STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **17**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S. Washington Square, Suite 405
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	CV0059354

STATE			
	Program Manager	Ruth Schwartz	MULTI
		517-284-7585	
		schwartzr1@michigan.gov	
	Contract Administrator	Garrick Paraskevin	DTMB
		(517) 284-6993	
		paraskeving@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2019

PAYMENT TERMS	DELIVERY TIMEFRAME

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

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

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

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$60,518,848.00	$496,000.00	$61,014,848.00

DESCRIPTION

Effective 9/25/2018, Contract is increased by $496,000 for the attached Contract Change Request adding supplemental implementation services for SIGMA.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation Services

STATEMENT OF WORK for Contract Change Notice No. 17

This Statement of Work for Contract Change Notice No. 006 ("Statement of Work") is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation Services	08/01/2016 – 03/31/2019
DTMB Deputy Project Director:	**Contractor Project Manager:**
Lisa Evani	William Hutchinson
EvaniL@michigan.gov	w.hutchinson@cgi.com
(517) 284-7586	(717) 421-0153

1. OVERVIEW AND BACKGROUND

An increase to the not-to-exceed ceiling for services provided on a Task Order basis is being requested. Reference Exhibit 4.2.1 Allotments for Additional Scope Task Orders.

2. OBJECTIVES OF STATEMENT OF WORK

The objectives of the changes are to update the ISA to reflect mutually agreed modifications concerning the scope of the project and the payment schedule.

Throughout this Contract Change Request, proposed changes to existing Contract language are denoted in red font with language additions underscored and language deletions struck through.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") per approved Task Orders at the rates specified in Section 6 of this Statement of Work. The schedule for performance

of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

CGI may be requested to provide supplemental support services to address work not envisioned under the contract. Provision of such services will be managed and approved based on task orders, as follows.

- The State will make a request through the Project SIGMA Change Request logging process.
- CGI will provide an estimate including LOE (number of hours), cost and delivery date(s) in a draft Task Order. Cost will be based on the approved rate schedule, Exhibit 4-3: Hourly Rates for Additional Services, in the Implementation Services Agreement (ISA).
- The State will approve or reject the proposed Task Order. The parties may negotiate to resolve differences prior to finalizing a proposed Task Order.
- CGI will complete finalized Task Orders and submit for approval per the current Project ISA Deliverable Approval Process.
- Once approved by the State, CGI will invoice for services provided per the approved Task Order. Invoice amount(s) will be per the approved Task Order, assuming no scope changes.

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles per approved Task Orders.

6. CHANGES IN COMPENSATION AND PAYMENT SCHEDULE

Billing amounts will be per approved Task Orders and will be based on the rates set forth in Price Table 4 (Rates for Additional Services and Larger Projects) of Attachment 3 (Payment Schedule) to the Agreement.

The not-to-exceed budget for all task order based services is defined in Exhibit 4.2.1 Allotments for Additional Scope Task Orders. Exhibit 4.2.1 is modified as follows to reflect an increase to the allotted not-to-exceed budget ceiling from the current ceiling of $100,000 to the new ceiling of $596,000.

Exhibit 4.2.1 Allotments for Additional Scope Task Orders

Services	**Allotted Payment Amount**
Task Order Services	$596,000

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **16**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S. Washington Square, Suite 405
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	CV0059354

STATE			
Program Manager	Ruth Schwartz	MULTI
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Garrick Paraskevin	DTMB
	(517) 284-6993	
	paraskeving@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME

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

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1	☐		September 30, 2019

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$60,125,728.00	$393,120.00	$60,518,848.00

DESCRIPTION

Effective 8/6/2018 the State is increasing funds on Contract 071B4300138 in the amount of $393,120.00 for the extension of two subject matter experts from 06/29/2018 - 12/28/2018 to provide DHHS SIGMA implementation support in the following:

1. Review, identify, and recommend policy modifications
2. Review, recommend, update, and document procedure changes
3. Review, recommend, update, and document agency specific desk guides and reference material
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help MDHHS employees make a successful transition to the new system
5. Provide support including assistance in ensuring SIGMA core system defects are resolved and re-tested
6. Provide general post production support services

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. Cost breakdown for the two (2) Subject Matter Experts at $38,220.00 and $27,300 per month for six (6) months.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation and Support Services

STATEMENT OF WORK for Contract Change Notice No. 00#

This Statement of Work for Contract Change Notice No. 16 ("Statement of Work") is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation and Support Services	06/29/2018 – 12/28/2018
DTMB Business Relationship Manager:	**Agency Project Manager:**
Susan Nordyke	Robin Keene
NordykeS@michigan.gov	KeeneR1@michigan.gov
(517) 373-9784	(517) 284-9367

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of Subject Matter Experts that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort.

