,371,390.63**

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

December 22, 2009

CHANGE NOTICE NO. 2 (REVISED)  
TO  
CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (734)632-1558
Lason Systems, Inc. 38120 Amrhein Rd. Livonia, MI 48150  Email:dguskovict@lason.com		Deborah Guskovict
		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-7233
Contract Compliance Inspector: Patty Bogard		Joann Klasko
MICSES Print and Mail Services – MDIT/MDHS		
CONTRACT PERIOD		From: November 28, 2006 To: November 27, 2011
TERMS	N/A	SHIPMENT
F.O.B.	N/A	SHIPPED FROM
MINIMUM DELIVERY REQUIREMENTS		N/A
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

Per Executive Directive 2009-3, the vendor has offered the following price concessions to the State of Michigan:

Effective 12/15/2009, vendor reduced Services Forecast for FY2010 by 10% for a total savings of \$110,776.00.

Effective immediately, this contract is hereby EXTENDED to November 27, 2011 and INCREASED by \$2,700,000.00

AUTHORITY/REASON(S):

Per vendor and DMB Purchasing Operations agreement and the approval of the State Administrative Board on 12/15/2009.

INCREASE: \$2,700,000.00

TOTAL REVISED CONTRACT VALUE: \$10,871,390.63

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

December 15, 2009

CHANGE NOTICE NO. 2  
TO  
CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (734)632-1558
Lason Systems, Inc. 38120 Amrhein Rd. Livonia, MI 48150  Email:dguskovict@lason.com		Deborah Guskovict
		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-7233
Contract Compliance Inspector: Patty Bogard		Joann Klasko
MICSES Print and Mail Services – MDIT/MDHS		
CONTRACT PERIOD From: November 28, 2006 To: November 27, 2010		
TERMS	N/A	SHIPMENT
F.O.B.	N/A	SHIPPED FROM
MINIMUM DELIVERY REQUIREMENTS		N/A
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

Per Executive Directive 2009-3, the vendor has offered the following price concessions to the State of Michigan:

Effective 12/15/2009, vendor reduced Services Forecast for FY2010 by 10% for a total savings of \$110,776.00.

Effective immediately, this contract is hereby EXTENDED to November 27, 2010 and INCREASED by \$2,700,000.00

AUTHORITY/REASON(S):

Per vendor and DMB Purchasing Operations agreement and the approval of the State Administrative Board on 12/15/2009.

INCREASE: \$2,700,000.00

TOTAL REVISED CONTRACT VALUE: \$10,871,390.63

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

February 5, 2008

CHANGE NOTICE NO. 1  
TO  
CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (734)632-1558
Lason Systems, Inc. 38120 Amrhein Rd. Livonia, MI 48150  Email:dguskovict@lason.com		Deborah Guskovict
		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-7233
Contract Compliance Inspector: Patty Bogard		Joann Klasko
MICSES Print and Mail Services – MDIT/MDHS		
CONTRACT PERIOD From: November 28, 2006 To: November 27, 2009		
TERMS	N/A	SHIPMENT
F.O.B.	N/A	SHIPPED FROM
MINIMUM DELIVERY REQUIREMENTS		N/A
MISCELLANEOUS INFORMATION:		

NATURE OF CHANGE(S):

Effective immediately, the scope of this contract now includes printing and mailing services for 8 mission critical applications currently printed at the Consolidated Printer Center (CPC) as part of a disaster recovery plan in the event of a system failure. See attached State of Work and Pricing . All other terms, conditions and pricing for MICSES remain the same.

AUTHORITY/REASON(S):

Per DMB, DIT, Ad Board and vendor concurrence.

INCREASE: \$50,000.00

TOTAL REVISED CONTRACT VALUE: \$8,171,390.63

**December 14, 2007**

**Joann M. Klasko  
Buyer, IT Division  
Purchasing Operations  
Michigan Department of Management and Budget  
530 W. Allegan, 2nd Floor  
Lansing, MI 48933**

**Dear Joann,**

**Thank you for the opportunity to submit a quotation for Disaster Recovery Services for Central Print and for your time in meeting with us last week. We were able to better understand your requirements and expectations. As such, HOV Services/LASON submits the attached quotation for Disaster Recovery Services.**

**As you will find, the quotation covers the Disaster Recovery (DR) requirements including the addition of Output Manager hardware and software. HOV/LASON recognizes the needs of the State to decrease cost and increase efficiencies. As such, HOV has reviewed the requirements and our partnership with SOMI as a whole. We truly respect our partnership with the State of Michigan and understand the economic budget crises. To that end and in the spirit of our valued partnership we have waived all up-front fees for the Disaster Recovery initiative.**

**HOV Services/LASON will continue to work diligently in providing continuous improvements and enhancements to deliver the best-in-class work for SOMI. We look forward to maintaining our long-standing partnership. It is our pleasure to work with such a dedicated team of Professionals at SOMI.**

**Thank you for your support. Please feel free to contact me with any questions. I can be reached at 734.632.1558 or [dguskovict@lason.com](mailto:dguskovict@lason.com).**

**Warm Regards,**

**Jim Stephenson**

**Deborah Guskovict**

SOMI DR Price Schedule		
INITIAL SETUP INFRASTRUCTURE	cost	unit
<b>Facility</b> - Secure facility; network connectivity; CPC environment; production implementation infrastructure for disaster; network requirements; testing requirements; includes interfaces; infrastructure to integrate with HOV production systems; includes Output Manager hardware and software requirements	\$ -	waived
<b>Emtex Software License</b> - support State of Michigan print requirements.	\$ -	waived
<b>Emtex Software Maintenance</b> - support State of Michigan print requirements.	\$ 2,665.00	annual
<b>Application Development</b> - initial application setup to integrate with HOV production processes.	\$ -	waived
<b>Application Testing</b> - State has identified 8 applications, cost to perform Disaster Recovery test per State of Michigan testing requirements every six months	\$ 1,000.00	per application
<b>Application Reports</b> - HOV Services will provide standard production reports to include production counts and inventory status. If customized reports are required, HOV will work with the State to determine the requirements. <b>NOTE: This charge is for customized reports only.</b>	\$ 118.75	Hour
<b>Project Manager</b> - Single point of contact (SPOC) with the knowledge base to manage application testing, system, application and software updates, day to day communications and inventory requirements.	\$ 250.00	month

COST WHEN EMERGENCY IS DECLARED	cost	unit
<b>DISASTER DECLARATION</b> - the cost to make ready for live production (DR). To include confirm connectivity and receive files in 2 hours, begin acclimating paper and envelopes, designate single point of contact (SPOC),	\$ 10,000.00	per disaster declaration
<b>WAREHOUSING MATERIALS</b> - 0 days supply of paper and envelopes on hand. HOV will provide on-site secure storage	\$ 15.00	skid / month
<b>PROGRAMMER/ANALYST (IT)</b> - As authorized by State of Michigan Project Manager	\$ 118.75	Hour
<b>Data Processing</b>	\$ 0.008	image
<b>Laser Image (8.5 X 11)</b>	\$ 0.021	image
<b>Fold Sheet</b>	\$ 0.030	sheet
<b>Mechanical Envelope Inserting 1st page</b> - insert 1st page into envelope, fold, seal and meter.	\$ 0.023	envelope
<b>Mechanical Envelope Inserting additional pages</b> - insert additional page into envelope and fold.	\$ 0.010	sheet
<b>Mechanical Envelope Inserting generic inserts</b> - insert generic inserts into envelope (i.e. CRE, CRE, flyer or brochure).	\$ 0.005	insert
<b>Manual Fulfillment - Space, Tables and Work Station to be provided.</b> (Labor to be supplied by customer)	\$ 0.0052	envelope
<b>Presort</b> - sort mail for USPS discounts.	\$ 0.0120	envelope
<b>1st Class Postage</b> - presorted discounted cost of 1st Class postage; postage will be billed at actual	\$ -	
	\$ -	
	\$ -	
<b>Optional Standard Generic Materials</b>		
Paper (plain white 8.5x11 cutsheet; 20#; no hole)	\$ 0.00650	sheet
#10 Large Single Window Envelope (plain white; 20#)	\$ 0.01475	envelope

#### ASSUMPTIONS

- Pricing is based on the review of the specifications for eight applications
- Any additional necessary software or hardware not detailed in this RFQ will be subject to quote for approval
- SOMI to follow the HOV Services schedules/timelines for postal sortation. HOV will work with SOMI to determine best practice for mail delivery based on capacity and timeliness of mail
- DR business to be placed under existing SOMI FOC Contract
- HOV will communicate and work with the State when hardware or software upgrades and/or replacements become available and necessary to the HOV line of business

# **071B7200101 Contract Change Notice to Add Disaster Recovery for CPC & M&DS**

## **1.001 PROJECT REQUEST**

The State of Michigan (State), through the Michigan Department of Management & Budget (MDMB), has issued this contract change notice to provide a Disaster Recovery Solution for the State's centralized print and mail facility which includes print to mail services for 8 critical applications. These applications consist of treasury warrants and remittance of advice statements. (Attachment 1).

The objectives of the Disaster Recovery Plan are to:

- Provide for the processing of CPC/M&DS applications that have been designated by CPC/M&DS partners and customers as critical to the health and welfare of the citizens of the State of Michigan.
- Serve as a secure recovery site for the continued processing of these critical applications.
- Mitigate processes so that the recovery time and impact is minimized.
- Meet or exceed the state and/or federal deadline requirements that regulate the processing of the applications as specified by CPC/M&DS partners and customers.

The Consolidated Print Center (CPC) and Mail and Delivery Services (M&DS) operations are located in the DMB General Services building at the State Secondary Complex.

The term of this change notice will coincide with original term of the contract and will also include the two (2) one-year options to extend.

### **1.1 Scope of Work and Deliverables**

#### **1.101 IN SCOPE**

The contractor will provide the following services for the complete and successful implementation of a Disaster Recovery plan.

Specific services include:

- Provide a secure facility to receive files to process, print, and mail
- Provide network connectivity to receive files from the State
- Test print 8 critical applications
- Test mail and delivery of 8 critical applications
- Provide onsite secured storage
- Production implementation if a disaster is declared
- Implementation of reporting and updating procedures
- Production capability within 2 hours of declared emergency
- Option to add other applications

#### **1.102 OUT OF SCOPE**

The following are out of the scope of this Request for Proposals:

- Application development
- Procurement of hardware for the State
- Procurement of software for the State
- Customization of software to accommodate the State's file transfers, printing and mailing of documents
- Business process re-engineering services
- Data conversion



### 1.103 ENVIRONMENT

Information regarding the State's information technology architecture and standards for hardware, database applications, network hardware and monitoring tools, identity management/authentication and development tools may be found at: <http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

The CPC environment consists of the following:

- *Hardware Listing:* (Attachment 2)
- *Operating Systems:* Windows 2000, Windows 2003, UNIX, and Linux
- *Desktop Workstations:* Windows 2000, Windows 2003, and/or Windows XP
- *Software Listing:* Enterprise Output Manager (EOM), Elixir Design Pro, Microsoft Office, Microsoft PageMaker, WS FTP Pro, Lytrod Pro Form Designer
- *Database:* SQL Billing Database
- *Network:* SOM (State of Michigan)
- *Firewall:* State LMAN firewall
- *Locations:* General Services Building – State Secondary Complex
- *Capacity Projections:* No file size limitations
- *Browser:* Microsoft Internet Explorer 6.0
- *Reporting tools:* CPC Express, EOM Reporting Log Utility, Xerox Account Logs
- *Interfaces:* EOM
- *Classes of users:* Administrators and Operator

The M&DS environment consists of the following:

- *Hardware Listing:* (Attachment 2)
- *Operating Systems:* Included with Hardware listing (Attachment 2)
- *Desktop Workstations:* Windows XP
- *Software Listing:* Postalsoft Business Edition
- *Database:* SQL Billing Database
- *Network:* SOM (State of Michigan)
- *Firewall:* State LMAN firewall
- *Locations:* General Services Building – State Secondary Complex
- *Capacity Projections:* No file size limitations
- *Browser:* Microsoft Internet Explorer 6.0
- *Reporting tools:* CPC Express, EOM Reporting Log Utility, Xerox Account Logs
- *Interfaces:* EOM
- *Classes of users:* Administrators and Operator

### 1.104 WORK AND DELIVERABLES

#### A. Requirements

##### **Secured Facility Requirements:**

- The contractor will provide details of their disaster recovery site after the CCN is issue. The details are to include: the location, topography, electrical backup, flood plain, proximity to flooding or hurricane etc., natural disasters, location near highway, dock for delivery/shipping and any other pertinent information in order to properly evaluate the proposed site.
- Provide access to space for 2 people within 2 hours from notice of activation
- Provide access to space for up to 4 people within 12 hours from notice of activation to assist contractor staff.
- Provide access to phones for (2) people within 2 hours from notice of activation
- Provide access to computers for (2) people with internet access within 2 hours from notice of activation
- Provide access and use of common office equipment such as fax, copying, etc., for on-site state employees.
- The facility must be secure within 2 hours from notice of activation. Security shall mean that the facility is not accessible to the general public. Only authorized personnel who have signed confidentiality agreements have access to the facility or portion of the

facility that the state's printing and mailing will be prepared. The contractor must detail the security that will be available as part of this proposal.

- Provide employee confidentiality and area security during production and until delivery to USPS.
- Agrees to confidentiality requirements and sign required confidentiality statements. (Attachment 3)

#### Network Connectivity Requirements

- Must be able to accept PCL files transmitted via the State of Michigan Vendor net T1
- Must accept data for printing in the file formats listed for each application.
- Server Requirement – The contractor must provide operating platform queues as defined by the State of Michigan to accept files transmitted via the State of Michigan's Contractor net T1. The queues include pin-feed, cut-sheet and network. The queues will be developed by the State during the testing phase of the project.
- Protocol Requirement – The contractor must demonstrate that resources are resident & updated as updates become available from the CPC/MS.
- For initial setup and for testing, the contractor must demonstrate that format integrity matches CPC/MS for each application
- Must have the ability to process all applications noted by CPC/MS to noted specifications and consistent with the Tier time requirements.
- Must define network and server security procedures in place for data and resources.
- Must define procedures to limit access to staff specifically authorized by the state.
- Must be able to accommodate files that have been formatted by the Consolidated Print Center using the Unisys DEPCON/Output Manager software.

#### Testing Requirements

- Designate a Testing Single Point of Contact (SPOC).
- Comply with testing of each application as they are set up, and this test will include test print, data integrity and mail processing.
- Comply with testing two times a year, and this test will include test print, data integrity and a test of mail processing. This testing also will ensure that all requirements of the contract are demonstrated. These tests will be of a sample not to exceed 10% of identified applications per test. 100% of the test sample must be delivered to MDSD Representatives within 24 hours of file transmission to the disaster recovery site for validation that all mailing requirements have been met.

#### Printing

- Enable print to duplicate current print formatting and fonts.
- Allow State of Michigan employees to oversee print process to insure applications are formatting correctly.
- Provide MICR printing for warrants and checks.
- Must be able to print files in the same manner as the Consolidated Print Center (Xerox DJDE, PCL, and ISC Spool).
- Print output quality must meet CPC/MS requirements, which includes US Postal Service requirements on bar codes and Bank One requirements. (See attachment 4 for requirements).
- Provide and maintain an active copy of the software (Unisys Output Manager) used at the Consolidated Print Center to administer print files. CPC staff will determine the configuration required to process critical files identified in the plan.

#### Postal and Distribution Requirements

- Provide fulfillment tasks such as bursting, folding, inserting, metering, and presorting.
- Send documents that are to be mailed by presorted First Class mail for postal rate savings.
- Ensure daily delivery to the United States Postal Service.
- Utilize all postal volume discounts available.
- Must have a dock available for the pickup & drop off mail and non-mail items related to this contract.
- Must have drop ship authorization for the State of Michigan's permit 1200 from USPS or the use of company permit

- Applications printed must be prepared and presented to the USPS within their acceptance times on the day they are printed and in accordance to the schedule provided.
- Allow State of Michigan employees to oversee the mail process for quality assurance purposes.
- Provide a copy of the USPS mail acceptance agreement in the name of the organization that will process and deliver the mail to the USPS.

### **Activation**

- The State of Michigan DMB Agency Services Director or a higher authority will make the decision to formally declare that a disaster has interrupted Agency Services' ability to provide critical services.
- Must confirm connectivity & receive files within 2 hours of activation
- Must begin acclimating supplies within 2 hours from notice of activation
- Designate Event Lead - Single Point of Contact (SPOC) for event declaration.
- Secure data for the duration of the emergency and verify destruction of any printed or electronically stored data after the event.
- The contractor will fully cooperate with occasional audits, which will include storage verification as well as compliance with contract requirements.

### **Reporting**

- Designate a Project Manager.
- Provide invoicing that details:
  - Image counts for every file printed.
  - Count of pieces prepared for mailing.
  - Provide detail of total postage used per file.
- A report with the following information for each application is due daily from the contractor upon plan activation:
  - Application ID number.
  - Image counts.
  - Pieces mailed by permit number and meter.
  - Total cost of postage and volumes by application.
  - Mail preparation costs and volumes by type (ie: folding, inserting, etc) and by application.
  - Presort savings by application.
  - Contractor hours spent.
  - The reports will not be considered complete until the Agency Project Manager has formally accepted them.
- Monthly report upon award on resident electronic forms that includes the following information for each application:
  - Application ID number.
  - Date revised.
- Monthly inventory report upon award that includes the following information for each application:
  - Application ID number.
  - Each required supply.
  - Date each supply revised.
  - Quantity of each supply.
- Testing report that will be required upon application set-up, twice per year for test, and upon request during audit:
  - Application ID number.
  - Designated queue.
  - Date of most recent form revision.
  - Date of most recent successful test for data reception from state.
  - Date of most recent successful test that current revision of form is resident.
  - Date of most recent successful test that application test data was printed as required.
  - Date of most recent successful test that application was properly prepared for mailing as required.

- Date of most recent successful test that application was distributed as required (by mail or dock pick-up).

### **Storage Requirements**

- Provide secure onsite storage of required supplies to last three days. Upon plan activation, the contractor must accept vendor drops.
- Demonstrate that stored materials are resident & updated as those updates become available from the CPC/MS
- Detail and document the procedure that will be followed to ensure complete destruction of outdated materials and electronic resources.
- Define and document storage and inventory security procedures in place, and the define procedures to limit access to staff specifically authorized by the state.

## **B. Deliverables**

The services being provided must use the State's Project Management Methodology. The following are the tasks and deliverables associated with this project.

### **Initial Setup Infrastructure**

- Facility – Secure facility; network connectivity; CPC environment; production implementation infrastructure for disaster; network requirements; testing requirements; includes interfaces; Output Manager hardware and software requirements.
- Emtex Software License
- Emtex Software Maintenance
- Application Development – Initial application setup to integrate with Contractor's production processes
- Application Testing\* - Applications; cost to perform DR test per SOM testing requirements every 6 months. Upon the successful completion of the semi-annual test as approved by the State. Charge is every 6 months for 3 applications as several applications are the same.
- Application Reports – Contractors services will provide standard production reports to include production counts and inventory status. If customized reports required, the contractor will work with State to determine the requirements. Note: The charge is for the customized reports only.
- Project Manager – Single point of contract – with the knowledge base to manage application testing, system, application, and software updates, day to day communications and inventory requirements – As needed.

\*Test requirements are provided under Section 1.104. Successful completion is defined as the test sample is delivered to the USPS within 24 hours from transmission of the data to the disaster recover site (DR Site).

### **Cost When Emergency Is Declared**

- Disaster Declaration – cost to make ready for live production (DR). TO include confirm connectivity and receive files in two hours, begin acclimating paper and envelopes, designate single point of contact (SPOC's).
- Warehousing Materials – supply of paper and envelopes on hand) Contractor will provide on-site secure storage. Skid/Month
- Programmer/Analyst (IT) – Cost/Hour
- Data Processing – Cost/image
- Laser Image (8.5 x 11) – Cost/Image
- Fold Sheet – Cost/Sheet
- Mechanical Envelope Inserting 1<sup>st</sup> Page – Insert 1<sup>st</sup> page into envelope, fold, seal and meter – Cost/Envelope
- Mechanical Envelope Inserting Additional Pages – Cost/Sheet
- Manual Fulfillment – Space, tables and Work Station to be provided (Labor to be supplied by customer) – Cost/Envelope
- Presort – Sort mail for USPS discounts – Cost/Envelope
- 1<sup>st</sup> Class Postage – presorted discounted cost of 1<sup>st</sup> Class Postage; postage will be billed at actual
- Optional Standard Generic Material
  - Paper (plain while 8.5 x 11 cutsheet; 20#, no hole – Cost/Sheet

- #10 Large Single Window Envelope (plain white; 20#) – Cost/Envelope

### **C. Interfaces**

The contractor will install and maintain an active version of the Unisys Output Manager software on a server dedicated to the business continuity plan. The server will reside at the recovery site and meet the necessary requirements as defined by the Consolidated Print Center. The contractor will coordinate the software installation and configuration required for critical applications with Consolidated Print Center analyst staff. The contractor will work with Consolidated Print Center analyst staff to devise a method for updating the resources on an ongoing basis.

The Output Manager software is used to administrate and format print files defined in the business continuity plan. The files will be transmitted via the State of Michigan vendor net secure line. The contractor must be able to receive files by means of the LPD/LPR and FTP protocols using established software programs.

The contractor must be able to receive warrant and check reconciliation reports from the State of Michigan mainframe hosts using the TCP/IP protocol to a designated printer at the recovery site. The reconciliation reports are pre-composed files that are generated on the mainframe and require no support from the contractor. They are confirmation that the files are approved for production and provide totals that need to be balanced at the end of print process. The total volume for each run is usually under twenty pages and can be printed on standard twenty-pound paper.

The server dedicated to the business continuity process must be able to accommodate spreadsheet templates created in Microsoft office that are sent to the respective agency when printing is complete.

The application interface is as follows:

The Output Manager Server component requires the following hardware and software:

- A PC with an Intel Pentium or higher processor (the minimum requirement for the Microsoft Windows operating system)  
One of the following Windows operating systems:
  - Windows 2000
  - Windows 2003
  - Windows XP

Note: Enterprise Output Manager 6.1 is not supported on the Windows NT operating system
- A hard disk with a minimum of 100 MB available for the Output Manager software and enough space for the files outlined in the plan.
- A CD-ROM drive.
- The memory (RAM) required is the minimum amount required for the Windows operating system.
- A monitor with a minimum display resolution of 800 x 600 pixels.
- Internet Explorer 4.0 or higher for online help.

The following software options on the Output Manager PC are required to communicate with an LPD/LPR System:

- Windows with TCP/IP and Output Manager
- FTP protocol requires Microsoft Internet Information Services.

And the following software on the peer system:

- LPR protocol plus TCP/IP

### Application Details

Job Name: SMQ77

Reports: MQ-870, MQ-872, MQ-872

Agency: Department of Community Health

File Transfer Protocol: LPD/LPR

Data Stream: Xerox Proprietary DJDE (Dynamic Job Descriptor Entry)

Stock: Twenty-pound 8.5X11 un-drilled paper

Job Name: TF08

Reports: 401, 411, 421, 431

Agency: Department of Treasury

File Transfer Protocol: FTP

Data Stream: PCL

Stock: Treasury Warrant 9X12 preprinted pin-feed stock

Job Name: UA Checks

Reports: UA Checks

Agency: Unemployment Agency

File Transfer Protocol: FTP

Data Stream: PCL

Stock: UA check 9X12 preprinted pin-feed

## 1.2 Roles and Responsibilities

### **1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES**

Location of Work - The work is to be performed, completed, and managed at the Contractor's secured site as identified.

The Contractor will provide a project manager to work closely 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:

- To be the single point of contact for CPC/MS staff. This Project Manager must be available at any time in case the disaster recovery plan is activated.
- 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 designate a backup to the Project Manager, and will notify the State in writing in advance if there will be a change of project coverage.

The contractor will provide operators to run all equipment to meet application specifications and time requirements and include technical support; however, CPC/MS will provide staff to provide technical oversight and advice, and special handling requests. Contractor staff will be required by the state to sign individual confidentiality agreements.

### **1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**

DMB Agency Services Director – Joyce Van Coevering

DMB Agency Services Printing Manager – Dave Pena

DMB Agency Services Mailing Manager – Steven Cheal

DMB Agency Services Printing Supervisor – Yvonne Sheppard

DMB Agency Services Mailing Supervisor – Mike Armstrong

DMB Agency Services Consolidated Print Center Analyst – Chris Clark

DMB Agency Services Mail and Delivery Services Consultant – Tom Goodine

DMB Mail and Delivery Services Director – Joe Chin

DMB Print, Warehouse and Surplus Services Director – Vern Thelen

DIT Client Service Director – Ann Newell

DIT Data Center Operations (mainframe data source) -  
DIT Agency Services IT Manager – Anne Brys  
DIT Agency Services Technical Lead – Steve Hackney

The project steering committee, made up of the DMB Mail and Delivery Services Director, The DMB Print, Warehouse and Surplus Services Director, and the DIT Client Service Director who will provide the following services and approve the project schedule:

- Authorize modifications for scope, resources, and budget of the project
- Ensure senior management commitment to the project
- Act as a final arbiter on proposed changes that significantly affect the business interests of the State

The Executive Subject Matter Experts, made up of Mail and Delivery Services Consultant, Mailing Supervisor, Printing Manager, and Mailing Manager representing the business units 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.

The State's Project Manager, Anne Brys, Joe Chin and Vern Thelen 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 (IT-Networking, Integrated Services, Administration, Personnel Department, Accounting, Administration etc.)
- Milestone acceptance sign-off
- Resolution of project issues
- Escalation of outstanding/high priority issues
- Utilize change control procedures
- Conducting regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Documentation and archiving of all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings

Issues shall be escalated for resolution from level 1 through level 4, as defined below:

Level 1 – Business leads  
Level 2 – Project Managers  
Level 3 – Executive SME's  
Level 4 – Steering Committee

In addition, the following State personnel/resources may be required at stages of the project. The Contractor's Project Manager will make every effort to provide the State with advance notice of when those services may be required.

- Systems Analyst
- Application Administrator
- User Implementation Coordinator
- Network Administrator
- Database administrator
- Remote access to test database environment

DMB program manager:

Joseph D. Chin, Jr., Director, Mail & Delivery Services Division  
Michigan Department of Management and Budget - Agency Services

General Services Building  
7461 Crouner Drive  
Lansing, MI 48913  
Phone: 517-322-1897  
E-mail: [Chinj@michigan.gov](mailto:Chinj@michigan.gov)

The Michigan Dept. of Information Technology is responsible for the administration of the services within the contract. MDIT shall provide a program manager as a contact for all issues pertaining to the execution of services under the contract. As of the effective date for contract commencement the MDIT Program Manager shall be:

Anne Brys  
Michigan Dept. of Information Technology – Agency Services  
Capitol Commons Center Building  
400 South Pine Street, 2<sup>nd</sup> Floor  
Lansing, MI 48933-2250  
Phone: 517-335-0329  
E-mail: [brysa@michigan.gov](mailto:brysa@michigan.gov)

MDIT Contract Administrator, whose duties shall include but not be limited to supporting the management of *the Contract*,

Cindy Turben  
Michigan Dept. of Information Technology – Agency Services  
Constitution Hall  
535 W. Allegan  
Lansing, MI 48933  
Phone: 517- 335-6069  
E-mail: [Turbenc@michigan.gov](mailto:Turbenc@michigan.gov)

### 1.3 Project Plan

## **1.301 PROJECT PLAN MANAGEMENT**

### **A. Orientation Meeting**

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

### **2. Performance Review Meetings**

1. The State will require the Contractor to attend monthly meetings, at a minimum, to review the Contractor's performance under the Contract, until at such time the site has been approved by the State. Thereafter meetings will be held just prior to the twice yearly tests and immediately after the testing is complete.
2. The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor.
3. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

### **3. Project Control**

1. The Contractor will carry out this project under the direction and control of the Department of Management and Budget, Agency Services.
2. Within thirty (30) working days of execution of the contract change notice, the Contractor will submit to the State project manager(s) for final approval a work plan.
  - a. This work plan must be in agreement with section 1.104 Work and Deliverables, and must include the following:
    - i. The Contractor's project organizational structure.
    - ii. The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal.



- Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- iii. The project breakdown (work plan) showing sub-projects, activities and tasks, and resources required and allocated to each.
  - iv. The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the work plan.
3. The Contractor will manage the project in accordance with the PMBOK® (Project Management Body of Knowledge from the Project Management Institute) and the state's Project Management Methodology (PMM). Methodology is available at [www.michigan.gov/projectmanagement](http://www.michigan.gov/projectmanagement)
- a. 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.
  - b. Contractor shall use automated project management tools, as reasonably necessary, in order to perform the cited Services, which shall include, through the end of the Contract, the capability to produce:
    - i. Staffing tables with names of personnel assigned to Contract tasks.
    - ii. Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) calendar days, updated semi-monthly).
    - iii. Updates must include actual time spent on each task and a revised estimate to complete.
    - iv. Graphs showing critical events, dependencies and decision points during the course of the Contract.
  - ii. 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's standard to the extent such standard is described with reasonable detail in the Statement of Work.

## **A. REPORTS**

Reporting formats must be submitted to the State's Program Manager for approval within 30 business days after the effective date of the contract change notice. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Report requirements are detailed under Section 1.104

### **1.5 Acceptance**

#### **1.501 CRITERIA**

Each application will be tested from print to post with results inspected and accepted by a Consolidated Print Center and a Mailing Services representative. Successful testing will be accomplished when 100% of the testing sample as identified in Section 1.104 is available for delivery to the USPS within 24 hours from transmission of the data to the disaster recovery site.

Upon acceptable testing of an application it may be submitted as deliverable.

#### **1.502 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, and the certification by the State that the Contractor has met the defined requirements.

### **1.6 Compensation and Payment**

#### **1.601 COMPENSATION AND PAYMENT**

Payment will be made as follows:

- Upon completion of the project set up and successful completion of a test as approved by the state\*.
- Upon the successful completion of the semi-annual test as approved by the state\*.

- Disaster Declaration, warehousing materials, programmer/analyst, data processing, Image charge, mail preparation, presorting, metering, and postage will be paid upon presentation of an invoice that provides the detail, including date and quantity for each application.

\* Test requirements are provided under Section 1.104. Successful completion is defined as the test sample is delivered to the USPS within 24 hours from transmission of the data to the disaster recovery site.

The contractor will submit properly itemized invoices to:  
Michigan Department of Information Technology  
Procurement – 1st Floor, North Tower  
Constitution Hall  
525 W. Allegan  
Lansing MI 48913

See Pricing Schedule on the following page:

SOMI DR Price Schedule		
INITIAL SETUP INFRASTRUCTURE	cost	unit
<b>Facility</b> - Secure facility; network connectivity; CPC environment; production implementation infrastructure for disaster; network requirements; testing requirements; includes interfaces; infrastructure to integrate with HOV production systems; includes Output Manager hardware and software requirements	\$ -	waived
<b>Emtex Software License</b> - support State of Michigan print requirements.	\$ -	waived
<b>Emtex Software Maintenance</b> - support State of Michigan print requirements.	\$ 2,665.00	annual
<b>Application Development</b> - initial application setup to integrate with HOV production processes.	\$ -	waived
<b>Application Testing</b> - State has identified 8 applications, cost to perform Disaster Recovery test per State of Michigan testing requirements every six months	\$ 1,000.00	per application
<b>Application Reports</b> - HOV Services will provide standard production reports to include production counts and inventory status. If customized reports are required, HOV will work with the State to determine the requirements. <b>NOTE: This charge is for customized reports only.</b>	\$ 118.75	Hour
<b>Project Manager</b> - Single point of contact (SPOC) with the knowledge base to manage application testing, system, application and software updates, day to day communications and inventory requirements.	\$ 250.00	month

COST WHEN EMERGENCY IS DECLARED	cost	unit
<b>DISASTER DECLARATION</b> - the cost to make ready for live production (DR). To include confirm connectivity and receive files in 2 hours, begin acclimating paper and envelopes, designate single point of contact (SPOC),	\$ 10,000.00	per disaster declaration
<b>WAREHOUSING MATERIALS</b> - 0 days supply of paper and envelopes on hand. HOV will provide on-site secure storage	\$ 15.00	skid / month
<b>PROGRAMMER/ANALYST (IT)</b> - As authorized by State of Michigan Project Manager	\$ 118.75	Hour
<b>Data Processing</b>	\$ 0.008	image
<b>Laser Image (8.5 X 11)</b>	\$ 0.021	image
<b>Fold Sheet</b>	\$ 0.030	sheet
<b>Mechanical Envelope Inserting 1st page</b> - insert 1st page into envelope, fold, seal and meter.	\$ 0.023	envelope
<b>Mechanical Envelope Inserting additional pages</b> - insert additional page into envelope and fold.	\$ 0.010	sheet
<b>Mechanical Envelope Inserting generic inserts</b> - insert generic inserts into envelope (i.e. CRE, CRE, flyer or brochure).	\$ 0.005	insert
<b>Manual Fulfillment - Space, Tables and Work Station to be provided.</b> (Labor to be supplied by customer)	\$ 0.0052	envelope
<b>Presort</b> - sort mail for USPS discounts.	\$ 0.0120	envelope
<b>1st Class Postage</b> - presorted discounted cost of 1st Class postage; postage will be billed at actual	\$ -	
	\$ -	
	\$ -	
<b>Optional Standard Generic Materials</b>		
Paper (plain white 8.5x11 cutsheet; 20#; no hole)	\$ 0.00650	sheet
#10 Large Single Window Envelope (plain white; 20#)	\$ 0.01475	envelope

#### ASSUMPTIONS

- Pricing is based on the review of the specifications for eight applications
- Any additional necessary software or hardware not detailed in this RFQ will be subject to quote for approval
- SOMI to follow the HOV Services schedules/timelines for postal sortation. HOV will work with SOMI to determine best practice for mail delivery based on capacity and timeliness of mail
- DR business to be placed under existing SOMI FOC Contract
- HOV will communicate and work with the State when hardware or software upgrades and/or replacements become available and necessary to the HOV line of business

Attachment 1  
Application Information

Agency Services - Disaster Recovery Plan						
APPENDIX - MDS 1						
Declared Disaster Volumes for 30 Calendar Days of Service						
App ID	Agency	Freq.	Volume*	Description	Envelope Required	Functions Performed
431DR0075	DCH	Weekly	600,000	Remittance Advices	First Class Flat	Manually insert into flat envelopes, meter and mail
431DR0077	DCH	Weekly	140,000			
431DR0079	DCH	Weekly	160,000			
271DR0161	Treasury	Daily	315,000	Vendor Warrants	Env 164 with Permit 1200	Machine cut, fold, insert in permit envelopes, presort and mail
271DR0162	Treasury	Daily	331,800	Individual Income Tax Warrants		
271DR0163	Treasury	Bi-weekly	29,000	Payroll Warrants		
271DR0164	Treasury	Monthly	12,400	Retirement Warrants		
641DR0165	UA	Daily	440,000	Unemployment Checks	Env 165 with Permit 1200	

\* Volume represents a snapshot of one month. It does not reflect the actual volumes since they vary based on the time of month/year.

For Equipment Required - See details in Attachment #2

Attachment 2  
Hardware Listing

(This listing includes all equipment currently residing in the facility. Not all equipment is utilized for the 8 applications being bid. See below for specific equipment used)

Printing Equipment

	<u>Brand</u>	<u>Model</u>
1	OCE	6100
2	OCE	8370
3	IBM	6500-v20
4	Xerox	DocuPrint 75,
5	Xerox	DocuPrint 135
6	Xerox	DocuTech 6180

Mailing Equipment

	<u>Inserters</u>			
	<u>Brand</u>	<u>Model</u>	<u>Year</u>	
1	Bell & Howell	MS 400-C8	1996	
2	Bell & Howell	MS 400-C8	1992	
3	Bell & Howell	MS A825-04	1987	
4	Bell & Howell	500-C4	1993	
5	Bell & Howell	A825-C4	1989	
6	Bell & Howell	A825-C4	1989	
7	Bell & Howell	500-C8	1992	
8	Bell & Howell	MS 400-C6	1997	
9	Bell & Howell	MS 400-C6	1997	
10	Bell & Howell	VIP2000-C6	2002	
11	Pitney Bowes	FPS 6 station	2007	6"x9" envelopes
12	Pitney Bowes	FPS 6 station	2007	10"x13" envelopes
13	Longford Int'l	OZE-FED-MM	1999	On Serts
	<u>Folders</u>			
	<u>Brand</u>	<u>Model</u>		
1	MBO	B18-1-18/4		
2	Baum	18X22.5		
3	BH PF1722	2PAP 18X22.5		
4	Pitney Bowes	FD40		
	<u>Bursters</u>			
1	Moore	3610		
2	Moore	3400		
3	Moore	3600*301		
4	Moore	3600		
5	Moore	3600		
	<u>Pressure Seal</u>			
1	Pitney Bowes	3P14		
2	Pitney Bowes	3P13		
3	Pitney Bowes	609		
	<u>Ink Jet</u>			
1	Cheshire 7000	987000-80		
2	Video Jet	Print Mail		Wide Array, 4" System
	<u>Tabbing</u>			
1	Kirk-Rudy	535		
	<u>Mail Meters</u>			
1-5	Pitney Bowes	DM1000	2004	
6-8	Pitney Bowes	DM1000	2007	
	<u>Mail Meter Accounting System</u>			
1	Pitney Bowes	Attached to DM1000 meters	2004	
	<u>Mail Sorters</u>			
1-2	Bowe Bell+Howell	Criterion IV Mail Sorting Systems	2006	192 Two tier X-Class bins

Printing equipment utilized for the applications being bid:

The Contractor hardware and software requirements to process critical applications defined in the business continuity plan:

Hardware Listing:

- Cut-Sheet printer and controller capable of processing Xerox DJDE (Dynamic Job Descriptor Entries) commands.
- Xerox resources must reside on cut-sheet print controller.
- Pin-Feed printer and controller capable of processing PCL pre-composed files generated from the Unisys Enterprise Output Manager Software.
- MICR Verification equipment.

Software Listing

- Enterprise Output Manager (EOM)
- Dedicated server to host software and corresponding print resources.

Operating System

- Windows 2000, 2003 and/or Windows XP

Mailing equipment utilized for the applications being bid:

Application 431DR0075, 431DR0077, 431DR0079

DM 1000 Meters, Bowe Bell+Howell Criterion IV Mail Sorting Systems

Application 271DR0161, 271DR0162, 271DR0163, 271DR0164

Bowe Bell+Howell A825-C6 and 500-C4 Inserters w/Continuous Feed,Cutter/Fold, Bowe Bell+Howell Criterion IV Mail Sorting Systems

Application 641DR0165

Bowe Bell+Howell 500-C8 Inserters w/Continuous Feed,Cutter/Fold, Bell+Howell Criterion IV Mail Sorting Systems

Attachment 3  
Treasury Confidentiality Agreement

Michigan Department of Treasury3337 (Rev. 12-06)  
Vendor, Contractor or Subcontractor Confidentiality Agreement

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

**INSTRUCTIONS.** Read this entire form before you sign it. If you do not complete this agreement, you will be denied access to Michigan Department of Treasury and federal tax information. After you and your witness sign and date this form, keep a copy for your records. Send the original to: Michigan Department of Treasury, Policy Communications and Disclosure Division, Austin Building, 2nd Fl., 430 W. Allegan, Lansing, MI 48922.

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

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

All tax return information obtained in connection with the administration of a tax. This includes information from a tax return or audit and any information about the selection of a return for audit, assessment or collection, or parameters or tolerances for processing returns.

All Michigan Department of Treasury or federal tax returns or tax return information made available, including information marked "Official Use Only". Tax returns or tax return information shall not be divulged or made known in any manner to any person except as may be needed to perform official duties. Access to Treasury or federal tax information, in paper or electronic form, is allowed on a need-to-know basis only. Before you disclose returns or return information to other employees in your organization, they must be authorized by Michigan Department of Treasury to receive the information to perform their official duties.

Confidential information shall not be disclosed by a department employee to confirm information made public by another party or source which is part of any public record. 1999 AC 205.1003(3).

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

**Michigan Penalties**

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

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

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



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

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

Certification		
I acknowledge that I have read this Agreement, which is intended to help me understand applicable Michigan and Federal law related to the protection of confidential information. I understand that failure to comply with applicable law, including the laws referenced in this Agreement, may subject a violator to criminal and civil penalties.		
Print name of employee signing this agreement	Signature of person named above	Date signed
Print Witness Name (Required)	Signature of Witness (Required)	Date signed

Questions, contact the Policy Communications and Disclosure Division: Telephone: (517) 335-0629  
Fax: (517) 241-4742 E-mail: [Treas\\_Disclosure@michigan.gov](mailto:Treas_Disclosure@michigan.gov)

## Attachment 4

### QUALITY ASSURANCE – TREASURY WARRANTS

- The Consolidated Print Center will comply with Department of Treasury warrant format specifications for all State Treasurer's Vendor, Individual Income Tax, Payroll and Retirement warrants.
- DOT and CPC will mutually agree upon font size, type and density for warrant printing.
- CPC agrees to verify there is no damage or defect in the State Treasurer's warrant stock, on the warrant or on the remittance advice.
- CPC agrees to review warrant production and comply with the following or alternate print quality standards as specified by DOT:

1. Print the same six digit warrant sequence number in the following areas:

Vendor, Income Tax and Retirement Warrants:

- Upper left of remittance advice, 1/4 inch from the top and 3/8 inch from left perforation
- One inch from the left warrant perforation and 1/8 inch above the "PAY TO THE ORDER OF" line on the warrant

Payroll Warrants:

- Upper left of remittance advice, 1/4 inch from the top and 3/8 inch from the left edge
- Three and one quarter inches from the left warrant perforation and 1/8 inch above the "PAY TO THE ORDER OF" line of the warrant.

2. Print the three digit bank ID:

Vendor, Income Tax and Retirement Warrants:

- Upper right of the remittance advice, 1-3/4 inches from the right edge
- A quarter inch below the top warrant perforation and 1-5/16 inches from the right warrant perforation
- Eleven-sixteenths of an inch below the top warrant perforation and 3-1/16 inches from the left warrant edge
- Three-eighths of an inch from the bottom edge of the warrant and 3-3/16 inches from the left warrant edge, in the MICR area

Payroll Warrants:

- Upper right of the remittance advice, 1/4 inch from the top perforation and 1-3/8 inches from the right edge
- A quarter inch below the top warrant perforation and 1-5/16 inches from the right warrant perforation
- Eleven-sixteenths of an inch below the top warrant perforation and approximately 3 inches from the left warrant edge
- Three-eighths of an inch from the bottom edge of the warrant and 3-3/16 inches from the left warrant edge, in the MICR area

3. Print the same warrant number in the following areas:

Vendor, Income Tax and Retirement Warrants:

- Upper right corner of the remittance advice, approximately 1/2 inch from the top edge and approximately 1 inch from the right edge
- Upper right corner on the face of the warrant, 1/4 inch from the top warrant perforation and 1 inch from the right warrant perforation
- First nine digits of the MICR line in the lower left corner on the bottom of the warrant, 5/16 to 3/8 inches from the left warrant edge and 3/8 inches from the bottom warrant edge

Payroll Warrants:

- Upper right corner of the remittance advice, 3/8 inch from the top edge and 1 inch from the right edge
- Upper right corner on the face of the warrant, 1/4 inch from the top warrant perforation and 1 inch from the right warrant perforation
- First nine digits of the MICR line in the lower left corner on the bottom of the warrant, 5/16 to 3/8 inches from the left warrant edge and 3/8 inches from the bottom warrant edge
- Three and a quarter inches from the left warrant edge above the "PAY TO THE ORDER OF" line

4. Print the payee's and originating agency's information in the following areas:

Vendor Warrants:

- Print the truncated Vendor Number, Mail Code, Agency code, Bank ID and Document number approximately 11/16 inch below the top warrant perforation

Income Tax Warrants:

- Print Vendor Number, Agency code, Bank ID and Issue date approximately 11/16 inch below the top warrant perforation

Retirement Warrants:

- Print the truncated Vendor Number, Agency code, Bank ID and Retirement Fund code approximately 11/16 inch below the top warrant perforation

Payroll Warrants:

- Print the Employee ID Number, Mail Code, Bank ID and Issue date approximately 11/16 inch below the top warrant perforation

5. On Vendor, Income Tax, Payroll and Retirement warrants print the warrant date in the mm/dd/yyyy format, i.e., 01/01/2001 on the warrant, approximately 6/8 inch below top warrant perforation and 5/8 inch from the right warrant perforation. The year must represent the current calendar year.
6. Align and print the warrant written amount approximately 1-1/8 inches below top warrant perforation and 5/8 inch from the left warrant perforation.
7. Print, on the warrant, a series of asterisks following the warrant written amount 1-1/8 inches from the top warrant perforation.