2. OBJECTIVES OF STATEMENT OF WORK

Extend two (2) Subject Matter Experts using the monthly rate identified in Section 6 of this Statement of Work.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") on a monthly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance

of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Expert will be expected to assist in DHHS readiness activities including, but not limited to, the following:

1. Review, identify, and recommend policy modifications
2. Review, recommend, update, and document procedure changes
3. Review, recommend, update, and document agency specific desk guides and reference material
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help MDHHS employees make a successful transition to the new system
5. Provide support including assistance in ensuring SIGMA core system defects are resolved and re-tested
6. Provide general post production support services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high-level project schedule dates are included below.

Key Date	Date
Resource Extension Date Start	06/29/2018
Phase 1.5 and 2 Supporting Activities	
1. Projects & Grants	12/28/2018
2. Procurement & VSS Functionality	12/28/2018
3. Core Financials	12/28/2018
4. Time, Expense, Leave, and Labor Distribution	12/28/2018
5. Inventory Functionality	12/28/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting two (2) Subject Matter Expert resource.

6. COMPENSATION AND PAYMENT

This Section 6 specifies the monthly billing rates applicable to the performance of the Services. The specified monthly billing rates are based on the communication between the CGI Contractor (Bill Hutchinson) and the SIGMA DTMB Deputy Director (Lisa Evani).

Resource Cost Description	Costs
Two (2) Subject Matter Experts at $38,220.00 and $27,300 per month for six (6) months.	$393,120.00

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

7. OTHER TERMS AND CONDITIONS

None

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

CONTRACT CHANGE NOTICE

Change Notice Number **15**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	2651 Coolidge Road
	East Lansing, MI 48823
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	CV0059354

STATE			
Program Manager	Ruth Schwartz	MULTI
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Garrick Paraskevin	DTMB
	(517) 284-6993	
	paraskeving@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME

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

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$60,125,728.00	$0.00	$60,125,728.00

DESCRIPTION

Effective 4/30/2018 the State is utilizing existing funds on Contract 071B4300138 in the amount of $196,560.00 for the extension of two subject matter experts from 04/02/2018 - 06/29/2018 to provide DHHS support in the following:

1. Review, identify, and recommend policy modifications
2. Review, recommend, update, and document procedure changes
3. Review, recommend, update, and document agency specific desk guides and reference material
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help MDHHS employees make a successful transition to the new system
5. Provide support including assistance in ensuring SIGMA core system defects are resolved and re-tested
6. Provide general post production support services

Total cost per month: $65,520.00
Total Cost (3) months: $196,560.00

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

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation and Support Services

STATEMENT OF WORK for the Contract Change Notice

This Statement of Work for Contract Change Notice "Statement of Work") is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation and Support Services	04/02/2018 – 06/29/2018
DTMB Business Relationship Manager:	**Agency Project Manager:**
Susan Nordyke	Shirley Montour
NordykeS@michigan.gov	MontourS@michigan.gov
(517) 373-9784	(517) 284-9364

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of Subject Matter Experts that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort.

2. OBJECTIVES OF STATEMENT OF WORK

Extend two (2) Subject Matter Experts using the monthly rate identified in Section 6 of this Statement of Work.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") on a monthly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance

of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Expert will be expected to assist in DHHS readiness activities including, but not limited to, the following:

1. Review, identify, and recommend policy modifications
2. Review, recommend, update, and document procedure changes
3. Review, recommend, update, and document agency specific desk guides and reference material
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help MDHHS employees make a successful transition to the new system
5. Provide support including assistance in ensuring SIGMA core system defects are resolved and re-tested
6. Provide general post production support services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high-level project schedule dates are included below.

Key Date	Date
Resource Extension Date Start	4/04/2017
Phase 1.5 and 2 Supporting Activities	
1. Projects & Grants	06/29/2018
2. Procurement & VSS Functionality	06/29/2018
3. Core Financials	06/29/2018
4. Time, Expense, Leave, and Labor Distribution	06/29/2018
5. Inventory Functionality	06/29/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting two (2) Subject Matter Expert resource.

6. COMPENSATION AND PAYMENT

This Section 6 specifies the monthly billing rates applicable to the performance of the Services. The specified monthly billing rates are based on the communication between the CGI Contractor (Bill Hutchinson) and the SIGMA DTMB Deputy Director (Lisa Evani).