8. Print, on the warrant, a dollar sign and a series of asterisks 1 inch below the top warrant perforation and 1-5/8 inches from the right warrant perforation. Asterisks end before the first digit of the warrant amount. There is no blank space between the last asterisk and the first digit in the dollar amount.
  9. Print, on the warrant, the numeric warrant amount approximately 1-1/16 inches below the top warrant perforation. Align and print the dollar sign directly below the first date character.
  10. Align and print the payee name and address approximately 1-5/8 inches below the top warrant perforation and 1-1/16 inches from the left warrant perforation, to the right of the statement "PAY TO THE ORDER OF" and below the "PAY TO THE ORDER OF" line.
  11. Print the signature on the lower right of the warrant directly below the State of Michigan seal, approximately 3/4 inch from the bottom of the warrant.
  12. Print clearly and legibly the MICR line approximately 3/8 inch from the bottom edge of the warrant and 5/16 to 3/8 inch from left perforation. The MICR line contains, in the following order:
    - The nine-digit warrant number
    - The nine-digit Routing Transit number of the State of Michigan
    - A three-digit bank ID
  13. Verify State Treasurer's warrants are properly fused so all numeric and alphabetic characters are legible, in bold print, with no smudged or blurred print.
- CPC Print Technicians will monitor printing at all times, and inspect each partial or full box of printed State Treasurer's warrants for compliance with DOT quality standards. CPC quality assurance steps include:
    1. Recording of warrant number whenever a hard stop of the printer occurs.
    2. Physically inspect 10 warrants either side of the recorded hard stop warrant for alignment, fusing and missing print.
    3. Second inspection by additional CPC staff of recorded hard stop warrant.
  - The CPC initiated the following Quality assurance steps:
    1. The Print operator is required to complete a separate quality assurance log for each warrant run.
    2. The Print operator checks the start and end of each box of printed warrants for overall quality. This includes an inspection for proper formatting (signature & MICR), toner adhesion, and any other issues that affect print quality.
    3. The Print operator is required to document any unexpected interruptions in normal print processing, including hard stops due to a no paper run or web synch error. The Print operator notes the interruption on the quality assurance log and what was done to rectify it. The Print operator will visually inspect the last ten warrants prior to the error for proper formatting and toner adhesion.
    4. The Print operator will notify a supervisor when a hard stop occurs for a subsequent inspection to insure warrants have the proper formatting and toner adhesion.
    5. Print operators will not send a cut sheet file from the same printer workstation to avoid any potential interruption of high-volume printing of the continuous feed printers.
  - CPC agrees to test one warrant using the MICR verifier at the end of each 2,000 warrants printed and record the results in a log maintained for DOT inspection.

- CPC agrees to notify DOT immediately when any State Treasurer's warrants do not comply with print quality standards and request DOT review before releasing to MS.
- MS agrees to periodically inspect sealed envelopes during the inserting process and ensure that envelopes are sealing properly.
- MS agrees to inspect inserted State Treasurer's warrants for accuracy according to the following criteria as specified by DOT:
  1. All inserted State Treasurer's warrants must display the mailing address clearly through the envelope window of all Department of Treasury issued envelopes and ensures that a Michigan Department of Treasury return address envelope is used.
  2. The date applied on the permit indicia envelopes must match the mailing date as specified by DOT.
- MS agrees to perform a balancing function for State Treasurer's warrants, which includes accounting for all State Treasurer's warrants not counted on the inserter, e.g. warrants jam on start up. Upon reconciling the inserted State Treasurer's warrants to the total State Treasurer's warrants received from CPC, if the difference is more than ten (10), MS will notify the DOT before mailing the State Treasurer's warrants. MS will retain all reconciliations on file for six (6) months for DOT to review.
- CPC will release to MS, completed printed warrant files in-groups of 10,000 or less when required to meet mailing deadlines. MS personnel will sign for warrants as released.

#### QUALITY ASSURANCE – UA UNEMPLOYMENT CHECKS

During production, the CPC agrees to conduct a quality review check on the printed ending check from each box of 2000 to verify that the checks comply with the following print quality standards as specified by UIA:

- 1) Proper print alignment and quality.
  - 2) No damage or defect in the check stock is apparent on the check or remittance advice.
  - 3) MICR line at the bottom of the check is properly aligned and clearly and legibly printed.
  - 4) Checks are properly fused so all numeric and alphabetic characters are legible and readable with no smudge or blurred print.
  - 5) The electronic signature is printed on the check.
  - 6) The magnetic quality of the UIA check's MICR line is acceptable via use of a MICR verifier.
- CPC agrees to notify UIA Office of External Relations when any checks do not comply with quality standards. UIA and DMB will then mutually determine how to proceed.
  - The CPC agrees to provide UIA Office of External Relations with a monthly log of quality assurance reviews. If UIA determines that this is unnecessary, they will provide DMB with a notice in writing.
  - MS agrees to periodically inspect sealed envelopes during the insertion process to verify that envelopes are sealing properly.
  - MS agrees to inspect inserted checks to determine that the mailing address is clearly displayed through the window of an approved UIA envelope.
  - MS agrees on a per job basis to verify the number of inserted checks balances to the number of checks received from CPC.

- UIA may periodically request to be on site during printing and obtain samples of checks for their review.
- UIA will perform periodic assessments of check related services provided by CPC and MS.
- UIA will perform site visitations to review processes and evaluate compliance with quality standards.
- Internal control procedures, at a minimum, will be reviewed annually by the internal auditors from UIA and DMB and revised as required.

DMB will allow Federal auditors, accompanied by UIA representatives to review their control procedures if requested.

U.S. Postal Service Requirements:

Found online at: <http://pe.usps.gov/text/pub28/welcome.htm>

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

December 20, 2006

NOTICE  
OF  
CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (734)632-1558 <b>Deborah Guskovict</b>
<b>Lason Systems, Inc.</b> <b>38120 Amrhein Rd.</b> <b>Livonia, MI 48150</b>  <b>Email:dguskovict@lason.com</b>		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-7233 <b>Joann Klasko</b>
Contract Compliance Inspector: Patty Bogard <b>MICSES Print and Mail Services – MDIT/MDHS</b>		
CONTRACT PERIOD From: <b>November 28, 2006</b> To: <b>November 27, 2009</b>		
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>	
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>		
MISCELLANEOUS INFORMATION:		

**Estimated Contract Value: \$8,121,390.63**

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

CONTRACT NO. 071B7200101  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (734)632-1558 <b>Deborah Guskovict</b>
<b>Lason Systems, Inc.</b> <b>38120 Amrhein Rd.</b> <b>Livonia, MI 48150</b>  <b>Email:dguskovict@lason.com</b>		VENDOR NUMBER/MAIL CODE
		BUYER/CA (517)241-7233 <b>Joann Klasko</b>
Contract Compliance Inspector: Patty Bogard <b>MICSES Print and Mail Services – MDIT/MDHS</b>		
CONTRACT PERIOD		From: <b>November 28, 2006</b> To: <b>November 27, 2009</b>
TERMS	<b>N/A</b>	SHIPMENT <b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>		
MISCELLANEOUS INFORMATION: <b>The terms and conditions of this Contract are enclosed. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.</b>  <b>Est. Contract Value: \$8,121,390.63</b> <b>THIS IS NOT AN ORDER. The terms and conditions of this Contract are enclosed. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.</b> <b>Original contract was awarded on the basis of our inquiry bearing the req No. 084R62000216</b>		

FOR THE VENDOR:

_____
Firm Name
_____
Authorized Agent Signature
_____
Authorized Agent (Print or Type)
_____
Date

FOR THE STATE:

_____
Signature
<b>Elise A. Lancaster, Director</b>
_____
Name
<b>Purchasing Operations Division</b>
_____
Title
_____
Date





**STATE OF MICHIGAN  
Department of Management and Budget  
Purchasing Operations**

**CONTRACT #071B7200101**

**Printing and Mailing Services for the Michigan Child Support Enforcement System**

**Buyer Name: Joann Klasko  
Telephone Number: (517) 241-7233  
E-Mail Address: KlaskoJ@michigan.gov**



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

### **1.0 Project Identification**

#### **1.01 PROJECT REQUEST**

The State of Michigan (State), through the Michigan Department of Management & Budget (MDMB), with assistance of the Michigan Department of Information Technology (MDIT), has issued this contract to obtain the services of the Contractor to provide centralized document printing and mailing services for the Michigan Child Support Enforcement System (MiCSES).

This project consists of the following components:

1. Printing services.
2. Mailing services.
3. Activity reports.
4. Problem Investigation.
5. Transition of business operations from the current process to the Contractor Proposed system enhancements
6. Documentation, including process descriptions and quality assurance sampling methodology.

The contract is for a maximum term of three (3) years, with two (2) one-year (1) optional extensions.

#### **1.02 BACKGROUND**

##### **Child Support Program**

In 1975, Congress enacted Title IV-D of the Social Security Act, creating the child support enforcement program and the federal Office of Child Support Enforcement (OCSE). The program's purpose is to establish and enforce court-ordered support for children by non-custodial parents. OCSE oversees and funds child support enforcement programs administered at the state level.

Each state must appoint a single agency to administer its Title IV-D program. The agency receives and distributes funds, establishes and maintains the child support program within federal requirements and regulations. The Michigan Department of Human Services, Office of Child Support (DHS-OCS) is the Michigan IV-D agency.

Michigan's federally mandated Child Support Enforcement System (MiCSES) has been implemented through the cooperative efforts of the Michigan Department of Human Services, Office of Child Support (DHS-OCS) and MDIT. MiCSES is a comprehensive statewide child support enforcement system that meets all federal system requirements and is installed in all components of the Michigan IV-D program: Office of Child Support central office, local Friend of the Court offices, and local Prosecuting Attorney offices. The system also provides necessary locate and enforcement interfaces with both state and federal agencies. DHS-OCS administers the MiCSES project. MDIT oversees systems administration, application maintenance and development, statewide data center operations, network and technical infrastructure services, and technical strategy.

The organizational relationships and multiple agency composition of the child support program are as follows:

##### **Michigan Department of Human Services (DHS)**

DHS coordinates and oversees the Michigan IV-D Child Support program. Funding for the Office of Child Support is contained within the DHS appropriation. MiCSES funding is also a line item appropriation in the DHS budget, and flows through to MDIT as an Interdepartmental Grant (IDG).



### Office of Child Support (OCS)

As the Michigan IV-D agency that administers the statewide child support program, OCS has a central office division, which performs central enforcement actions, administrative oversight, federal liaison, reporting and policy functions. OCS maintains a field operations division of child support specialists whose primary functions are the delivery of statewide parent locate and case initiation support services. OCS also provides strategic oversight and direction to the MiCSES project.

### Michigan Department of Information Technology (MDIT)

MDIT coordinates and oversees the Michigan IV-D Child Support application. It is responsible for the systems administration, application maintenance and development, statewide data center operations, network and technical infrastructure services, and technical strategic oversight of the MiCSES application. Application development priorities are established by the DHS-Office of Child Support.

### Michigan Supreme Court, State Court Administrative Office (SCAO)

The Michigan Supreme Court, State Court Administrative Office has constitutional oversight responsibility for all trial courts throughout the State. The SCAO Friend of the Court Bureau (FOCB) provides management assistance to local Friend of the Court offices. The SCAO Office of Systems Management (OSM) advises and assists trial courts in selecting, acquiring, installing, programming and operating computer systems, which are outside the scope of the MiCSES application.

### Michigan Friend of the Court (FOC)

The Friend of the Court (FOC) was created by statute in 1919. The FOC office is part of the Michigan Circuit Court System. The FOC office is the child support and operational division of the Circuit Court. The FOC position is appointed by the chief judge of that circuit. DHS contracts with local county governments for IV-D child support services through Cooperative Reimbursement Program (CRP) contracts. The FOCs are the largest contingent of users of MiCSES. The duties of the FOC include the necessary investigation, reporting, enforcement and case management actions associated with established child support orders. The FOC office also schedules hearings, makes recommendations to the court regarding custody, visitation and support issues; provides mediation to settle disagreements, and reviews and modifies support payments ordered by the court.

### Prosecuting Attorneys (PA)

Prosecuting Attorneys are the chief law enforcement officers in county government. DHS-OCS contracts with county governments for necessary PA IV-D child support services, including the determination and establishment of paternity, and establishment of support payment orders.

### Michigan State Disbursement Unit (MiSDU)

The Michigan State Disbursement Unit (MiSDU) is the central collection and disbursement unit for all child support payments. Employers and individual payors submit child support payments to the MiSDU, where they are receipted and posted to the appropriate case. The MiSDU houses a separate application and system that includes a daily interface with the MiCSES Child Support Application. Through this two-way interface to the MiCSES application, receipts are distributed to the appropriate payee(s) and the information is returned to the MiSDU for disbursement.

The MiSDU maintains a web site ([www.misdu.com](http://www.misdu.com)) that provides static information to viewers, and also is the portal for customers who choose to make payments of their child support via credit card or direct debit from their bank account. This site is also used as a portal by employers





choosing to make payments over the web, and by Friend of the Court staff seeking access to MiSDU information. FOC staff also use this site to transmit requests to correct disbursement errors created by the MiSDU Contractor, by payers, or by the way cases were set up.

The MiSDU operations and staffing are provided by a Contractor, with DHS-OCS management oversight. Services provided are governed by the terms of the contract.

Included in the MiCSES applications are numerous forms, legal notices, letters, occasional mass mailings, and various documents necessary to deliver effective and timely child support services to custodial and non-custodial parents. The vast majority of these documents are generated through automatic MiCSES actions and electronically transmitted to a Contractor for printing and mailing. In 2002, MiCSES implemented a pilot child support system that included document generation and associated printing and mailing services for one large county. Throughout 2003, the pilot was expanded and implemented throughout the state, including the centralized printing and mailing services provided by the original Contractor in the pilot.

Since 2003, the document generation capabilities of the MiCSES application have been refined. Currently, the MiCSES application generates documents in Adobe Acrobat Portable Document Format (PDF) and transmits PDF's to the printing/mailing Contractor via a secure and dedicated file transmission process. The MiCSES application includes approximately 75 templates and generates approximately 150,000 documents per week. MiCSES batch processes run overnight seven (7) nights per week. Although most PDF's are transmitted to the Contractor between midnight and 6:00 a.m., it is possible for PDF's to be transmitted any time during a 24-hour period. Approximately 3.5 million pieces were mailed in FY 2005.

The State has issued this contract, to a qualified printing/mailing Contractor capable of continuing current operations as well as moving into technology that provides greater reliability, flexibility, and cost effectiveness.

The Contractor is advised that the State has methods, policies, standards and guidelines that have been developed over the years. The Contractor is expected to follow these requirements. Specifically, the State's Project Management Methodology (PMM) must be followed. The PMM may be reviewed at [www.michigan.gov/projectmanagement](http://www.michigan.gov/projectmanagement).

## 1.1 Scope of Work and Deliverables

### **1.101 IN SCOPE**

The Contractor will provide complete and successful implementation and ongoing operation of document printing and mailing services required for the business operations of the Michigan Child Support Enforcement System. Services will be provided at the Contractor's location. Services include:

1. Transition of business operations from the current process to the Contractor improved enhanced process.  
During an agreed upon timeframe, the new Contractor will demonstrate the ability to produce the desired output using reports and process improvements..
2. Documentation, including process descriptions and quality assurance sampling methodology.
3. Printing services.  
The term "printing services" is used broadly and includes all document fulfillment processes (e.g., printing, folding, insertion into envelopes, pre-sorting according to postal zip code, and identification and extraction of unmailable documents).
4. Mailing services.  
Mailing services include sorting and commingling with other customer mailings in order to obtain volume discounts for the lowest possible postage rate. MiCSES documents have 24-hour and 48-hour processing time and mailing requirements.



5. Activity reports.  
Reports include both daily and weekly reports with varying degrees of detail. Reports and attached detail are distributed to both County representatives and State central staff.
6. Problem Investigation.  
Prompt problem investigation and resolution is needed to comply with State and Federal requirements. Historically, problems have occurred in two areas: data file transmission or file processing. Archival of county detail reports for a period of at least three (3) months is required for adequate investigative purposes.
7. Specials Projects
  - a. Occasionally the DHS Office of Child Support or the MiCSES project requires participation from the printing/mailling services Contractor in special projects. These projects may include activities such as testing new MiCSES documents, ad hoc information requests, high volume mass mailings, or response to County requests. The volume and timing of documents generated by special projects is difficult to predict, and the State will provide as much advance notice as possible.
  - b. It is anticipated that during the period of this contract the State will move away from the use of PDF documents to a more industry standard format such as postscript. The State is also interested in the ability to uniquely identify each document with a barcode or similar identifier. The Contractor must have the ability to migrate to industry standard practices when the State determines the MiCSES application is ready to discontinue the current PDF processes and move to newer technology. This migration would be considered a special project.

The Contractor is not constrained from recommending additional tasks and requirements and is encouraged to provide superior analysis and products for the sake of progressive improvement.

#### **1.102 OUT OF SCOPE**

Any changes to the document format, file format, schedules, or file transmission procedures are considered out of scope. Changes to existing formats, schedules, and procedures would require extensive planning and coordination that is not currently contemplated within near-term MiCSES application development cycles. The Contractor-imposed requirements or solutions that would require such changes and which would result in extending any required State application development past the required implementation date will be deemed not acceptable to the State.

State-required custom coding is out of scope. In this context, custom coding is defined not only as any modifications to the existing MiCSES document generation processes but also to any coding modifications required of the State to existing or new applications necessary to implement the Contractor's recommended solution.

#### **1.103 ENVIRONMENT**

The Contractor will use the same network environment and file transfer protocol that is currently in place. The State will provide a dedicated Contractor Net-VPN T1 circuit to FTP files to the Contractor each night. Multiple files are transmitted each night.

The Contractor is required to send an acknowledgement file to the State Data Exchange Gateway (DEG) for each file received. Attachment 1 includes file-naming conventions for files sent by the State to the and for the acknowledgement file sent by the Contractor to the State. The Contractor is also required to confirm data file record counts by sending an automatic email notification to the State and local offices. The email should include a comma delimited text file attachment listing consolidated statewide counts by Template ID. A sample file layout is available as Attachment 2.



Information regarding the State's information technology architecture and standards for hardware, database applications, network hardware and monitoring tools, identity management/authentication and development tools may be found at: <http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

## 1.104 WORK AND DELIVERABLE

The Contract is scheduled to begin by December 1, 2006. The Contractor shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, meeting the requirements as set forth below.

### A. Process Specifications

1. Transition of business operations from the current process to the Contractor improvements process.
  - a. During an agreed upon timeframe the Contractor will demonstrate the ability to produce the required output and reports.
    - i. State staff will compare output and reports between the current process and new process.
    - ii. State staff will sample output as they deem necessary.
    - iii. Any deficiencies or defects found must be corrected by the Contractor prior to cutover, unless otherwise accepted in writing by the State.
  - b. An improvement checklist and acceptance form will be developed, and agreed upon by the State and the Contractor, based upon the requirements and deliverable in this contract.
  - c. Successful completion of the transition is defined as one full week (7 days) of parallel operation with the current process in which no deviations from current outputs are identified.
  - d. Improvements will be considered, as part of the standard line of business operations and at no additional cost to the State.
    - i. The transition must demonstrate and simulate the full production environment.
    - ii. State signatories to final sign-off and acceptance of the system as production ready will include designated representatives from DHS Office of Child Support and MDIT/MiCSES.
2. Documentation, including process descriptions, quality assurance sampling methodology, file specifications, and business rules.
  - a. The Contractor will provide documentation of internal processes, including quality assurance processes, seven (7) business days prior to inception of the transition period.
    - i. The Contractor is will use narrative descriptions, process diagrams, graphical displays, and sample reports to describe their processes.
    - ii. The State will accept the documentation or identify necessary changes within five (5) business days of receipt.
  - b. State acceptance of documentation is required before parallel processing may begin.
3. Printing services.
  - a. The Contractor will receive MiCSES application documents in Adobe Acrobat Portable Document Format (PDF) transmitted via a secure and dedicated file transmission process.
    - i. The MiCSES application includes approximately 75 templates and generates approximately 150,000 documents per week. Attachment 4 includes information about MiCSES templates for the period October 1, 2004, through September 30, 2005. The attachment includes Template ID, Template Name, Printing Frequency, Average Number of Pages per Template, and Weekly Volume for each template.
    - ii. MiCSES batch processes run overnight seven (7) nights per week.
    - iii. PDF's are usually transmitted to the Contractor between midnight and 6:00 a.m., although it is possible to transmit PDF's at any time during a 24-hour period.
  - b. All documents are duplex and are to be inserted in single window envelopes. Attachment 3 includes detailed specifications for window envelopes.



- c. The PDF files are processed and sent to the printer in the appropriate page order – the mailer page is on top followed by the Case documents. Print segments are organized by the number of pages per mailpiece. Print segments are quality-controlled and reconciled against a Print Segment report.
- d. Judge copies (FEN14L) are combined for householding (same addresses) into one envelope to generate cost savings and efficiencies. The mailer page address is set up to fit into a #10, large-window envelope or a 6x9 large window envelope.

Following are the operational specifications

	<b>Print Specification</b>	<b>Deliverable</b>
1.	8.5 x 11 white 20# paper, black ink on white; duplex; varied multiple sheets per mailpiece	Pre-printed paper cost savings
2.	Transmission of TAR files from State to THE Contractor	Secured FTP process over T-1 line
3.	Process PDF data files	Generate counts for Quality Control and Reconciliation
4.	PDF files are separated and processed per 24-hour and 48-hour SLA requirements	Quality Control measure for Operations
5.	PDF files are separated and processed per Mail and No-Mail requirements	Quality Control measure for Operations
6.	Document pages are organized by document page count for envelope insertion	Quality Control measure for Operations
7.	Documents are batched and sent to Print	Expedites processing to meet SLA
8.	Print and reconcile per segment report and printer log	Quality Control measure for Operations
9.	Deliver "Mail" documents to insert operations with operational tracking	Segmentation of job to expedite mail processing; provides Quality Control and reconciliation
10.	Deliver "No Mail" documents to manual Fulfillment with operational tracking	Segmentation of job to expedite fulfillment processing; provides Quality Control and reconciliation
11.	Household documents addressed to same recipient for insert into one envelope for "No-Mail" FEN14L	Postage and envelope cost savings
12.	Insert 1-5 sheet documents into single-large window #10 envelopes	Accommodates additional-line addresses and post net codes for expedited delivery
13.	Insert 6-11 sheet documents into single-large window 6x9 envelopes	Accommodates additional-line addresses and post net codes for expedited delivery
14.	Extract un-mailable pieces due to missing return address or missing/invalid mailing address	Postage savings on delivery and return of document to the State; Quality Assurance



	Print Specification	Deliverable
15.	Generate report to Counties for un-mailable pieces	Immediate notice to Counties; Quality Assurance and Reconciliation
16.	Pre-sort "Mail" documents per postal (zip) code	Postage savings
17.	Commingle presorted "Mail" envelopes with other Customer jobs	Expedites the delivery of mail in the USPS postal stream
18.	Extract un-mailable pieces due to missing return address or missing/invalid mailing address	Postage savings on delivery and return of document to the State
19.	Reserve airline space on USPS Postal One reservation system for "Mail" documents	Expedites delivery of mail by reserving space on the airline for each zip code
20.	Reconcile the "No Mail" documents with the segment report of counts per county	Quality Control and reconciliation; reduces errors in delivery of documents to wrong County
21.	Package the "No Mail" documents per segment report; prepare for DHL pick-up	Quality Control and reconciliation
22.	USPS picks up the "Mail" documents within the SLA 24-hr or 48-hr requirements	Expedited USPS delivery with 4 pick-ups per day and USPS location on-site at THE Contractor meets and exceeds SLA
23.	DHL picks up the "No Mail" documents within the 24-hr SLA requirements	Expedited delivery meets and exceeds SLA

4. Distribution/Mailing services.

- a. The State of Michigan MiCSES system files are categorized as "Mail" or "No Mail". Mail files are inserted and mailed via the USPS mailstream. No Mail files are packaged and mailed via DHL overnight service.

	Mail Specification	Deliverable
1.	<u>"Mail" documents</u> . Mail at lowest possible postal rate	<ul style="list-style-type: none"> <li>USPS First Class U.S. mail</li> <li>Presort for postage savings</li> <li>Expedite mail through USPS PostalOne airline reservation system</li> </ul>
2.	<u>"No Mail" documents</u> . Ship FEN14L (local copy of Show Cause Hearing Notice for Judge's records) to originating county.	<ul style="list-style-type: none"> <li>Report generated for Quality Assurance and reconciliation</li> <li>DHL expedited delivery method</li> </ul>
3.	Locate and ship un-mailable FEN140 documents to designated county contact	<ul style="list-style-type: none"> <li>Overnight via DHL</li> <li>Quality Assurance</li> <li>Generate reconciliation report to County/State of un-mailable documents</li> </ul>



5. Defective Mail Handling

- a. Defective mail is defined as the incomplete or improper mailing and return address on a mail piece. Defective mail comes from Oracle files and/or operational reprints. The Contractor has already developed and implemented this method of handling the undeliverable documents for the State to reconcile each Case. THE Contractor's Quality Control process catches defective mail before and after presort. The defective mail is sorted and batched by form type and sent to the State. A report follows with the document code, document description, number of affected pieces and the defect.

6. Activity reports.

- a. The contractor will provide the reporting necessary to successfully track and measure the PDF file process. From beginning to end, reports are generated for the Contractor Operational, State and County review. The contractor will continue to generate the following reports:

	Report	Deliverable
1.	County Detail (daily)	<ul style="list-style-type: none"> <li>Automatic email notification to designated county FOC &amp; PA representative (OCS for documents assigned to County 00 &amp; 88).</li> <li>Microsoft Excel spreadsheet attachment containing case number, and Template ID.</li> </ul>
2.	County Summary/Accounting (daily)	<ul style="list-style-type: none"> <li>Central print facility internal file level reconciliation.</li> <li>Automatic email notification to designated MDIT-MiCSES representatives</li> <li>Report data to reconcile the TAR file size, PDF file count, number of rejects and envelopes</li> </ul>
3.	County Reject (daily)	<ul style="list-style-type: none"> <li>Automatic email sent to MiCSES Help Desk asking for ticket to be opened and assigned to Development-Docgen.</li> <li>Automatic email notification to designated county FOC &amp; PA representative (OCS for documents assigned to County 00 &amp; 88).</li> <li>Text file attachment containing case number, Case ID, etc.</li> <li>Error Conditions: a) PDF file name is not equal to 36 characters, b) PDF file size is less than 1KB (empty file), and c) the envelope open/close indicators are out of sequence; invalid form code</li> <li>Report data details the sequence number, invalid mailpiece, number of envelopes, Form ID</li> </ul>
4.	Statewide Consolidated Reject (daily)	<ul style="list-style-type: none"> <li>Automatic email notification to designated DIT-MiCSES representatives.</li> <li>Text file attachment containing county number, case number, Case ID, etc.</li> <li>Error Conditions: a) PDF file name is not equal</li> </ul>





		<ul style="list-style-type: none"> <li>to 36 characters, b) PDF file size is less than 1KB (empty file), and c) the envelope open/close indicators are out of sequence; invalid form code</li> </ul>
5.	Weekly Production and Unmailable Statistics	<ul style="list-style-type: none"> <li>Report details the number of images, sheets and envelopes</li> </ul>
6.	Error messages providing notification of file issues (i.e. inability to decompress a file)	<ul style="list-style-type: none"> <li>Automatic email notification to the State Help Desk</li> </ul>
7.	Confirmation of Receipt of File	<ul style="list-style-type: none"> <li>Auto-generated email to confirm receipt of file to the State</li> </ul>
8.	Weekly Defective Mail Report	<ul style="list-style-type: none"> <li>Excel spreadsheet with counts and Form IDs for Defective Mail (incomplete/improper mailing and return address) collected during the week; Defective mail is found within Oracle files</li> </ul>
9.	County Contact List	<ul style="list-style-type: none"> <li>Updated by the State and maintained at the Contractor</li> <li>Used by the Contractor to create banner pages for Judge Copy Show Cause Notices</li> <li>Used to mail back the Show Cause Notices that are considered un-mailable documents</li> </ul>

- b. The Contractor is responsible for maintaining an accurate county contact list to facilitate delivery of reports via email and bulk shipment of documents to local offices. The MiCSES project manager is available to validate contact lists and provide information as needed.

7. Problem Investigation.

- a. The Contractor will use the Epicor EFront Office Help Desk Management application to track issues and problems for internal as well as customer problems. The system provides status on all issues including those that are open, closed, and on hold. Problems identified include:

	Problem	Comments
	Data file transmission issues.	<ul style="list-style-type: none"> <li>THE Contractor generates an automatic email to MiCSES Help Desk.</li> </ul>
	File level validation (i.e., processing) issues.	<ul style="list-style-type: none"> <li>THE Contractor generates an automatic email to MiCSES Help Desk.</li> </ul>
	Archive County Detail Reports.	<ul style="list-style-type: none"> <li>3-month retention at central print facility</li> </ul>

- b. When THE Contractor internal issues are identified, a help desk call is opened in our EFrontOffice (EFO) system. This call is then escalated to the appropriate team and if necessary on-call staff. For operational issues, updates are provided every 4 hours until the problem is resolved. Once resolved, the EFO call is updated. If necessary a corrective action form is issued to document the issue, provide root cause analysis and implement corrective action to prevent re-occurrence.
- c. Problems are investigated by a team of Quality Assurance, Production Control and Account Management. Once the root cause is determined, the Change Management process comes into play. The problem is corrected, and a permanent solution is documented and implemented.

**B. Quality Assurance**

1. THE Contractor will maintain a Total Quality Management (TQM) process with initiatives in Lean and 6-Sigma. Under the Contractor's TQM initiative, THE Contractor has a problem resolution process that identifies the root cause of a problem and systematically addresses each identified issue. Standard Quality Control and reconciliation that is used for the MiCSES work include:
  - a. Acknowledgement of file receipt, size and or counts immediately upon receipt and validation of file
  - b. Operational reconciliation of file to work order instructions to segment report throughout print, insert, fulfillment and mail
  - c. Reconciliation of work order build plan (process steps and stock types) to actual piece as it goes through print, insert, fulfillment and mail
  - d. Production Control reconciliation of operational reports for each process
  - e. Quality checks of physical piece throughout production
  - f. Quality checks of counts throughout production
  - g. Quality control of processes throughout production
  - h. Random samplings for Quality Assurance of each job
  - i. Quality Control process to ensure each job meets or exceeds the SLA
2. Quality checks specific to State of Michigan MiCSES work include:
  - a. After print, the Quality Control team validates the integrity of the documents and the mailing address
  - b. THE Contractor's data receipt FTP automated process validates the completeness of the TAR file transfer based on the validation of file size within the control file which is received after the TAR file transmission
  - c. Once the TAR file transmission is completed successfully, the TAR file is copied to the next step of the data process with an automated email notification for successful file receipt
  - d. If the file is not completely transmitted to THE Contractor and the validation fails, an error notification is sent immediately to the MiCSES HelpDesk
  - e. The TAR file names specify the 24-hr or 48-hr SLA. At the time of data processing, these two types of files are separated with different THE Contractor job numbers to identify the different turn-around timeframes. Production processes follow the same turn-around timeframe to move these jobs into the USPS and DHL delivery within the SLA
3. The Quality Assurance (QA) team conducts quality checks to make sure that the output meets with the MiCSES quality requirements. In doing so, statistical techniques are employed which involves sampling methods.

**C. Special Projects**

1. Special Projects include activities such as testing new MiCSES documents (adding new templates), ad hoc information requests, high volume mass mailings, or response to County requests. The State provides as much notice as possible for the volume and timing of new projects.
2. The Contractor will continue to support special projects including, but not limited to:
  - a. Test new templates and add them into production
  - b. Support, project manage and implement special mailings
  - c. Respond to ad-hoc information in a timely manner
  - d. Assist the State in moving to a format that identifies the appropriate template and variable data rather than providing a PDF for each piece to be mailed
  - e. Provide a Workflow/Composition solution to implement a 3 of 9 barcode for piece level tracking





- f. Assist the State in the migration to industry standard practices with our Workflow/Composition solution

#### **D. Business Continuity/Facility Location**

1. The Print/Mail services for this application will be managed at the Contractor's MPC Center located at 38120 Amrhein Road, Livonia, Michigan 48150. The Contractor's back up site for MPC is our Houston facility located at 700 West Sixth Street, Houston, TX. Each center includes Print Operations, Mail Processing and our integrated inventory management process.
2. The Contractor's network, data processing and communication backup center is in Jacksonville FL and contains multiple T3 connections to the public internet as well as connections to The Contractor's private network. The Contractor supports VPN connections over the public Internet to both our primary facility in Livonia as well as our communications backup center in Jacksonville.
3. The Contractor will back up all critical data on a daily, weekly and monthly cycle storing information both onsite and offsite. In the event of a declared disaster, The Contractor will switch affected processes to our backup facility. This backup facility will include hardware platforms, software systems and intellectual assets that will quickly and effectively restore SOM's business process.
4. An Uninterruptible Power Supply (UPS) System is installed at the both of our primary and backup facilities. The UPS system supplies filtered power to ensure protection against momentary power surges or short-term outages of 120 minutes or less. This is imperative to assure against system corruption during unscheduled extended outages.
5. Additionally, a complete facility generator is onsite at the primary processing facility and the backup data processing center, which supplies power to the entire facility. The system is periodically tested to maintain the generator and ensure reliability. In a total power loss, The Contractor is fully operational under generator power within minutes.

#### **E. Proposed System Improvements**

1. The Contractors Integrated Document Manufacturing Facility (IDMF) provides an environment where a solution can be tailored to a client's individual need by utilizing our advanced document composition tool or configuring standard modules. This environment supports changes in requirement or specification without massive re-engineering. Where specific requirements are not directly supported by the IDMF, additional modules can be developed as required.
2. The Contractor will integrate the SOM MiCSES central print process with the Contractor IDMF Work Flow process using the current State of architecture of PDF files to provide a more robust automated data process environment, real time reporting and more control over the tracking the pieces being processed. This includes enhancing the current No-Mail process with our automated Clippership process for shipping and reporting the packages to Counties with the shipment tracking number along and the Form ID, Case#, Sheet Count, Envelope Count.
3. THE Contractor will implement these improvements upon our award of the contract as part of normal business operations and at no additional cost.. (See Documentation and acceptance criteria, Section 1.501)
  - a. **Package Level Reconciliation** of no-mail work
  - b. **Piece Level Tracking** for each notice
  - c. **Production Barcoding and Planet Code** application for proof of mailing
  - d. **End-to-End and Real Time Reporting**
  - e. **Clippership** Distribution Services for no-mail work



f. **Electronically Sort Foreign from Domestic Mail**

4. Improvement Specifications

a. Package Level Reconciliation

- i. **Current Status:** Currently, Distribution Staff reconcile the total number of no-mails the total file count. At times, the county may miss a document. Much investigation takes place to determine whether or not the notice requests were sent to SOMI MiCSES, whether or not THE Contractor received the notices, and whether or not they were mailed. Once we determine that we have received the notices, we look for delivery tracking numbers for the respective County. Once found, we know that a package was sent to the County; however, we do not know if the number of notices received for this County is the actual number delivered to the County.
- ii. **Enhancement:** THE Contractor generates a segment report with the total count per file plus the banner page count for each county within a file. The report lists the County number, County name, the number of images, and the number of sheets per county. Quality Control and Distribution personnel reconcile the counts on the report for each county with the physical counts in the output. An additional reconciliation step takes place in the match of the total count on the segment report to the total physical count of the output. If there is not a match, the entire job will be held, inspected and resolved by Quality Control.

b. Piece Level Tracking

- i. **Automated data process environment** – The current The Contractor process is also automated data process but is not integrated to The Contractor IDMF Work Flow. The integration of this process with IDMF workflow would enable to **track the job at piece level** and also provides more robust data processing step tracking.

c. Production Barcoding and Planet Code

- i. **PDF enhancing tool** – THE Contractor continually researches improvement opportunities. THE Contractor is currently evaluating off-shelf tools to enhance the PDF files for additional operational controls, better quality and tracking purposes. The PDF tool would allow the Contractor to add the Contractor **unique piece ID** above the mailing address, allow for **3of9 inserter barcode**, ability to perform **CASS** (Address cleansing software) on the mailing address. The enhancement will also allow the Contractor to print **DPBC Delivery barcode** and the **Planet Code** on each mailer page. In addition, we will be able to electronically reject the documents with non-mailable addresses.

d. End-to-End Reporting

- i. **Real time end to end reporting** for No-Mail will be provided. The report will detail the incoming file information as well as the outgoing DHL information. Counties will be able to see exactly what they sent, what was received, and what was delivered, when it was delivered, and the tracking number. The report will detail the shipment tracking number with the details of Form ID, Case#, Sheet Count, Envelope Count.

e. Clippership Distribution Services

- i. **Clippership process** – **Clippership** is an interface program for all different carrier types like DHL, FedEx, and UPS. Etc. The Clippership process is integrated into IDMF Work Flow to provide an automated solution in generating the shipment labels, and recording the tracking number along with other package details. This information can be used for **reporting the statistics of No-Mail packages** to



Counties/State shipment with tracking number and the details of Form ID, Case#, Sheet Count, Envelope Count.

- f. Foreign Mail Sort
  - i. With the new PDF tool, THE Contractor will electronically extract documents to **identify the foreign vs US mailing addresses**. In this way, the foreign mail is posted and delivered in the proper postal stream.

## 1.2 Roles and Responsibilities

### **1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES**

Following are required, suggested and recommended Contractor roles and responsibilities that are likely to be necessary for this implementation.

**Project Manager – Mary-Jo Kruse** - This key staff person will be responsible for all communication with the State of Michigan Project staff, developing the improvement project implementation plan, overseeing all Contractor staff, oversight of the development and implementation plans and project management monitoring. This person will also be responsible for a PIER (Project Initiation and Execution Report) report after project completion. Three to five years project management experience, including management of a high-volume printing and mailing operation. (Required)

**Quality Analyst – Jeff Shipp** - This key staff person will be responsible for all forms of testing, sampling, and validating the printing and mailing operation, inclusive of all file transmissions and systems integration. Three years experience in systems quality assurance with at least one engagement involving the operation of a high-volume printing and mailing operation. (Required)

- The work is to be performed, completed, and managed at the Contractor's facility.

Contractor's staff must be able to pass a security clearance check conducted by the Contractor. Contractor must present certifications evidencing satisfactory background checks and drug tests for all staff identified for assignment to this project. Contractor is responsible for any costs associated with ensuring their staff meets all requirements. In addition, all Contractor staff assigned to the MiCSES printing and mailing operation must sign the security and confidentiality forms included in Attachment 6.

The Contractor will provide, and update when changed, an organizational chart indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work.

The Contractor has identified **Deborah Guskovict** as the **Contract Administrator**. The duties of the Contract Administrator shall include, but not be limited to: i) supporting the management of the Contract, ii) facilitating dispute resolution, and iii) 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 Contract Administrator if the assigned Contract Administrator is not, in the opinion of the State, adequately serving the needs of the State.

The Contractor will provide sufficient qualified staffing to satisfy the deliverables of this Statement of Work.

### **1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**



Following are the State staff roles and responsibilities, which will be assigned to the named individuals or their designees.

**Geoff Ruonavaara**, State of Michigan, Department of Information Technology, will function as the MiCSES Printing and Mailing Services Project Manager and primary point of contact with the Contractor for day-to-day planning and implementation tasks.

**James Fricke**, State of Michigan, Department of Information Technology, MiCSES Project Director, will function as the on-site State management point of contact for any contractual compliance issues and will, jointly with the MiCSES Printing and Mailing Services Project Manager, review or approve and accept all deliverables. Mr. Fricke will also function as Printing and Mailing Services project executive sponsor and final point of escalation for unresolved issues.

**Mike McCormick**, State of Michigan, Department of Human Services, Office of Child Support, will function as the Printing and Mailing Services functional owner for all business requirements, will review appropriate deliverables, and provide client acceptance sign-off for the project review report.

**Darrell Dontje**, State of Michigan, Department of Information Technology, Office of Enterprise Security is the security manager responsible for State of Michigan network security and will function as the liaison between the MiCSES Project and the MDIT Office of Enterprise Security. The proposed Printing and Mailing services operation will be reviewed by the Security Manager for compliance prior to implementation

MDIT shall provide a Contract Administrator, **Patty Bogard**, whose duties shall include, but not be limited to, supporting the management of the Contract.

### 1.203 OTHER ROLES AND RESPONSIBILITIES

**Kim Summers**, MiCSES Document Generation Analyst (Contractual), functions as the State's on-site resident Printing and Mailing services technical expert. He provides support for the MiCSES document generation processes and acts as liaison between MiCSES and the Contractor. This position will provide support to the transition from the existing Printing and Mailing operation to the proposed solution

MiCSES Project Control Office (Contractual) provides project management and schedule control functions for the MiCSES project. The MiCSES PCO will assign a position to function as the project and schedule control liaison between the Contractor's Project Manager, the MiCSES Printing and Mailing Services Project Manager and the MiCSES PCO. Appropriate selected project milestones from the project plan will be identified for incorporation into the overall MiCSES Project Plan and Schedule for purposes of ensuring coordination and escalation of issues and status (scorecard) reporting to the MiCSES Leadership Team.

#### 1.3 Project Plan

### 1.301 PROJECT PLAN MANAGEMENT

#### B. Orientation Meeting

1. Within ten (10) calendar 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.
2. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor.
3. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

#### C. Performance Review Meetings

1. The State will require the Contractor to attend monthly meetings, at a minimum, to review the Contractor's performance under the Contract.