Resource Cost Description	Costs
Two (2) Subject Matter Experts at $38,220.00 and $27,300 per month for three (3) months.	$196,560.00

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

7. OTHER TERMS AND CONDITIONS

None

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **14**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	2651 Coolidge Road
	East Lansing, MI 48823
	Jasper
	248-496-4336
	jon.jasper@cgi.com
	CV0059354

STATE			
Program Manager	Ruth Schwartz	MULTI
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Garrick Paraskevin	DTMB
	(517) 284-6993	
	paraskeving@michigan.gov	

CONTRACT SUMMARY			
ERP IMPLEMENTATION SERVICES AGREEMENT			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME
	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$59,961,928.00	$163,800.00	$60,125,728.00

DESCRIPTION

Effective 3/13/2018 the State adds funding ($163,800.00) for the extension of one subject matter expert from 11/1/2017 - 3/31/2018 to provide DHHS support in the following

1. Review, identify, and recommend policy modification.
2. Review, recommend, update, and document procedure changes.
3. Review, recommend, update, and document agency specific desk guides and reference material.
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations advice to help MDHHS employees make a successful transition to the new system.
5. Provide support including assistance in ensuring SIGMA core system defects are resolved an re-tested.
6. Provide general post production support serves.

Total cost per month: $32,760.00
Total Cost (5) months: $163,800.00
All other terms, conditions, specifications, and pricing remain the same. Per Contractor, agency, and DTMB Procurement.

MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
for
SIGMA Project Additional Implementation and Support Services
STATEMENT OF WORK for Contract Change Notice No. 14

This Statement of Work for Contract Change Notice No. 14 ("Statement of Work") is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and ISG. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation and Support Services	11/01/2017 – 03/31/2018
DTMB Business Relationship Manager:	**Agency Project Manager:**
Susan Nordyke	Shirley Montour
NordykeS@michigan.gov	MontourS@michigan.gov
(517) 373-9784	(517) 284-9364

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of Subject Matter Experts that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort.

2. OBJECTIVES OF STATEMENT OF WORK

Extend one (1) Subject Matter Expert using the monthly rate identified in Section 6 of this Statement of Work.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") on a monthly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance

of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Expert will be expected to assist in DHHS readiness activities including, but not limited to, the following:

1. Review, identify, and recommend policy modifications
2. Review, recommend, update, and document procedure changes
3. Review, recommend, update, and document agency specific desk guides and reference material
4. Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help MDHHS employees make a successful transition to the new system
5. Provide support including assistance in ensuring SIGMA core system defects are resolved and re-tested
6. Provide general post production support services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high-level project schedule dates are included below.

Key Date	Date
Resource Extension Date	11/01/2017
Phase 1.5 and 2 Supporting Activities	
1. Budget Preparation	03/31/2018
2. Procurement & VSS Functionality	03/31/2018
3. Core Financials	03/31/2018
4. Time, Expense, Leave, and Labor Distribution	03/31/2018
5. MDHHS System Interface files analysis	03/31/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting one (1) Subject Matter Expert resource.

6. COMPENSATION AND PAYMENT

This Section 6 specifies the monthly billing rates applicable to the performance of the Services. The specified monthly billing rates are based on the communication between the ISG Contractor (Kirk Teal) and the SIGMA DTMB Deputy Director (Lisa Evani).

Resource Cost Description	Costs
One (1) Subject Matter Expert at $32,760.00 for five (5) months.	$163,800.00

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

7. OTHER TERMS AND CONDITIONS

None

Each party has caused its authorized representative to execute this Agreement as of the Effective Date.

FOR THE CONTRACTOR: Willow Laurel	FOR THE STATE:
Information Services Group	
Firm Name	Signature
	Jeff Brownlee, Chief Procurement Officer
Authorized Agent Signature	Name/Title
	DTMB Procurement
Authorized Agent (Print or Type)	Enter Name of Agency
Date	Date

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

CONTRACT CHANGE NOTICE

Change Notice Number **13**
to
Contract Number **071B4300138C**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	2651 Coolidge Road
	East Lansing, MI 48823
	Jon Jasper
	(248) 496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
	Program Manager	Ruth Schwartz	DTMB
		(517) 284-7585	
		schwartzr1@michigan.gov	
	Contract Administrator	Mike Breen	DTMB
		(517) 284-7002	
		breenm@michigan.gov	

CONTRACT SUMMARY			
ERP HOSTING, MANAGED SERVICES, SOFTWARE LICENSE AND MAINTENANCE AGREEMENT			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2021	1000 - 1 Year	September 30, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ No
MINIMUM DELIVERY REQUIREMENTS				

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$59,634,328.00	$327,600.00	$59,961,928.00		

DESCRIPTION
Effective with mutual signature the contract is amended to add funding ($327,600.00) to support implementation services for DHHS for addition of two subject matter experts. All other terms and conditions remain the same.