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

**D. Project Control**

1. The Contractor will carry out this project under the direction and control of the MDIT/MiCSES project.
2. Within five (5) working days of the award of the Contract, the Contractor will submit to the State project manager(s) for final approval a work plan.
  - b. This work plan must be in agreement with section 1.104 Work and Deliverables, and must include the following:
    - i. The Contractor's project organizational structure.
    - ii. The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
    - iii. The project breakdown (work plan) showing sub-projects, activities and tasks, and resources required and allocated to each.
    - iv. The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the work plan.
3. The Contractor will manage the project in accordance with the PMBOK® (Project Management Body of Knowledge from the Project Management Institute) and the state's Project Management Methodology (PMM). Methodology is available at [www.michigan.gov/projectmanagement](http://www.michigan.gov/projectmanagement)

**1.302 REPORTS**

Reporting formats must be submitted to the State's Program Manager for approval within ten (10) business days after the effective date of the contract resulting from this RFP. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Reports to be furnished by the Contractor include:

- County Detail
- County Summary/Accounting
- County Reject
- Statewide Consolidated Reject
- Weekly Production and Unmailable Statistics

Content of each report and method of distribution are described in Section 1.104 of this RFP.

1.4 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 Program 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

#### **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 Contract. Risk management generally involves (1) identification of the risk, (2) assigning a level of priority based on the probability of occurrence and impact to the project, (3) definition of mitigation strategies, and (4) monitoring of risk and mitigation strategy.

Contractor's proposal must define risks identified as being significant to the success of the project. Include how you would propose to effectively monitor and manage these risks, including reporting of risks to the State.

#### **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 Contract Compliance Inspector, the Contract Compliance Inspector will submit a request for change to the Department of Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations 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 DMB Office of Purchasing Operations, 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 while the migration is underway.

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.

#### **1.5 Acceptance**

##### **1.501 CRITERIA**

Task 1 Improvement plans and acceptance and Task 2 Documentation must be complete and accepted by the State before daily operations begin.





## 1.502 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, and the certification by the State that the Contractor has met the defined requirements.

### 1.6 Compensation and Payment

#### 1.601 Compensation and Payment

State shall pay Contractor an amount not to exceed **\$8,121,390.63** dollars for the performance of all activities necessary for or incidental to the performance of work as set forth in this SOW. See Article 1, Attachment A, for the price schedules.

This contract is awarded on a fixed price. MDIT/MDHS will reimburse the Contractor in accordance with the agreed upon price. The Contractor will invoice monthly for actual work performed. Pricing is based on the following:

- Price per image
- Daily rate for Project Management
- Daily rate for Quality Assurance

Specific details of invoices and payment will be agreed upon between MDCH/MDIT and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Purchasing, Department of Management and Budget. This activity will occur only upon the specific written direction from the Purchasing Operations.

"Prices for products will be adjusted every twelve months, either upward or downward, for changes in material cost based on the percent change in values from Consumer Price Index (*CPI*) for Pulp, Paper, and Allied Products (WPU09)." Changes will be computed by comparing the CPI values for the current month to and the same month in the previous year. CPI for envelopes will be computed with 50% of the envelope price. The following formula will be used to calculate material price increases or decreases.

### 1.7 Additional Terms and Conditions Specific to this SOW

#### 1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW

##### A. Directives

All staff involved in the handling of MiCSES documents and in the delivery of printing and mailing services must comply with the privacy and security requirements of the DHS Office of Child Support and the Michigan Department of Information Technology. See Attachment 6 for a description of these requirements as well as security forms that must be signed by Contractor staff.

The following Federal directives apply to the Contract awarded as a result of this RFP:

##### **Use and Ownership of Information and Documentation**

1. **Reproduction of Documentation.** All non-copyrighted documentation and printed materials provided by the Contractor to the State may be reproduced by the State, provided that such reproduction is made solely for the internal use of employees of the State or contracted resources of the State engaged in State business and further provided that no charge is made to anyone for such reproduction. If there is a requirement to copy portions of copyrighted material, Contractor will seek permission from the copyright source at the request of the State.



## 2. Ownership of Materials

- a. The State has the right to all working papers, reports, charts, programs, and other material developed for the project by the Contractor during the course of the project.
- b. All property rights, including publication rights in the interim, draft, and final reports and other documentation produced by the Contractor in connection with the work provided for under this contract, shall rest with the United States Department of Health and Human Services and the State.
- c. In connection with software and associated documentation specifically developed for the State under this Contract the State shall have all ownership rights in such software and documentation that is designed, developed, or installed with Federal financial participation under 45 CFR Section 95.617. In accordance with 45 CFR 95.617(b) the United States Department of Health and Human Services "reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications, and documentation".
- d. All property rights for materials created specifically for the State during the project, including publication rights in the interim, draft, and final reports and other documentation produced by the Contractor in connection with the work provided under this Contract, shall rest with the United States Department of Health and Human Services and the State.
- e. The Contractor shall not publish or release any of the results of the work or any information whatsoever which pertains to work or activities covered by the contract without prior written permission of the State. No reports, forms, or other documents produced in whole, or in part, under this contract shall be the subject of any application for copyright by or in behalf of, the Contractor or any of its employees.
- f. The Contractor may not publish or copyright any data specifically developed for the State under this Contract without prior approval, unless otherwise stated herein. The State and the Federal Government shall have the right to publish, duplicate, use, and disclose all such data in any manner, and for any purpose whatsoever, and may authorize others to do so.
- g. "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the services hereunder including but not limited to, all reports, surveys, plans, charts, recordings (video and/or sound), pictures, drawings, analyses, source, and object code, graphic representations, computer programs and printouts, notes and memoranda, and documents whether finished or unfinished, which results from or are prepared in connection with the services performed hereunder. "Data" shall not include Contractor's proprietary or confidential data or any pre-existing materials.
- h. Either party in any way they deem appropriate may use any ideas, concepts, know-how or techniques related to the subject matter of this agreement and/or developed or provided by either party or jointly developed by both parties during the course of this contract.
- i. Notwithstanding the above and in accordance with Federal requirements, the State agrees that the Contractor will retain all ownership interests or rights to the Contractor's materials which were or are proprietary prior to the commencement of work under this contract, so long as the Contractor notifies the State in writing of the specific materials, methodologies, software productivity tools, or concepts to which the Contractor attaches a proprietary interest. The State may require evidence of such proprietary interest.
- j. The Contractor represents, assures and warrants that the Contractor either owns or has the right to grant the State usage rights to the software covered herein or accompanying the product to be delivered herein

## 3. Document Inspection and Retention

- a. The United States Department of Health and Human Services, and the State, through any authorized representative(s), have the right at all times to inspect or otherwise evaluate the work performed or being performed under this contract and the premises in which it is being performed. If any inspection or evaluation is made on the premises of the Contractor, or subContractor, the Contractor shall provide and shall require its subContractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized





representatives in the performance of their duties. All such inspections and evaluations shall be performed in such a manner as to not unduly delay the work.

- b. The Contractor shall assure that all Contractor and subContractor books, documents, papers, accounting records, or other evidence pertaining to costs incurred under this contract will be maintained for a period of at least three (3) years after the final payment under this contract and that the Division of Family & Children, the Indiana State Board of Accounts, the United States Department of Health and Human Services, and the Comptroller General of the United States or any of their duly authorized representatives shall have access to any such books for the purpose of making audits, examinations, excerpts, and transcripts for no less than three (3) years after the date of final payment under this contract or a resolution of audit findings, whichever is later.
- c. Such books, documents, papers, accounting records or other evidence shall consist of service activity reports, Contractor activity reports, time sheets, travel expense reports, copies of Contractor invoices, and other documents directly related to this Contract whether they are on paper or machine readable media.



**Article 1, Attachment A – Pricing Table**

**PROJECT IMPLEMENTATION COSTS**

Line Item	Resource Required	Total # of Resources	Total # of Hours	Unit Cost (\$)	Extended Cost (\$)
1	Project Management	0	0	\$ -	\$ -
	Quality Assurance	0	0	\$ -	\$ -
2	a) Manual Error Handling	0	0	\$ -	\$ -
	Integration (Of contractor's software product(s) with customized code and external interfaces)	0	0	\$ -	\$ -
3	Testing	0	0	\$ -	\$ -
	a) Unit	0	0	\$ -	\$ -
	b) System	0	0	\$ -	\$ -
	c) Integration	0	0	\$ -	\$ -
	d) Performance (Load and Stress)	0	0	\$ -	\$ -
	e) Parallel Testing	0	0	\$ -	\$ -
4	f) Other (Please Specify)	0	0	\$ -	\$ -
5	Deployment/Cutover	0	0	\$ -	\$ -
	Documentation	0	0	\$ -	\$ -
6	Please Specify	0	0	\$ -	\$ -
	Other Resources (Please Specify Below)	0	0	\$ -	\$ -
	a)	0	0	\$ -	\$ -
	b)	0	0	\$ -	\$ -
	c)	0	0	\$ -	\$ -
7	d)	0	0	\$ -	\$ -
<b>TOTAL PROJECT IMPLEMENTATION COST</b>		<b>0</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>

**DAILY OPERATION COSTS**

Line Item	Description	Current Contract Price			
		Unit Costs(\$)	Quantity per	Extended cost	Volume Discount
1	Data Processing	\$ .0080	4	\$ 0.0320	
2	Print (cost to print document)	\$ .0210	4	\$ 0.0840	
3	Paper (cost of paper for printing)	\$ .0650	2	\$ 0.0130	
4	Fold (cost to fold paper)	\$ .0300	2	\$ 0.0060	
5	Insert (cost to insert folded paper into envelope)	\$ .0225	2	\$ 0.0450	
7	Seal and Meter	\$ .0025	1	\$ 0.0025	
6	Zip Code Sorting	\$ .0120	1	\$ 0.0120	
8	Envelope (cost of envelope - see attachment for specs)	\$ .01475	1	\$ 0.0148	
9	Postage	\$ 0.308	1	\$ 0.3080	
<b>TOTAL</b>				<b>\$ 0.5173</b>	

\*If volume discount is offered please explain discount structure.

NOTE: THIS FORM SHOULD BE DOWNLOADED AS AN EXCEL DOCUMENT AT  
[HTTP://www.michigan.gov/doingbusiness/0,1607,7-146-6572,6919-121803--00.html](http://www.michigan.gov/doingbusiness/0,1607,7-146-6572,6919-121803--00.html)



**ASSUMPTIONS - These two line items are needed in DAILY OPERATION COST**

1	Project Management (per data file)	\$ 94.00	0	\$ -	\$ -
2	Quality Assurance a) Manual Error Handling (per occurrence)	\$ 266.00	0	\$ -	\$ -

**\*NOTE** – Charges for Project Management and Quality Assurance will be charged at a daily rate and on an as needed basis.

"Prices for products will be adjusted every twelve months, either upward or downward, for changes in material cost based on the percent change in values from Consumer Price Index (*CPI*) for Pulp, Paper, and Allied Products (WPU09)." Changes will be computed by comparing the CPI values for the current month to and the same month in the previous year. CPI for envelopes will be computed with 50% of the envelope price. The following formula will be used to calculate material price increases or decreases.

The CPI index can be viewed at <http://data.bls.gov/cgi-bin/surveymost>. The following example illustrates the computation of percent change:

CPI for current period – based on rates from March 2005	136.0
Less CPI for previous period – based on rates from March 2004	129.9
Equals index point change	6.1
Divided by previous period CPI	129.9
Equals	0.047
Result multiplied by 100	0.047 x 100
Equals percent change	4.7

**Example**

Assumptions

Current Price is \$100

CPI% increase is 2%

New Price = \$100 x 2% = \$102.00



## Article 2 – General Terms and Conditions

### 2.010 Contract Structure and Administration

#### **2.011 Definitions**

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) “Days” means calendar days unless otherwise specified.
- (b) “24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) “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 Vendor with additional consideration. “Additional Service” does not include New Work.
- (d) “Amendment Labor Rates” means the schedule of fully-loaded hourly labor rates attached as **Article 1, Attachment C**.
- (e) “Audit Period” has the meaning given in **Section 2.111**.
- (f) “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.
- (g) “Incident” means any interruption in Services.
- (h) “Business Critical” means any function identified in any Statement of Work as Business Critical.
- (i) “Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work
- (j) “Key Personnel” means any Personnel designated in **Article 1, Section 1.201 and/or Attachment B**, as Key Personnel.
- (k) “New Work” means 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 Vendor with additional consideration. “New Work” does not include Additional Service.
- (l) “Services” means any function performed for the benefit of the State.
- (m) “State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (n) “Subvendor” means a company Vendor delegates performance of a portion of the Services to, but does not include independent vendors engaged by Vendor solely in a staff augmentation role.
- (o) “Work in Process” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

#### **2.012 Attachments and Exhibits**

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

#### **2.013 Statements of Work**

- (a) The parties agree that the Services/Deliverables to be rendered by Vendor 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. Vendor 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, or an amendment to this Contract (see 2.106). Vendor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.



(b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:

- a description of the Services to be performed by Vendor under the Statement of Work;
- a project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
- a list of the Deliverables to be provided, if any, including any particular specifications and acceptance criteria for such Deliverables, and the dates on which the Deliverables are scheduled to be completed and delivered to the State;
- all Deliverable price schedules and other charges associated with the Statement of Work, the overall fixed price for such Statement of Work and any other appropriate pricing and payment terms;
- a specification of Vendor's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
- a listing of any Key Personnel of Vendor and/or its Subvendors for that Statement of Work and any future Statements of Work;
- any other information or provisions the parties agree to include.

(c) Reserved.

(d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.

## 2.014 Issuing Office

This Contract is issued by the Department of Management and Budget, Office of Purchasing Operations and MDIT/MDHS (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Vendor Administrator within the Office of Purchasing Operations for this Contract is:

Joann Klasko  
Office of Purchasing Operations  
Department of Management and Budget  
Mason Bldg, 2nd Floor  
PO Box 30026  
Lansing, MI 48909  
Email: KlaskoJ@michigan.gov  
Phone: (517) 241-7233

## 2.015 Contract Compliance Inspector

Upon receipt at Purchasing Operations of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with (insert the end using agency), will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

Patty Bogard  
Department of Information Technology  
Constitution Hall, Atrium South Tower  
PO Box 30026  
Lansing, MI 48909  
Email: BogardP@michigan.gov  
Phone: (517) 335-54051

**2.016 Project Manager**

The following individual will oversee the project:

Virginia Hambric

Department of Information Technology

1000 Long Blvd., Suite 20

Lansing, MI 48913

Email: hambricv@michigan.gov

Phone: (517)241-9617

2.020 Contract Objectives/Scope/Background

**2.021 Background**

See 1.02

**2.022 Purpose**

See 1.01

**2.023 Objectives and Scope**

See Section 1.101

**2.024 Interpretation**

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

**2.025 Form, Function and 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.

2.030 Legal Effect and Term

**2.031 Legal Effect**

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Vendor or payment under this Contract, until Vendor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

**2.032 Contract Term**

This Contract is for a period of three (3) years commencing on the date that the last signature required to make the Contract enforceable is obtained. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.



### 2.033 Renewal(s)

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. The Contract may be renewed for up to two(2) additional one (1) year periods. Successful completion of negotiations surrounding the terms of the extension, will be a pre-requisite for the exercise of any option year.

### 2.040 Contractor Personnel

#### 2.041 Contractor Personnel

(a) Personnel Qualifications. All persons assigned by Contractor to the performance of Services under this Contract shall be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved SubContractor) and shall be fully qualified to perform the work assigned to them. Contractor shall 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 shall 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.

(b) Key Personnel

(i) In discharging its obligations under this Contract, Contractor shall provide the named Key Personnel on the terms indicated. **Exhibit C** provides an organization chart showing the roles of certain Key Personnel, if any.

(ii) Key Personnel shall be dedicated as defined in **Exhibit C** 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.

(iii) The State will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, will introduce the individual to the appropriate State representatives, and will provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good-faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

(iv) Contractor shall not remove any Key Personnel from their assigned roles or the Contract without the prior written consent of the State. If the Contractor does remove Key Personnel without the prior written consent of the State, it shall be considered an unauthorized removal ("Unauthorized Removal"). It shall not be considered an Unauthorized Removal if Key Personnel must be replaced 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. It shall not be considered an Unauthorized Removal if Key Personnel must be replaced 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 thirty (30) days of shadowing unless parties agree to a different time period. The Contractor with the State shall 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 rights under **Section 2.210**.





(v) It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.210**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount shall be \$25,000.00 per individual provided Contractor identifies a replacement approved by the State pursuant to **Section 2.041** and assigns the replacement to the Project to shadow the Key Personnel s/he is replacing for a period of at least thirty (30) days prior to such Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least thirty (30) days, in addition to the \$25,000.00 liquidated damages for an Unauthorized Removal, Contractor shall pay the amount of \$833.33 per day for each day of the thirty (30) day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide thirty (30) days of shadowing shall not exceed \$50,000.00 per individual.

(c) Re-assignment of non-Key Personnel. Prior to re-deploying to other projects, at the completion of their assigned tasks on the Project, teams of its non-Key Personnel who are performing Services on-site at State facilities or who are otherwise dedicated primarily to the Project, Contractor will give the State at least ten (10) Business Days notice of the proposed re-deployment to give the State an opportunity to object to the re-deployment if the State reasonably believes such team's Contract responsibilities are not likely to be completed and approved by the State prior to the proposed date of re-deployment.

(d) Re-assignment of Personnel at the State's Request. The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement personnel for the removed person shall 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 such incident with removed personnel results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted in **Section 2.076** for a time as agreed to by the parties.

(e) Staffing Levels.

(i) All staff requirements not specified in the applicable Statement of Work or State-approved project plan as State personnel will be supplied by Contractor. This includes secretarial, clerical and Contract administration support staff necessary for Contractor to perform its obligations hereunder.

(ii) Contractor shall provide sufficient personnel resources for the completion of Contract tasks indicated in Contractor's project plan approved by the State. If the level of personnel resources is insufficient to complete any Contractor Contract tasks in accordance with the Contract time schedule as demonstrated by Contractor's failure to meet mutually agreed to time schedules, Contractor shall promptly add additional qualified personnel resources to the performance of the affected tasks, at no additional charge to the State, in an amount sufficient to complete performance of Contractor's tasks in accordance with the Contract time schedule.





(f) Personnel Turnover. The Parties agree that it is in their best interests to keep the turnover rate of employees of Contractor and its SubContractors who are performing the Services to a reasonable minimum. Accordingly, if the State determines that the turnover rate of such employees is excessive and so notifies Contractor, Contractor will meet with the State to discuss the reasons for the turnover rate and otherwise use commercially reasonable efforts to minimize such turnover rate. If requested to do so by the State, Contractor will submit to the State its proposals for reducing the turnover rate to an acceptable level. In any event, notwithstanding the turnover of personnel, Contractor remains obligated to perform the Services without degradation and in accordance with the State-approved Contract schedule.

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

#### **2.042 Contractor Identification**

Contractor employees shall 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.

#### **2.043 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, and, as reasonably requested by the State, to provide to the State's agents and other Contractors with reasonable access to Contractor's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Contractor receives reasonable prior written notice of such request. 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 such requests for access.

#### **2.044 Subcontracting by Contractor**

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

(b) Contractor shall not delegate any duties under this Contract to a SubContractor unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all SubContractors and to require Contractor to replace any SubContractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement SubContractor(s) for the removed SubContractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed SubContractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed SubContractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.



(c) 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 will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit E** is 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.

(d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Subcontractors.

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

## **2.045 Contractor Responsibility for Personnel**

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.

### 2.050 State Standards

## **2.051 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/0,1607,7-139-30639\\_30655---.00.html](http://www.michigan.gov/dit/0,1607,7-139-30639_30655---.00.html).

## **2.052 PM Methodology Standards**

The State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. See the State's PMM website at <http://www.michigan.gov/projectmanagement>.

The Contractor shall use the State's PPM to manage this Contract. If the Contractor requires training on the PMM, those costs shall be the responsibility of the Contractor, unless otherwise stated.

## **2.053 Adherence to Portal Technology Tools**

The State has adopted the following tools for its Portal Technology development efforts:

- Vignette Content Management and personalization Tool
- Inktomi Search Engine
- E-Pay Payment Processing Module
- Websphere Commerce Suite for e-Store applications



Unless otherwise stated, Contractor must use the Portal Technology Tools to implement web content management and deployment efforts. Tools used for web-based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with DIT, Enterprise Application Services Office, e-Michigan Web Development team.

Contractors that are compelled to use alternate tools must have received an exception from DIT, Enterprise Application Services Office, e-Michigan Web Development team, before this Contract is effective.

## 2.054 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/0,1607,7-179-25781-73760--00.html>. 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.

### 2.060 Deliverables

## 2.061 Ordering

(a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order's accompanying Statement of Work.

(b) **(Only used for IT Contracts)** DIT will continue to oversee the use of this Contract by End Users. DIT may, in writing, delegate to agencies the authority to submit requests for certain services directly to the Contractor. DIT may also designate, in writing, some services as non-delegated and require DIT review and approval before agency acquisition. DIT will use Contractor provided management reports and periodic random agency audits to monitor and administer contract usage for delegated services.

## 2.062 Software

**Exhibit J** lists the items of software the State is required to purchase for execution the Contract. The list in **Exhibit J** 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). **Exhibit J** also identifies certain items of software to be provided by the State.

## 2.063 Hardware

**Exhibit F** lists the items of hardware the State is required to purchase for execution the Contract. The list in **Exhibit F** 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). **Exhibit F** also identifies certain items of hardware to be provided by the State.



## **2.064 Equipment to be New and Prohibited Products**

### **(a) Equipment to be New**

If applicable, all equipment provided under this Contract by Contractor shall be new where Contractor has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable where Contractor does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

### **(b) Prohibited Products**

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change order pursuant to **Section 2.106**.

## 2.070 Performance

### **2.071 Performance, In General**

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract.

### **2.072 Time of Performance**

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with 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 2.072(a)**, 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, in such event, shall inform the State of the projected actual delivery date.

(c) If Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations in accordance with specified Contract time periods, Contractor shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent such delay is caused by the State.

### **2.073 Liquidated Damages**

The parties acknowledge that failure to meet the 24-hour and 48-hour printing/mailling requirements will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any such delay. Therefore, Contractor and the State agree that in the case of any such delay, in respect of which the State does not elect to exercise its rights under Section 2.191, the State may assess liquidated damages against Contractor as specified in this Section.



Set forth below are liquidated damages specific to the MiCSES Printing and Mailing Services Contract for 1.) failure by the contractor to meet the agreed upon deliverables and timeframe for the Transition of Business Operations and Documentation (Services 1 and 2) and 2.) failure by the contractor to meet the 24-hour and 48-hour printing/mailing requirements.

Failure to meet the agreed upon deliverables and timeframe for the Transition of Business Operations and Documentation will result in forfeiture of all fees associated with these services. Failure to meet the completion timeframe (24-hour or 48-hour turn-around) for printing/mailing services will result in a reduction to the contractor's invoice for the affected documents. The reduction will begin to be assessed one minute after not meeting the required timeframe. The reduction for the first four hours is 10% of the fees invoiced. For every four-hour increment thereafter, an additional 10% reduction will be assessed (10%, 20%, 30%, etc.).

#### **2.074 Bankruptcy**

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within thirty (30) days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, 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 such Works in Process by whatever appropriate method the State may deem expedient. 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.

To secure the State's progress payments before the delivery of any services or materials required for the execution of Contractor's obligations hereunder, and any work which Contractor may subcontract in the support of the performance of its obligations hereunder, title shall vest in the State to the extent the State has made progress payments hereunder.

#### **2.075 Time is of the Essence**

The Contractor agrees that time is of the essence in the performance of the Contractor's obligations under this Contract.

#### **2.76 Service Level Agreements (SLAs) Reserved**

##### 2.080 Delivery and Acceptance of Deliverables

#### **2.081 Delivery of Deliverables**

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

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities, and, in the case of Custom Software Deliverables, System Testing to verify that the Deliverable is complete and in conformance with its specifications. Before delivering a Deliverable to the State,





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

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

## **2.082 Contractor System Testing**

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

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

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

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

Within five (5) Business Days following the completion of System Testing pursuant to **Section 2.080**, 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.

## **2.083 Approval of Deliverables, In General**

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



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

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with **Section 2.080**.

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

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the contract price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses without the need to furnish proof in substantiation of such general expenses; or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

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

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

#### **2.084 Process for Approval of Written Deliverables**

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Written Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity



to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Written Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Written Deliverable (or at the State's election, subsequent to approval of the Written Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Written Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Written Deliverable to confirm that the identified deficiencies have been corrected.

### **2.085 Process for Approval of Custom Software Deliverables**

The State will conduct UAT of each Custom Software Deliverable in accordance with the following procedures to determine whether it meets the criteria for State approval – i.e., whether it conforms to and performs in accordance with its specifications without material deficiencies.

Within thirty (30) days (or such other number of days as the parties may agree to in writing) prior to Contractor's delivery of any Custom Software Deliverable to the State for approval, Contractor shall provide to the State a set of proposed test plans, including test cases, scripts, data and expected outcomes, for the State's use (which the State may supplement in its own discretion) in conducting UAT of the Custom Software Deliverable. Contractor, upon request by the State, shall provide the State with reasonable assistance and support during the UAT process.

For the Custom Software Deliverables listed in **Exhibit G**, the State Review Period for conducting UAT will be as indicated in **Exhibit G**. For any other Custom Software Deliverables not listed in **Exhibit G**, the State Review Period shall be the number of days agreed in writing by the parties (failing which it shall be forty-five (45) days by default). The State Review Period for each Custom Software Deliverable will begin when Contractor has delivered the Custom Software Deliverable to the State accompanied by the certification required by **Section 2.080** and the State's inspection of the Deliverable has confirmed that all components of it have been delivered.

The State's UAT will consist of executing test scripts from the proposed testing submitted by Contractor, but may also include any additional testing deemed appropriate by the State. If the State determines during the UAT that the Custom Software Deliverable contains any deficiencies, the State will notify Contractor of the deficiency by making an entry in an incident reporting system available to both Contractor and the State. Contractor will modify promptly the Custom Software Deliverable to correct the reported deficiencies, conduct appropriate System Testing (including, where applicable, Regression Testing) to confirm the proper correction of the deficiencies and re-deliver the corrected version to the State for re-testing in UAT. Contractor will coordinate the re-delivery of corrected versions of Custom Software Deliverables with the State so as not to disrupt the State's UAT process. The State will promptly re-test the corrected version of the Software Deliverable after receiving it from Contractor.

Within three (3) business days after the end of the State Review Period, the State will give Contractor a written notice indicating the State's approval or rejection of the Custom Software Deliverable according to the criteria and process set out in this **Section 2.080**.

### **2.086 Final Acceptance**

"Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.





2.090 Financial

**2.091 Pricing**

(a) Fixed Prices for Services/Deliverables

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services shall be provided at the Amendment Labor Rates (**Article 1, Attachment C**). The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

(b) 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, using the rates in **Article 1, Attachment C** unless specifically identified in an applicable Statement of Work.

(c) Services/Deliverables Covered

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

(d) Labor Rates

All time and material charges will be at the rates specified in **Article 1, Attachment C**.

**2.092 Invoicing and Payment Procedures and Terms**

(a) Invoicing and Payment – In General

(i) 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.

(ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. The charges for Services billed on a time and materials basis shall be determined based on the actual number of hours of Services performed, at the applicable Labor Rates specified in **Article 1, Attachment C**. Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 2.094**.

(iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.

(b) Taxes (See Section 2.305 and Article 3, Section 3.022-3.024 for additional )

The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Contractor, if requested.



(c) Out-of-Pocket Expenses

Contractor acknowledges that the out-of-pocket expenses that Contractor expects to incur in performing the Services/ providing the Deliverables (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in Contractor's fixed price for each Statement of Work. Accordingly, Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates. See [http://www.mi.gov/dmb/0,1607,7-150-9141\\_13132---,00.html](http://www.mi.gov/dmb/0,1607,7-150-9141_13132---,00.html) for current rates.

(d) Pro-ration

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

(e) Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

(f) Final Payment

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

## 2.093 State Funding Obligation

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

## 2.094 Holdback Reserved

## 2.095 Electronic Payment Availability

Electronic transfer of funds is available to State contractors. Contractor is required to register with the State electronically at <http://www.cpexpress.state.mi.us>. Public Act 533 of 2004, requires all payments be transitioned over to EFT by October, 2005.

## 2.100 Contract Management

### 2.101 Contract Management Responsibility

(a) Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with **Article 1, Attachment E** (Project Plan) is likely to delay the timely achievement of any Contract tasks.



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

## **2.102 Problem and Contract Management Procedures**

Problem Management and Contract Management procedures will be governed by the Contract and the applicable Statements of Work.

## **2.103 Reports and Meetings**

### **(a) Reports.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of periodic reports to be issued by Contractor to the State. Such reports may include:

- (i) separately address Contractor's performance in each area of the Services;
- (ii) for each area of the Services, assess the degree to which Contractor has attained or failed to attain the pertinent objectives in that area, including on-time completion and delivery of Deliverables;
- (iii) explain the reasons for any failure to achieve on-time completion and delivery of Deliverables and include a plan for corrective action where appropriate;
- (iv) describe any circumstances that Contractor anticipates will impair or prevent on-time completion and delivery of Deliverables in upcoming reporting periods;
- (v) include plans for corrective action or risk mitigation where appropriate and describe the status of ongoing problem resolution efforts;
- (vi) provide reports setting forth a comparison of actual hours spent by Contractor (including its augmented personnel and Subcontractors) in performing the Project versus hours budgeted by Contractor.
- (vii) set forth a record of the material personnel changes that pertain to the Services and describe planned changes during the upcoming month that may affect the Services.
- (viii) include such documentation and other information may be mutually agreed to verify compliance with, and meeting the objectives of, this Contract.
- (ix) set forth an updated schedule that provides information on the status of upcoming Deliverables, expected dates of delivery (or redelivery) of such Deliverables and estimates on timing for completion of the Project.

### **(b) Meetings.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Contractor. Contractor shall prepare and circulate an agenda sufficiently in advance of each such meeting to give participants an opportunity to prepare for the meeting. Contractor shall incorporate into such agenda items that the State desires to discuss. At the State's request, Contractor shall prepare and circulate minutes promptly after a meeting.

## **2.104 System Changes**

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

## **2.105 Reserved**



## 2.106 Change Requests

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

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

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

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

(a) Change Requests

(i) State Requests

If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(ii) Contractor Recommendations

Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

(iii) Upon receipt of a Change Request or on its own initiative, Contractor shall

examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.



(iv) 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 shall 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").

(v) 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 Management and Budget, Office of Purchasing Operations.

(vi) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Contractor fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Contractor, and Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Contractor commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Contractor must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.

## **2.107 Management Tools**

Contractor will use an automated tool for planning, monitoring and tracking the Contract's progress. In addition, Contractor shall use automated project management tools as reasonably necessary to perform the Services, which tools shall include the capability to produce through the end of the Contract: (i) staffing tables with names of personnel assigned to Contract tasks, (ii) project plans showing tasks, subtasks, Deliverables and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) days, updated semi-monthly) and (iii) graphs showing critical events, dependencies and decision points during the course of the Contract. 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's standard to the extent such information is described with reasonable detail in the Statements of Work and to the extent the related work is of sufficient project complexity and duration to warrant such reporting.

### **2.110 Records and Inspections**

#### **2.111a Records and Inspections**

(a) Inspection of Work Performed. The State's authorized representatives shall at all reasonable times and with ten (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 ten (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 such access will not reasonably interfere or jeopardize the safety or operation of the systems or facilities. Contractor must provide all reasonable facilities and assistance for the State's representatives.

(b) Examination of Records. Contractor agrees that the State, including its duly authorized representatives, until the expiration of seven (7) years following the creation of the material (collectively, the "Audit Period"), shall, upon twenty (20) days prior written notice, have access to and the right to 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, including the State's procurement rules, regulations and procedures, and actual performance of the Contract for the purpose of conducting an audit, examination, excerpt and/or transcription but the State shall not have access to any information deemed confidential to Contractor to the extent such access would require such 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.

(c) **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, equipment, and commodities provided under the Contract) pertaining to the Contract in accordance with 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 must be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

(d) **Audit Resolution.** If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor will respond to each audit report in writing within thirty (30) days from receipt of such report, unless a shorter response time is specified in such 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 such audit report.

## **2.112 Errors**

(a) If the audit demonstrates any errors in the statements 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 (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.

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

## 2.120 State Responsibilities

### **2.121 State Performance Obligations**

(a) **Equipment and Other Resources.** To facilitate Contractor's performance of the Services/Deliverables, the State shall provide to Contractor such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.

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

(c) **Return.** Contractor shall be responsible for returning 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.

(d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities as set forth in this Contract shall not be deemed to be grounds for termination by Contractor. However, Contractor will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the



State's obligations under this Contract, provided Contractor provides the State with reasonable written notice of such nonperformance and Contractor uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the State's nonperformance of its responsibilities under this Contract materially increases the time required for Contractor's performance or Contractor's cost of performance, Contractor shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

## 2.130 Security

### **2.131 Background Checks**

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 the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--,00.html>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

## 2.140 Reserved

## 2.150 Confidentiality

### **2.151 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").

### **2.152 Confidentiality**

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



### **2.153 Protection of Confidential Information**

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access in order 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) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such 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 such Confidential Information from unauthorized use or disclosure.

**Nondisclosure.** Due to the sensitive nature of some of the data that will be provided to the Contractor, Contractor understands that from time to time during its performance for the State that the Contractor may be required to work with information, data, and concepts that are of a confidential or sensitive nature. Contractor expressly agrees that it shall maintain this data in confidence and that Contractor shall not use this data for any purpose other than its performance for the State under this contract. The Contractor further agrees to have any of its employees, agents, or representatives who may be required to work with such data in the performance of the Contractor's work for the State to individually comply with the confidentiality standards, including any personal screening of its personnel by the State for security purposes.

### **2.154 Exclusions**

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

### **2.155 No Implied Rights**

Nothing contained in this Section shall 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.

### **2.156 Remedies**

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the





non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

### **2.157 Security Breach Notification**

In the event of a breach of this Section, Contractor shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall 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 ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

### **2.158 Survival**

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

### **2.159 Destruction of Confidential Information**

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

### 2.160 Proprietary Rights

#### **2.161a Ownership**

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

**Vesting of Rights.** With the sole exception of any preexisting licensed works identified in **Exhibit J**, the Contractor shall assign, 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 such Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon State's request, the Contractor and/or its personnel shall confirm such assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State shall have the right to obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

#### **Ownership of System**

- a. The U.S. Department of Health and Human Services and the Michigan Department of Information Technology shall have royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to do so, all application software including but not limited to all source and object code, instructions, files, and documentation comprising the MiCSES which is required by this Contract. The Contractor claims no proprietary rights to the application software, files, data bases, or other components of the application developed or modified specifically for the State under this Contract, except that the Contractor shall have an irrevocable non-exclusive license to use, execute, reproduce, display, prepare derivative works based upon, copy and distribute internally and externally, such software and documentation.
- b. The provisions of this section shall be incorporated in any subcontract that relates to the subject matter of this article.

**2.162 Source Code Escrow**

- (a) Definition. "Source Code Escrow Package" shall mean:
- (i) A complete copy in machine-readable form of the source code and executable code of the Licensed Software, including any updates or new releases of the product;
  - (ii) A complete copy of any existing design documentation and user documentation, including any updates or revisions; and/or
  - (iii) Complete instructions for compiling and linking every part of the source code into executable code for purposes of enabling verification of the completeness of the source code as provided below. Such instructions shall include precise identification of all compilers, library packages, and linkers used to generate executable code.
- (b) Delivery of Source Code into Escrow. Contractor shall deliver a Source Code Escrow Package to the Escrow Agent, pursuant to the Escrow Contract, which shall be entered into on commercially reasonable terms subject to the provisions of this Contract within thirty (30) days of the execution of this Contract.
- (c) Delivery of New Source Code into Escrow. If at anytime during the term of this Contract, the Contractor provides a maintenance release or upgrade version of the Licensed Software, Contractor shall within ten (10) days deposit with the Escrow Agent, in accordance with the Escrow Contract, a Source Code Escrow Package for the maintenance release or upgrade version, and provide the State with notice of the delivery.
- (d) Verification. The State reserves the right at any time, but not more than once a year, either itself or through a third party contractor, upon thirty (30) days written notice, to seek verification of the Source Code Escrow Package.
- (e) Escrow Fees. All fees and expenses charged by the Escrow Agent will be paid by the Contractor.
- (f) Release Events. The Source Code Escrow Package may be released from escrow to the State, temporarily or permanently, upon the occurrence of one or more of the following:
- (i) The Contractor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under bankruptcy or insolvency law, whether domestic or foreign;
  - (ii) The Contractor has wound up or liquidated its business voluntarily or otherwise and the State has reason to believe that such events will cause the Contractor to fail to meet its warranties and maintenance obligations in the foreseeable future;
  - (iii) The Contractor voluntarily or otherwise discontinues support of the provided products or fails to support the products in accordance with its maintenance obligations and warranties.
- (g) Release Event Procedures. If the State desires to obtain the Source Code Escrow Package from the Escrow Agent upon the occurrence of an Event in **Section 2.162(f)**, then:
- (i) The State shall comply with all procedures in the Escrow Contract;
  - (ii) The State shall maintain all materials and information comprising the Source Code Escrow Package in confidence in accordance with this Contract;
  - (iii) If the release is a temporary one, then the State shall promptly return all released materials to Contractor when the circumstances leading to the release are no longer in effect.



(h) License. Upon release from the Escrow Agent pursuant to an event described in **Section 2.162(f)**, the Contractor automatically grants the State a non-exclusive, irrevocable license to use, reproduce, modify, maintain, support, update, have made, and create Derivative Works. Further, the State shall have the right to use the Source Code Escrow Package in order to maintain and support the Licensed Software so that it can be used by the State as set forth in this Contract.

(i) Derivative Works. Any Derivative Works to the source code released from escrow which are made by or on behalf of the State shall be the sole property of the State. The State acknowledges that its ownership rights are limited solely to the Derivative Works and do not include any ownership rights in the underlying source code.

### **2.163 Rights in Data**

(a) The State will be and remain the owner of all data made available by the State to Contractor or its agents, Subcontractors or representatives pursuant to the Contract. 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 Contractor, nor will any employee of 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, Contractor shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Contractor shall comply at all times with all laws and regulations applicable to such personally identifiable information.

(b) The State is and shall remain the owner of all State-specific data pursuant to 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 shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

### **2.164 Ownership of Materials**

State and 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.

### **2.165 Standard Software**

If applicable and necessary, all Standard Software used in performing the Services shall be provided to the State under a separate license agreement between the State and the owner (or authorized licensor) of such software. Standard Software to be licensed to the State is listed in **Exhibit J**.

### **2.166 Pre-existing Materials for Custom Software Deliverables**

Neither Contractor nor any of its Subcontractors shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its



Subcontractor, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

## **2.167 General Skills**

Notwithstanding anything to the contrary in this Section, each party, its Subcontractors and their personnel shall be free to use and employ its and their general skills, know-how and expertise, and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing the Services, so long as it or they acquire and apply the foregoing without disclosure of any confidential or proprietary information of the other party.

### 2.170 Warranties And Representations

## **2.171 Warranties and Representations**

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items in this Contract, Contractor shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
- (f) It is qualified and registered to transact business in all locations where required.
- (g) Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall 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 shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.



(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall 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 shall 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 such 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 such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse change in the business, properties, financial condition, or results of operations of Contractor.

(m) All written information furnished to the State by or behalf of 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 such information not misleading.

(n) 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 such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

## **2.172 Software Warranties**

### **(a) Performance Warranty**

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of ninety (90) days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.

### **(b) 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.

(c) Calendar Warranty

The Contractor represents and warrants that all software for which the Contractor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.





The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

(d) 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.

**2.173 Equipment Warranty**

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it will maintain such equipment/system(s) in good operating condition and will undertake all repairs and preventive maintenance in accordance with the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor represents and warrants that the equipment/system(s) shall be in good operating condition and shall operate and perform to the requirements and other standards of performance contained in this Contract, when installed, at the time of Final Acceptance by the State, and for a period of one (1) year commencing upon the first day following Final Acceptance.

Within 30 days business days of notification from the State, the Contractor shall adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor shall assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

The Contractor shall provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract shall be performed by original equipment manufacturer (OEM) trained, certified and authorized technicians.

The Contractor shall act as the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any and all warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

All warranty work shall be performed on the State of Michigan worksite(s).

**2.174 Physical Media Warranty**

(a) 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 thirty (30) 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).

**2.175a DISCLAIMER**

THE FOREGOING EXPRESS WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**2.175b Standard Warranties**

(a) Warranty of Merchantability

Deliverables shall be merchantable. All Deliverables shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor on the container or label.

(b) Warranty of fitness for a particular purpose

When Contractor has reason to know or knows any particular purpose for which the Deliverables are required, and when the State is relying on the Contractor's skill or judgment to select or furnish suitable Deliverables, the Contractor warrants that the Deliverables are fit for such purpose.

(c) Warranty of title

Contractor shall convey good title in those Deliverables, whose transfer is right and lawful. All Deliverables provided by Contractor shall be delivered free from any security interest, lien, or encumbrance. Deliverables shall be delivered free of any rightful claim of any third person of ownership, interest, lien or encumbrance.

**2.176 Consequences For Breach**

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

2.180 Insurance

**2.181 Liability Insurance**

(a) Liability Insurance

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such 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 pursuant to this Contract.

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

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

See [http://www.mi.gov/cis/0,1607,7-154-10555\\_22535---,00.html](http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html).

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

Before the Contract is signed by both parties or before the purchase order is issued by the State, the Contractor must furnish to the Director of Purchasing Operations, certificate(s) of insurance verifying insurance coverage ("Certificates"). The Certificate must be on the standard "accord" form or equivalent.

**THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.

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  
 \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSURED 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 INSURED 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 in accordance with applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.



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

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall 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 shall 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 such office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Contractor. Such policy shall 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 shall be endorsed on the policy as a loss payee as its interests appear.

(b) Subcontractors

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor shall 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) shall 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.

(c) Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.



Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If 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, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.

## 2.190 Indemnification

### **2.191 Indemnification**

#### (a) General Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortuous acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

#### (b) Code Indemnification

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

#### (c) Employee Indemnification

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

#### (d) Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.



In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

## **2.192 Continuation of Indemnification Obligations**

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.

## **2.193 Indemnification Procedures**

The procedures set forth below shall apply to all indemnity obligations under this Contract.

(a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any



litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

## 2.200 Limits of Liability and Excusable Failure

### **2.201 Limits of Liability**

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000 which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

### **2.202 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 such 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 such party; provided the non-performing party and its Subcontractors are without fault in causing such default or delay, and such 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.

In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.





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

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.

## 2.203 Disaster Recovery

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

### 2.210 Termination/Cancellation by the State

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

### 2.211 Termination for Cause

(a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State (such time period not to be less than thirty (30) days), or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.

(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 responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.



(c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall 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 shall cease on the effective date of the termination.

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

## **2.212 Termination for Convenience**

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the 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 thirty (30) days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

## **2.213 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 shall have the right to 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 shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (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 made available, the State may, upon thirty (30) days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.

(c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall 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. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/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.

**2.214 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 incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Contractor's business integrity.

**2.215 Approvals Rescinded**

The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. 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 such written notice.

**2.216 Rights and Obligations Upon Termination**

(a) If this Contract is terminated by the State for any reason, Contractor shall (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) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to 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 pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be 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 shall have the right to assume, at its option, any and all 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.

**2.217 Reservation of Rights**

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





## 2.218 Contractor Transition Responsibilities

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of this Contract, 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 ninety (90) days. These efforts shall include, but are not limited to, the following:

(a) Personnel - 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 shall 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 Contractors, 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 Contractors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

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

(d) Software. - 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 shall 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 shall, 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.

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

## 2.219 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:

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

### 2.220 Termination by Contractor

## 2.221 Termination by Contractor

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of



breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

#### 2.230 Stop Work

##### **2.231 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 ninety (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 shall be specifically identified as such and shall indicate that it is issued under this **Section 2.230**. Upon receipt of the stop work order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of 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 shall either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.210**.

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

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. 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 thirty (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 2.106**.

##### **2.233 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, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow 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 2.230**.

#### 2.240 Reserved

#### 2.250 Dispute Resolution

##### **2.251 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 shall 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 shall submit a letter executed by Contractor's Contract Administrator or his 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 supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.



## 2.252 Informal Dispute Resolution

(a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:

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

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

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

(iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.

(b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.

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

## 2.253 Injunctive Relief

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

## 2.254 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 shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

### 2.260 Federal and State Contract Requirements

## 2.261 Nondiscrimination

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, 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 pursuant to 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.

## **2.262 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register.

Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to 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.

## **2.263 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>.

### 2.270 Litigation

## **2.271 Disclosure of Litigation**

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

(b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (i) the ability of Contractor (or a Subcontractor hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
- (ii) whether Contractor (or a Subcontractor hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:



(A) Contractor and/or its Subcontractors hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and

(B) Contractor and/or its Subcontractors hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations.

(2) Contractor shall also notify the Office of Purchasing Operations within thirty (30) days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.

## **2.272 Governing Law**

The Contract shall in all respects be governed by, and construed in accordance with, 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.

## **2.273 Compliance with Laws**

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

## **2.274 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 such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such 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.

## **2.280 Environmental Provision**

### **2.281 Environmental Provision**

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

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material in accordance with all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Prior to the commencement of Work, the State shall advise Contractor of the presence at the work site of any





Hazardous Material to the extent that the State is aware of such 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, give written notice to the State of 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 affected Work shall be resumed as directed in writing by the State. Any determination by the Michigan Department of Community Health and/or the Michigan Department of Environmental Quality (whichever is applicable) that the Hazardous Material has either been removed or rendered harmless shall be binding upon the State and Contractor for the purposes of resuming the Work. If any such incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material in accordance with Applicable Laws to the condition approved by applicable regulatory agency(ies). If the Contractor fails to take appropriate action pursuant to Applicable Laws and consistent with the State requirements, then the State may take appropriate action.

## 2.290 General

### **2.291 Amendments**

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

### **2.292 Assignment**

(a) Neither party shall have the right to assign the Contract, or to 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 such affiliate is adequately capitalized and can provide adequate assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

**2.293 Entire Contract; Order of Precedence**

(a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.

(b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

**2.294 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.

**2.295 Relationship of the Parties (Independent Contractor Relationship)**

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

**2.296 Notices**

(a) Any notice given to a party under the Contract shall be deemed effective, if addressed to such 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 (3rd) 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  
Office of Purchasing Operations  
Attention: Joann Klasko  
PO Box 30026  
530 West Allegan  
Lansing, Michigan 48909

with a copy to:

State of Michigan  
Department of Information Technology  
Attention: Patty Bogard  
525 West Allegan  
Constitution Hall, South Atrium  
Lansing, Michigan 48933

Contractor(s):

Name: Deborah Guskovict  
38120 Amrhein Road  
Livonia, MI 48150



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

(b) Binding Commitments

Representatives of Contractor identified in **Exhibit I** shall have the authority to make binding commitments on Contractor's behalf within the bounds set forth in such table. Contractor may change such representatives from time to time upon written notice.

**2.297 Media Releases and Contract Distribution**

(a) Media Releases

Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

(b) Contract Distribution

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

**2.298 Reformation and Severability**

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

**2.299 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, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

**2.300 No Waiver of Default**

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

**2.301 Survival**

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall 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.

**2.302 Covenant of Good Faith**

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

**2.303 Permits**

Contractor shall 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.





### **2.304 Website Incorporation**

State expressly states that it will not be 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 such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

### **2.305 Taxes**

Contractors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Vendor who has failed to pay any applicable State taxes. The State may refuse to accept Vendor's bid, if Vendor has any outstanding debt with the State. Prior to any award, the State will verify whether Vendor has any outstanding debt with the State.

### **2.306 Prevailing Wage**

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

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

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

### **2.307 Call Center Disclosure**

Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this Contract.

### **2.308 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 leading edge on the competitive RFP.

2.310 Reserved

2.320 Extended Purchasing



### 2.321 MiDEAL

Public Act 431 of 1984 permits DMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at:

<http://www.michigan.gov/doingbusiness/0,1607,7-146-6586-16656--,00.html>. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the local unit of government on a direct and individual basis.

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

### 2.322 State Employee Purchases

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services and/or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

### 2.330 Federal Grant Requirements

### **2.331 Federal Grant Requirements The following links contain certifications and terms which may be required for some purchases paid via Federal funds. They are included here to be utilized as required.**

Lobbying Certifications are usually for agreements over \$100,000. The debarment certification is required for all agreements. The last link is where you can go and search for debarred or suspended contractors.

[http://straylight.law.cornell.edu/uscode/html/uscode31/usc\\_sec\\_31\\_00001352----000-.html](http://straylight.law.cornell.edu/uscode/html/uscode31/usc_sec_31_00001352----000-.html)

[http://www.archives.gov/federal\\_register/codification/executive\\_order/12549.html](http://www.archives.gov/federal_register/codification/executive_order/12549.html)

[http://www.archives.gov/federal\\_register/executive\\_orders/pdf/12869.pdf](http://www.archives.gov/federal_register/executive_orders/pdf/12869.pdf)

<http://www.epls.gov/epl/servlet/EPLSearchMain/1>

**Exhibit A**  
**Approved Subcontractors**

**If applicable**

Exhibit B  
Approved Hardware

If applicable

Exhibit C  
Approved Software

If applicable

**Exhibit D**  
**Binding Commitments**

**If applicable**



## ATTACHMENT 1 FILE NAMING CONVENTIONS

### Files Sent from MiCSES to Central Print Facility

#### 48 Hours Files

**File Names :** tMMDDYYYYHHMMSS\_48.tar.gz ( TML Architecture 48 Hrs File )  
oMMDDYYYYHHMMSS\_48.tar.gz ( Oracle Architecture 48 Hrs File )

#### 24 Hours Files

**File Names :** tMMDDYYYYHHMMSS\_24.tar.gz ( TML Architecture 24 Hrs File )  
oMMDDYYYYHHMMSS\_24.tar.gz ( Oracle Architecture 24 Hrs File )

#### Test Files

**File Names :** tMMDDYYYYHHMMSS\_TST.tar.gz ( TML Architecture File )  
oMMDDYYYYHHMMSS\_TST.tar.gz ( Oracle Architecture File )

### TAR Files & Data File Naming Convention:

- A. If the final tMMDDYYYYHHMMSS\_48.tar.gz file is uncompressed then following files are found.

#### tMMDDYYYYHHMMSS\_48.tar

**County Tar files :** ##mmdyyyhhmmss\_48.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

#### ##mmdyyy 48.tar

**PDF Tar File :** ##mmdyyyhhmmss.tar

**Data File :** ##mmdyyyhhmmss.txt

- B. If the final oMMDDYYYYHHMMSS\_48.tar.gz file is uncompressed then following files are found.

#### oMMDDYYYYHHMMSS\_48.tar

**County Tar files :** ##mmdyyy\_48.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

#### ##mmdyyy 48.tar

**PDF Tar File :** ##mmdyyyhhmmss.tar

**Data File :** ##mmdyyyhhmmss.txt

- C. If the final tMMDDYYYYHHMMSS\_24.tar.gz file is uncompressed then following files are found.

**tMMDDYYYYHHMMSS\_24.tar**

County Tar files : ##mmddyyyy\_24.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

**##mmddyyyy\_24.tar**

PDF Tar File : ##mmddyyyyhhmmss.tar

Data File : ##mmddyyyyhhmmss.txt

- D. If the final oMMDDYYYYHHMMSS\_24.tar.gz file is uncompressed then following files are found.

**oMMDDYYYYHHMMSS\_24.tar**

County Tar files : ##mmddyyyy\_24.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

**##mmddyyyy\_48.tar**

PDF Tar File : ##mmddyyyyhhmmss.tar

Data File : ##mmddyyyyhhmmss.txt

- E. If the final tMMDDYYYYHHMMSS\_TST.tar.gz file is uncompressed then following files are found.

**tMMDDYYYYHHMMSS\_TST.tar**

County Tar files : ##mmddyyyy\_TST.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

**##mmddyyyy\_TST.tar**

PDF Tar File : ##mmddyyyyhhmmss.tar

Data File : ##mmddyyyyhhmmss.txt

- F. If the final oMMDDYYYYHHMMSS\_TST.tar.gz file is uncompressed then following files are found.

**oMMDDYYYYHHMMSS\_TST.tar**

County Tar files : ##mmddyyyy\_TST.tar ( ## is the County # )

If the County TAR file is uncompressed then following files are found.

**##mmddyyyy\_TST.tar**

PDF Tar File : ##mmddyyyyhhmmss.tar

Data File : ##mmddyyyyhhmmss.txt

**PDF File Naming Convention:****Oracle Architecture PDF File Names**





- The total file size is 36 characters excluding the “.PDF” extension.
- The following table identifies how the file name is constructed for the Oracle architecture.

Characters	Description
1-2	The first two characters are reserved for the Michigan county that generates this document.
3	The next one character is reserved for the Child Support Agency (P for PA or F for FOC).
4-7	The next four characters are reserved for the MiCSES major activity chain value (<cd_activity_major> in the VDMNR table); e.g., SCBW.
8-12	The next five characters are reserved for the MiCSES activity that initiated the notices to be printed; e.g., “SSCHP” for Show Cause.
13-22	The next ten characters are reserved for the MiCSES court case number, <id_docket>, value in the VSORD table; e.g., “1974007885”.
23-30	The next eight characters are reserved for an internally generated sequence number; 12345678.
31-32	The next two characters are reserved for the group counter. Show Cause consists of three notices. The FEN045 and FEN064 are sent to the NCP. The FEN063 and FEN064 are sent to the CP. In this scenario, a total of four PDF images are generated for Show Cause. The two digit sequence counter will go in this case from “01” through “04”. It will be reset for the next court order.
33-35	The next three characters are reserved for the MiCSES minor activity chain value (<cd_activity_minor> - sub string of the last three characters of “cd_activity_minor” in the VDMNR table). This is the template number (“045”, “063”, and “064” in the above example).
36	The last character is reserved for the system to identify the number of cover letters. The routine uses the MiCSES VFREC table to identify all the documents that go to a particular recipient. It then uses the character “1” for mailer pages and “0” for other documents. This last character is used while grouping the printed letters to be inserted into the same envelope. Every time the CPF comes across a “1” in the last character, they group all the previously printed notices in the same envelope. In our case, FEN045 and FEN063 will be labeled with “1” and the other two will be labeled with “0”.

### **TML Architecture PDF file Names**

- The total file size is 36 characters excluding the “.PDF” extension.
- The following table identifies how the file name is constructed for the Oracle architecture.

Characters	Description
1-2	The first two characters are reserved for the Michigan county that generates this document.
3	The next character is reserved for the Child Support Agency that requested this document.
4-12	The next nine characters are reserved for the MiCSES FGFH_ID value associated with the form that is generated.
13-22	The next ten characters are reserved for the IV-D Case value in the Forms History Table; i.e., id_docket from the MiCSES VSORD table. This is the IV-D Case



	Number (e.g., "914007885") preceded by a "0" to create a total of 10 digits or for enforcement (ENF) it would be the 10-digit court case number; (id_docket value of 1975123456).
23-24	The next two characters are reserved for the turn-around time. Valid values include '24', '48', or '99'.
25-27	The next three characters are reserved for the template category; e.g., RNM.
28-35	The next eight characters are reserved for the template_idn value from the fg_forms_history table. Underscore characters (_) are appended by MiCSES to create a maximum of eight characters when required; e.g., "FEN14L__".
36	The next character designates a break in the PDF documents grouped together and this will always be a '1'.

The TML architecture places the cover letter and document all in one PDF, therefore, no additional cover letter indicators or processing are necessary.

### **NO-MAIL Process**

When the TML architecture character positions 23 through 24 contain a value of "99", the PDF files will be processed as No-Mail documents and separate print segments will be created. The print segments will include banner pages containing the county name and address information based on the County Code contained in the TAR file name. County names and addresses are provided by MiCSES. These documents will be shipped to the appropriate counties.

### **Data File**

- A data file accompanies each PDF TAR file. The data file record layout is listed below.

Characters	Description
1-20	PDF TAR file name
21-40	TAR file size
41-60	Number of PDF files
61-75	Number of envelopes
76-90	Date (yyyymmdd)
91-105	hhmmss

The PDF and envelope counts are used for reconciliation purposes at each county level.

### **Acknowledgement File**

- The data file record layout is listed below.

Characters	Description
1-50	Name of file received from MiCSES.
51-52	Month file was received (mm).
53-54	Day file was received (dd).
55-58	Year file was received (yyyy).
59-60	Hour file was received (hh).
61-62	Minute file was received (mm).
63-64	Second file was received (ss).



## ATTACHMENT 2 AUTOMATIC DAILY NOTIFICATION

### Sample Text File

o24 Hrs,04212006,064134,02,Alger,FEN045,2,0,2  
\*\*\* End of File \*\*\*

The data fields and comma delimited values are as follows:

File Type, TAR File Date, TAR File Time Stamp, County #, County Name, Form ID, Central Print Facility Received PDF Count, Central Print Facility Data Process PDF Reject Count, Central Print Facility PDF Printed Count.

An end of file record must exist as the very last record in each file.

### File Name

tmmddyyyyhhmmss\_24.txt

The order of the county records will be the same as contained in the TAR file sent to the Central Print Facility.

### **Problem Notification**

An email is sent to the CSES Help Desk when a file that cannot be unzipped is received from MiCSES. The email content is as follows.

“Please open a Remedy Ticket to resend this file. The file was unable to be uncompressed. Please assign this item to the Infrastructure Team via Triage with a High Priority.”

### **Detail Reports**

A Detail Report that corresponds to each file transmitted to the central print facility is provided to designated county agency representatives. Representative names and contact information is maintained by the CSES Help Desk.

The Detail Report file name format is A##mddyyyy\_nn\_Detail.csv; A is the architecture type (e.g., O for Oracle or T for TML), ## is the county number, mm is the month, dd is the day, yyyy is the year including century, and nn is the processing time window (e.g., 24 or 48).

### **Oracle Detail Report**

<COUNTY NAME>							
DETAIL REPORT						04/15/06 10:03	
Seq No.	Account Number	Sequenc e #	Major Activity	Form ID	Pages Count s	Actual Pages (including blank)	Sheet Count
1	9933776429	24	IIW1,IIW1	FEN045,058	1,2	4	2
2	9933776429	24	IIW1,IIW1	FEN123,058	2,2	4	2
3	9933776429	24	IIW1,IIW1	FEN045,058	1,2	4	2
TOTAL				6	6	12	6



**Note:** The TOTAL in the Form ID column will reflect the total number of PDF files processed.

**Oracle Detail Report Description**

Column #	Column Heading	Description
1	Seq. No.	This sequence number is generated by the central print facility for each envelope that will be mailed.
2	Account Number	This is 10 characters in length and populated in the PDF file name starting at position 13.
3	Sequence #	This sequence number is the group counter, starting at position 31 for a length of 2 characters, in PDF file name. This is used in the Oracle architecture to group multiple PDF files that are inserted into the same envelope.
4	Major Activity	This is the major activity of 4 characters populated in the PDF file name starting at position 4 ( SCBW )
5	Form ID	Form ID is being extracted from the PDF file name starting at position 33 for a length of 3 characters. FEN is being is being appended to Form ID at the central print facility.
6	Page Counts	This is the actual number of pages in each PDF file. For example, if an envelope consists of 3 PDF files, then the page count for each PDF file will be shown in this column for the corresponding Form ID.
7	Actual Pages (including blank)	This is the total page count per envelope. For example, if an envelope consists of 3 PDF files, then it is the page count sum of all PDF files including the blank page. All the files will be printed in duplex. The central print facility will add blank pages at the end if required to force the file to print in duplex format.
8	Sheet count	This is the total sheet count per envelope. Since it is printed in duplex, the total sheet count is exactly half of the total actual page count.

**TML Detail Report**

<COUNTY NAME>							
DETAIL REPORT				04/15/03 10:03			
Seq . No.	Account Number	Sequence #	Major Activity	Form ID	Pages Counts	Actual Pages (including blank)	Sheet Count
1	910050755	24		FEN218	1	2	1
2	910052729	24		FEN218	1	2	1
3	910050755	24		RNM218	1	2	1
4	910052729	24		RNM218	1	2	1
5	910051509	99		RNM218	1	2	1
TOTAL				5	5	10	5



## TML Detail Report Description

Column #	Column Heading	Description
1	Seq. No.	This sequence number is generated by the central print facility for each envelope which will be mailed.
2	Account Number	This is 10 characters in length and populated in the PDF file name starting at position 13.
3	Sequence #	This sequence number designates the processing turn-around time. It starts at position 23 and has a length of 2 characters in PDF file name. Every PDF file occupies one envelope. The value will be 24, 48, or 99.
4	Major Activity	No value in this field.
5	Form ID	Form ID is being extracted from the PDF file name starting at position 28 for a length of 8 characters; e.g., FEN14L . Populate the Form ID in the report <u>without</u> underscores.
6	Page Counts	This is the actual number of pages in each PDF file. For example, if an envelope consists of 3 PDF files, then the page count for each PDF file will be shown in this column for the corresponding Form ID.
7	Actual pages (including blank)	This is the total page count per envelope. For example, if an envelope consists of 3 PDF files, then it is the page count sum of all PDF files including the blank page. All the files will be printed in the duplex. The central print facility will add blank pages at the end if required to force the file to print in duplex format.
8	Sheet count	This is the total sheet count per envelope. Since it is printed in duplex, the total sheet count is exactly half of the total actual page count.

## Summary Reports

A Summary Report that corresponds to each file transmitted to the central print facility is provided to designated county agency representatives. The report format is as follows.

The report file name format is A##mmddyyyy\_nn\_Summary.txt; A is the architecture type (e.g., O for Oracle or T for TML), ## is the county number, mm is the month, dd is the day, yyyy is the year including century, and nn is the processing time window (e.g., 24 or 48).

<COUNTY NAME>

-----  
 SUMMARY REPORT 4/18/06 10:24  
 -----

### PDF File Count Reconciliation

Transmitted PDF File Count - 20

Central Print Facility Received PDF File Count - 20

-----  
 Correct PDF File Count - 18

Reject PDF File Count - 2

Total PDF Files Processed - 20

-----  
 Transmitted Envelope Count - 20

Central Print Facility Generated Envelope Count - 20  
 -----



Correct Envelope Count - 18  
Reject Envelope Count - 2  
Total Envelope Processed - 20

## Reject Reports

A Reject Report is sent to designated county agency representatives when TAR file sizes do not reconcile, the PDF file name does not equal 36 characters, the PDF file size is smaller than 1Kb, and the envelope open/close indicator is out of sequence. The report format is as follows.

The report file name format is A##mmddyyyy\_nn\_Reject.txt; A is the architecture type (e.g., O for Oracle or T for TML), ## is the county number, mm is the month, dd is the day, yyyy is the year including century, and nn is the processing time window (e.g., 24 or 48).

<COUNTY NAME>

-----  
R E J E C T R E P O R T 4/15/06 14:57  
-----

TAR File size reconciliation

-----  
Transmitted TAR File Size = 0 (Bytes)  
Central Print Facility Received TAR File Size = 643297792 (Bytes)  
-----

TAR file sizes do not match

Seq. No. PDF file names not equal to 36 characters

-----  
1 SCBWFEN02219822176140102311.PDF  
2 SCBWFEN02219822176140202311.PDF  
-----

Seq. No. Files rejected because of size less than 1Kb      Size (Bytes)

-----  
1 SCBWPRSCN19009945630104511.PDF      77293  
2 SCBWPRSCN19009945630206200.PDF      838  
3 SCBWPRSCN19009945630300700.PDF      5682  
-----

Seq. No. PDF files are rejected because of invalid package/envelope

-----  
1 SCBWPRSCN19009945630104511.PDF  
2 SCBWPRSCN19009945630206200.PDF  
3 SCBWPRSCN19009945630300700.PDF  
4 SCBWPRSCN19800169600104500.PDF  
5 SCBWPRSCN19800169600206200.PDF  
6 SCBWPRSCN19800169600300700.PDF  
-----

## Consolidated Reject Report

A Consolidated Reject Report is sent to MiCSES project personnel as an email attachment (text file) whenever a County Reject Report is generated.

An email containing the following message is also sent to the CSES Help Desk:



Please open a Remedy Ticket to address the errors identified in the attached Consolidated Reject Report. Please assign this item to the Development-Docgen Team via Triage with a High Priority.

The email subject line contains the following entry:

Consolidated Reject Report (Ammddyyyyhmmss\_nn.tar).

Key: A is the architecture type (e.g., O for Oracle or T for TML), mm is the month, dd is the day, yyyy is the year including century, hh is the hour, mm is the minute, ss is the second, and nn is the processing time window (e.g., 24 or 48).

-----  
Date : 02/22/06 06:10

STATE OF MICHIGAN COURT NOTICES  
CONSOLIDATED REJECT REPORT FOR (o02222006041544\_24.tar)  
-----

County Name  
-----

Seq. No. Invalid Package/Envelopes (Envelope Open/Close/Form Id)

-----  
1 82FUNEMPLUNCO199771614410005619010451.PDF Invalid Form Code 58D  
2 82FUNEMPLUNCO199771614410005620020580.PDF  
3 82FUNEMPLUNCO1997716144100056210358N0.PDF  
4 82FUNEMPLUNCO199771614410005622040450.PDF  
5 82FUNEMPLUNCO1997716144100056230558D0.PDF  
6 82FUNEMPLUNCO199771614410005624061231.PDF  
7 82FUNEMPLUNCO199771614410005625070580.PDF  
8 82FUNEMPLUNCO1997716144100056260858N0.PDF  
9 82FUNEMPLUNCO1997716144100056270958D1.PDF  
-----

TOTAL PDF FILES REJECTED = 9  
-----

County Name  
-----

Seq. No. Invalid Package/Envelopes (Envelope Open/Close/Form Id)

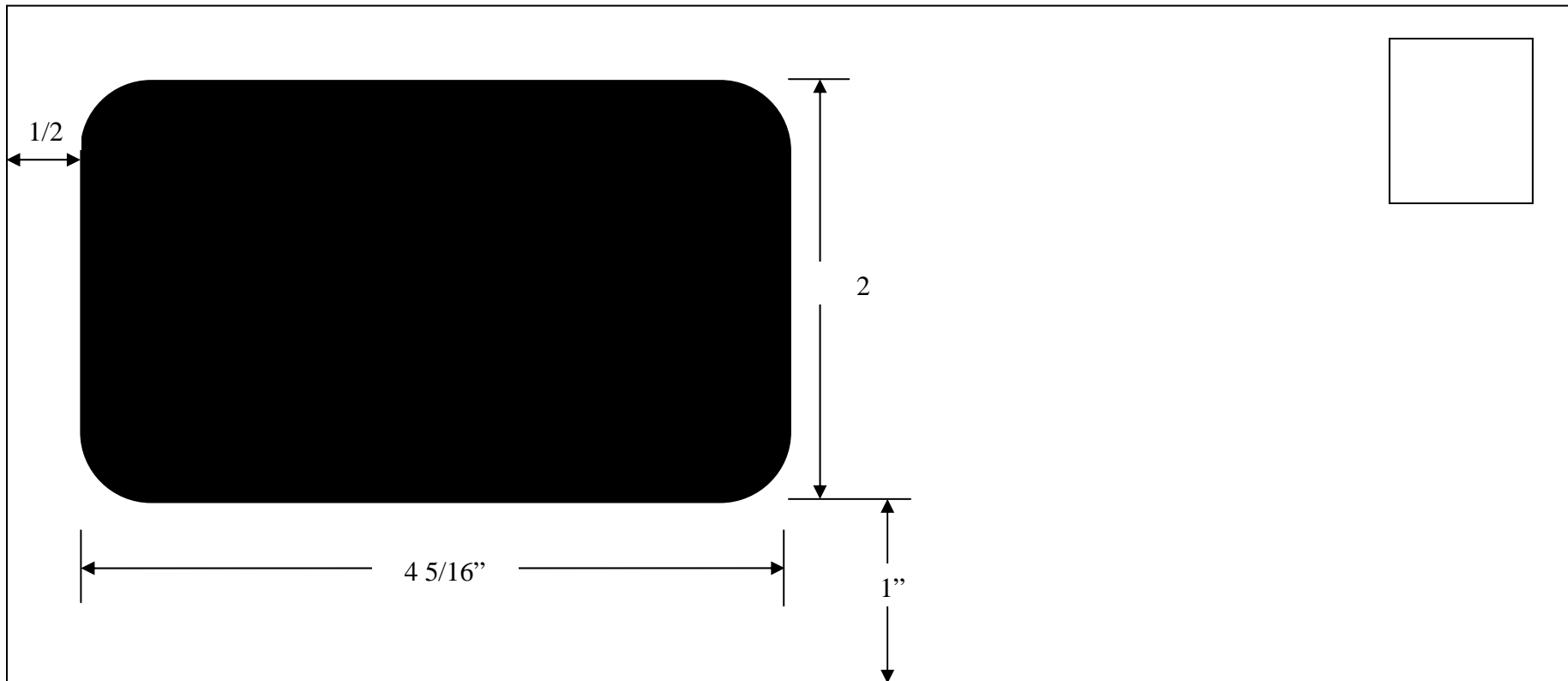
-----  
1 83FIIWOCCIWN200301789910010565010451.PDF Invalid Form Code 58D  
2 83FIIWOCCIWN2003017899100105660258D0.PDF  
3 83FIIWOCCIWN200301789910010567030451.PDF  
4 83FIIWOCCIWN200301789910010568041230.PDF  
5 83FIIWOCCIWN2003017899100105690558E0.PDF  
6 83FIIWOCCIWN2003017899100105700658D1.PDF  
7 83FIIWOCCIWN200301789910010571010451.PDF  
8 83FIIWOCCIWN2003017899100105720258D0.PDF  
9 83FIIWOCCIWN200301789910010573030451.PDF  
10 83FIIWOCCIWN200301789910010574041230.PDF  
11 83FIIWOCCIWN2003017899100105750558E0.PDF  
12 83FIIWOCCIWN2003017899100105760658D1.PDF  
-----

TOTAL PDF FILES REJECTED = 12  
-----





**ATTACHMENT 3 ENVELOPE SPECIFICATIONS**  
**Single Window #10 Envelope Specifications**



Following are specifications pertaining to single window #10 envelope used by the central print vendor. Address placement on MiCSES forms is determined using these and U.S.P.S. MERLIN specifications.

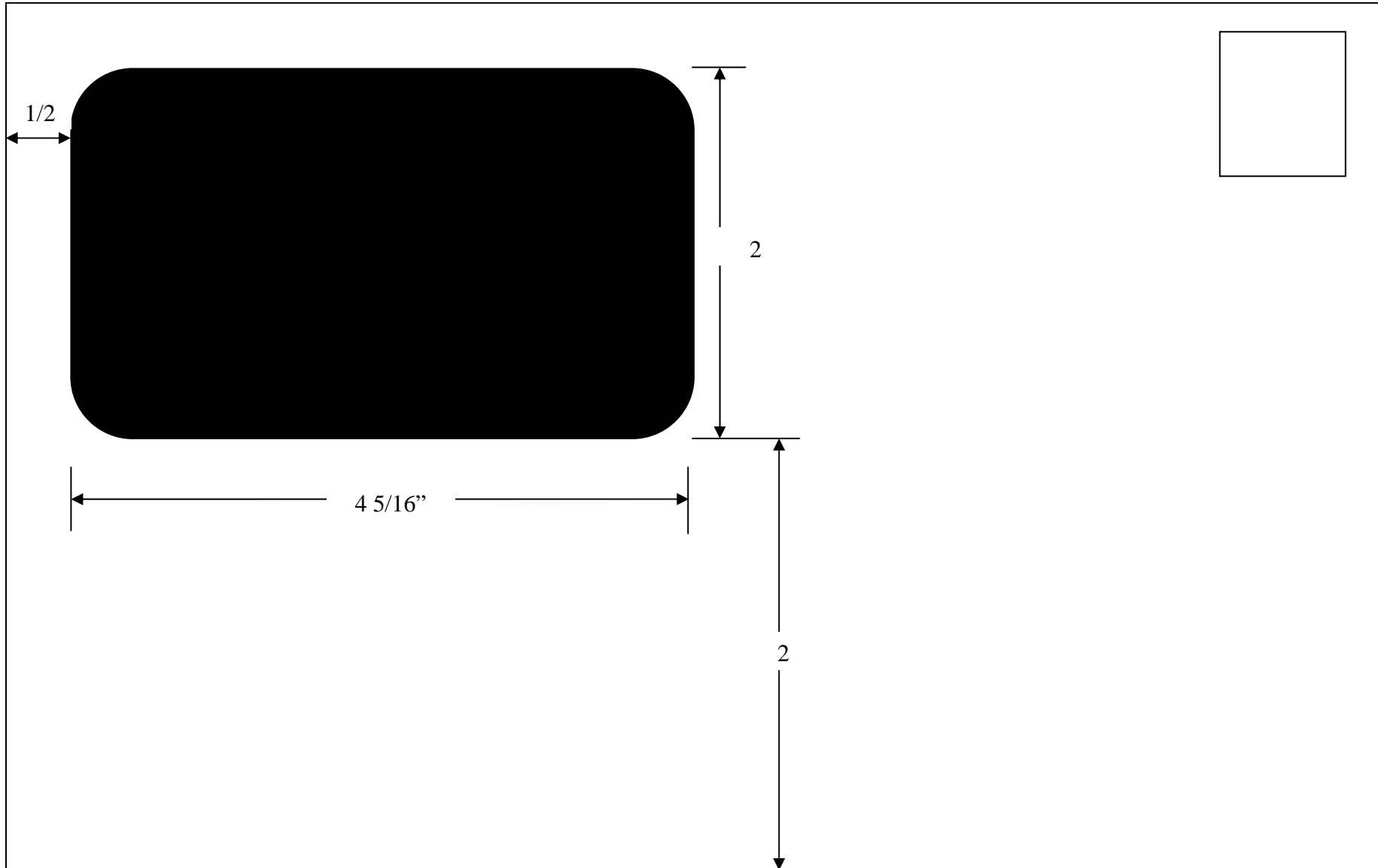
Envelope Size and Style		Window Size and Location	
Size	4 1/8"h x 9 1/2"w	Size	2 9/16"h x 4 5/16"w



Construction	Open Side Double Side Seam	Location	Left: 1/2"    Bottom: 1"
Paper	24# White Wove	<b>Inserted Document(s)</b>	
Flap Seal	Full Gum	Used when total mailing length is	1 – 5 sheets of paper



**Single Window 6 x 9 1/2 Envelope Specifications**



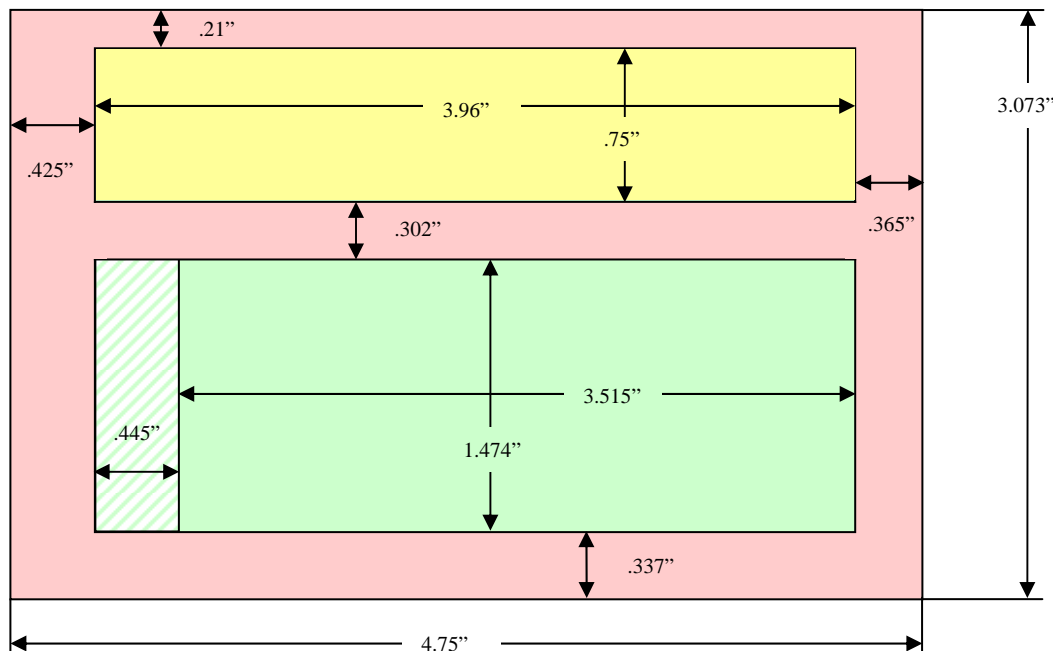


Following are specifications pertaining to single window 6 x 9 envelopes used by the central print vendor. Address placement on MiCSES forms is determined using these and U.S.P.S. MERLIN specifications.


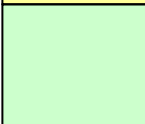
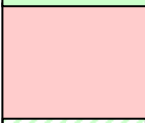

Envelope Size and Style		Window Size and Location	
Size	6"h x 9 1/2"w	Size	2 9/16"h x 4 5/16"w
Construction	Open Side Double Side Seam	Location	Left: 1/2" Bottom: 2 7/8"
Paper	24# White Wove	Inserted Document(s)	
Flap Seal	Full Gum	Used when total mailing length is	6 – 11 sheets of paper

## Single Window Envelope

### Dimensions & Print Areas





LEGEND		REMINDER
	Yellow - Valid print area for the return address.	<p>To receive accurate address placement when printing PDF files using Adobe Software (e.g., Adobe Reader), deselect the checkbox entitled “Shrink oversized pages to paper size”. This option appears on the Print Dialog Window that is displayed after clicking the print button.</p> <p>Window dimensions are measured from the upper left corner of a document that is printed in portrait mode. Portrait mode prints the document so that the short edge of the paper is the top of the page.</p>
	Green - Valid print area for the outgoing address.	
	Pink – No-print area.	
	Green Stripe – Reserved for a 2 of 5 postal bar code.	



Template ID	Template Name	Printing Frequency	Ave. # of Pages per Template	Weekly		
				Minimum	Maximum	Average
CLO_IVDFOC	IV-D Case Closure - FOC	Monthly	3	2	68	11
CLO_IVDPA	IV-D Case Closure - PA	Monthly	3			
CLO_IVDSS	IV-D Case Closure - SS	Monthly	3	2	2	2
CLO_REOFOC	Case Closure Reopen - FOC	Monthly	3	107	2,812	527
CLO_REOPA	Case Closure Reopen - PA	Monthly	3	2	10	4
CLO_REOSS	Case Closure Reopen - SS	Monthly	3	80	558	338
CLOSUREFOC	Case Closure - FOC	Monthly	3	1	14,074	1,976
CLOSUREPA	Case Closure - PA	Monthly	3	2	80	27
CLOSURESS	Support Specialist Case Closure Notice	Monthly	3	1	7,370	841
F1201	Non-FIP Child Support Services Application	Daily	11	2	21	10
F1201P	Non-FIP Child Support Services Application with Pamphlet	Daily	11	1	5	2
FEN002	Notice to Initiate Income Withholding	Monthly	1			
FEN003	Notice of Rights and Responsibilities	Monthly	3	10	827	338
FEN007	Signed Payment Agreement	Daily	1	4	700	278
FEN028	Notice of Proposed License Susp and Request for Hearing	Daily	1	3	90	48
FEN031	Notice of Potential License Suspension	Daily	3	3	425	65
FEN045	Generic Cover Letter	Daily	1	15,943	50,673	32,939
FEN057	State Income Withholding Cover Letter	Only in Packages	2			
FEN058	Federally Mandated Standardized Income Withholding Notice	Daily	2	6,620	16,854	11,948
FEN061	Local Income Withholding Cover Letter	Only in Packages	1			
FEN062	Pre-Order to Show Cause Form	Daily	2	35	799	346
FEN063	Cover Letter Order to Show Cause	Only in Packages	3			
FEN064	Petition and Order - Support Show Cause	Daily	2			
FEN081	Notice of Intent to CRA	Monthly	2	1	19,939	1,978
FEN087	Order for Payment of Arrearage	Daily	1	1	13	4
FEN123	CP Cover Letter for Income Withholding	Daily	2	6,539	17,212	11,967
FEN135	Receivership Order to Show Cause	Monthly	2			
FEN138	Motion and Order to Show Cause for Conte	Daily	4	4	50	24
FEN140	Motion and Order to Show Cause for Conte	Daily	6	680	4,348	3,483
FEN14A	Support Enforcement Order Central	Daily	3	933	6,085	4,722
FEN14B	Show Cause Bench Warrant Central	Daily	4	124	1,188	827
FEN14D	Motion and Order to Show Cause for Conte	Daily	2	4	66	26
FEN14L	Motion and Order to Show Cause	Daily	2	321	2,393	1,854



FEN215	Health Insurance Update Letter	Daily	3	43	17,404	2,717
FEN218	Health Insurance Update Letter (NCP Copy)	Daily	3	43	16,584	2,608
FEN25A	Medical Enforcement Order	Daily	3	1	20	8
FEN25B	Referee Findings and Report (Medical)	Daily	4	2	16	6
FEN26A	/s/ of Order after Referee Findings and Report after Hearing	Daily	3	4	5	4
FEN26J	/s/ Order Confirming Registration of Out of State Orders	Daily	2	1	29	12
FEN301	NMSN Non-Compliance Letter	Daily	1	4	197	64
FEN302	National Medical Support Notice (LONG)	Daily	8	1,863	10,463	4,838
FEN303	Parent Health Care Coverage Explanation Sheet	Daily	2	1,952	11,112	5,082
FEN58C	Federally Mandated Standardized IWN (CP)	Daily	2	5,526	14,752	10,023
FEN58D	Cancellation of Income Withholding Notice	Daily	2	288	1,694	890
FEN58E	Cancellation of Income Withholding Notice (CP)	Daily	2	199	1,359	613
FEN801	EFT Start Form	Daily	3	101	804	384
FEN802	EFT Stop Form	Daily	3	60	477	245
FEN803	Emancipation Letter	Daily	4	1	3,643	796
FEN820	Support Payment Collection Request	Daily	3	7	281	51
FEN845	Report of Client Received Support	Daily	1	3	246	112
INTACK1	Acknowledgment of Transmittal 1	Daily	3	10	188	101
INTACK2	Acknowledgment of Transmittal 2	Daily	3	1	26	5
INTLOCDS	Locate Data Sheet	Daily	3	6	59	23
INTTRANS2	Transmittal 2	Daily	4	281	7,181	1,620
LOC_Employer	Employer Information Request	Daily	3	41	465	326
LOC_Postal	Postmaster Address Information Request	Daily	3	257	5,300	3,543
OCS0015	1st Client Contact Letter	Daily	3	3	46	23
OCS0015P	1st Client Contact Letter with Pamphlet	Daily	10	436	3,202	1,798
OCS0025	2nd Client Contact Letter	Daily	3	52	2,166	1,275
OCS1201	Non-FIP CSS Application	Daily	11	1	20	3
OCS1201P	Non-FIP CSS Application with Pamphlet	Daily	11	1	2	1
OCS1252	Cooperation/Non-Cooperation Letter	Daily	4	110	1,032	702
OCS1252A	Cooperation/Non-Cooperation Letter - Auto	Daily	2	25	2,994	1,574
OCS4636	Notice of Continuing Eligibility	Daily	3	89	13,139	2,969
OCSCONT	Client Contact Letter	Daily	3	27	247	168
OCSFC15	Foster Care First Contact	Daily	3	1	143	34
OCSFC25	Foster Care Second Contact	Daily	3	4	162	34
OCSGENLET	Support Specialist General Letter	Daily	3	1	22	8
RNM2NDRVWNOT	2nd Review Notice	Weekly	8	8	119	60



**CONTRACT #071B7200101**

RNMELIGLTR	Eligibility Letter	Weekly	3	2	3,664	758
RNMFOC22	Employment Status Disclosure	Weekly	5	352	2,174	1,369
RNMFOC39	FOC Case Questionnaire	Weekly	7	20	223	117
RNMRVWNOT	Review Notice	Weekly	8	250	1,562	1,087

14,142    137,352    151,494



## TML Transmission Log

Tar File Size	Tar File Name	Date and Time
1355910	T03162006044713_24.tar.gz	03/16/2006 04:47:13
106652671	T03162006044729_48.tar.gz	03/16/2006 04:47:29
769674	T03172006053213_24.tar.gz	03/17/2006 05:32:13
97337190	T03172006053228_48.tar.gz	03/17/2006 05:32:28
338679	T03182006123218_24.tar.gz	03/18/2006 12:32:18
280737408	T03182006123233_48.tar.gz	03/18/2006 12:32:33
18797	T03192006053652_24.tar.gz	03/19/2006 05:36:52
53134260	T03192006053707_48.tar.gz	03/19/2006 05:37:07
99386	T03202006012546_24.tar.gz	03/20/2006 01:25:46
18988286	T03202006012601_48.tar.gz	03/20/2006 01:26:01
1668339	T03212006040147_24.tar.gz	03/21/2006 04:01:47
71821698	T03212006040202_48.tar.gz	03/21/2006 04:02:02
1651264	T03222006084446_24.tar.gz	03/22/2006 08:44:46
110420698	T03222006084502_48.tar.gz	03/22/2006 08:45:02
903467	T03232006080233_24.tar.gz	03/23/2006 08:02:33
865880	T03242006044717_24.tar.gz	03/24/2006 04:47:17
123039219	T03232006080248_48.tar.gz	03/23/2006 08:02:48
66120412	T03242006044732_48.tar.gz	03/24/2006 04:47:32
443063	T03252006043610_24.tar.gz	03/25/2006 04:36:10
208593368	T03252006043625_48.tar.gz	03/25/2006 04:36:25
185341943	T03262006201024_48.tar.gz	03/26/2006 20:10:24
1156895	T03282006043804_24.tar.gz	03/28/2006 04:38:04
112035758	T03282006043819_48.tar.gz	03/28/2006 04:38:19
1146525	T03292006054834_24.tar.gz	03/29/2006 05:48:34
114406512	T03292006054849_48.tar.gz	03/29/2006 05:48:49
1662528	T03302006045856_24.tar.gz	03/30/2006 04:58:56
78350583	T03302006045911_48.tar.gz	03/30/2006 04:59:11
993018	T03312006054751_24.tar.gz	03/31/2006 05:47:51
106008528	T03312006054806_48.tar.gz	03/31/2006 05:48:06
317485	T04012006055433_24.tar.gz	04/01/2006 05:54:33
275205353	T04012006055449_48.tar.gz	04/01/2006 05:54:49
27594	T04022006095243_24.tar.gz	04/02/2006 09:52:43
608921805	T04022006095258_48.tar.gz	04/02/2006 09:52:58



50406774	T04032006000759_48.tar.gz	04/03/2006 00:07:59
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