Technology, Management & Budget

Change Request Report

As of: Aug 24, 2017

MDHHS - SIGMA - MAIN Replacement

Client	Request number	Reference number
MDHHS - Central Office	CHG-2017-000710	STATEMENT OF WORK for Contract Change Notice No. 006 & 008

Initiator	Assignment	Responsible
Thomas Rogers	Dave Tripp	

Priority	Request status	Category	Updated on
3-High	New	Resource	8/14/17

Short Description

Extension of Tamara Swenson and Thomas VanCamp thru March 2018

Requestor Information

Detailed Description

Additional general implementation support services are being requested in the form of Subject Matter Experts that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort. MDHHS would like to extend these services of Tamara Swenson and Thomas VanCamp from November 1, 2017 through March 31, 2018. Firm Fixed Amount $327,600.00 This change request is extending services for resources that are already onsite and part of the project. Roles, responsibilities, and scope of work for these resources have not change. This request is purely to extend their support. Original change notice information is referenced below:

Tamara Swenson – Contract 071B4300138 – CCN #6
Thomas (Jared) VanCamp - Contract 071B4300138 – CCN #8

Proposed Change Description Benefit / Justification

Additional SME support through March 31, 2018 will allow MDHHS to use the SMEs' system knowledge to aid in problem resolution and decision making situations.

Projected Impact

Additional budget of $327,600.00

Alternatives

Release the SME on September 30, 2017.

Impact Analysis

Impact on Cost (in $$$)	Impact on Schedule (in Days)	Impact on Resources (in Hours)
327,600		780

Impacted Application(s)

SIGMA

Specific Requirements Definition

Impact of Not Implementing the Change

Alternatives to the Proposed Change

Final Recommendations

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation and Support Services

STATEMENT OF WORK for Contract Change Notice No. 008

This Statement of Work for Contract Change Notice No. 008 ("Statement of Work") is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:

Additional ERP Implementation and Support Services

Period of Performance:

11/01/2017 – 03/31/2018

DTMB Business Relationship Manager:

Susan Nordyke

NordykeS@michigan.gov

(517) 373-9784

Agency Project Manager:

Shirley Montour

MontourS@michigan.gov

(517) 284-9364

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of Subject Matter Experts that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort.

2. OBJECTIVES OF STATEMENT OF WORK

Extend two (2) Subject Matter Experts using the monthly rate identified in Section 6 of this Statement of Work.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") on a monthly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance

Resource Cost Description	Costs
Two (2) Subject Matter Experts at $38,220.00 and $27,300 per month for five (5) months.	$327,600.00

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

7. OTHER TERMS AND CONDITIONS

None

Each party has caused its authorized representative to execute this Agreement as of the Effective Date.

FOR THE CONTRACTORS: Tamara Swenson and Thomas VanCamp	**FOR THE STATE:**
CGI Technologies and Solutions Inc.	
Firm Name	Signature
	Jeff Brownlee, Chief Procurement Officer
Authorized Agent Signature	Name/Title
	DTMB Procurement
Authorized Agent (Print or Type)	Enter Name of Agency
Date	Date

Draft Summary of Transparency Portal and Expanded CAFR Support
Subject to CGI corporate review and approval

Extend DHHS Support Services

Effective with mutual signature the contract is amended to add funding ($327,600.00) to support implementation services for DHHS for the extension of two (2) subject matter experts. The compensation and payment methodology is being modified as outlined below:

CGI is proposing a fixed price model that would establish a monthly fee as follows:

- Normally there are 2080 hours in a year, excluding any vacation.
- Assuming some "off time", a year might be better normalized at 1880 hours that translates to ~156 hours per month.
- Monthly fee for services would be calculated as rate multiplied by 156.
- Each month, each CGI resource will submit a status report summarizing work performed and anticipated work activities for the coming month. It will be accompanied by a supporting time sheet, although it needs to be recognized that the fixed fee is based on an average of 156 hours per month over a 12-month period.

Resource Extension for: Thomas VanCamp – Senior Business Analyst - $27,300 per month

Resource Extension for: Tamara Swenson – Team Lead - $38,220 per month

All other terms and conditions remain the same.

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

CONTRACT CHANGE NOTICE

Change Notice Number **12**
to
Contract Number **071B4300138C**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
Program Manager	Ruth Schwartz	MULTI
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Michael Breen	DTMB
	(517) 284-7002	
	brenm@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME

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

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	6 months	☐		March 30, 2019

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$52,091,597.00	$1,035,200.00	$53,126,797.00

DESCRIPTION

Effective with State Administrative Board approval 11-14-17 and mutual signature the contract is amended to add funding ($1,035,200.00) to support the Enterprise Resource Planning System (ERP) for executive, legislative, and judicial branch organizations for the CAFR process. the contract will also be extended to 3/30/2019. All other terms and conditions remain the **same.**

Draft Summary of Transparency Portal and Expanded CAFR Support
Subject to CGI corporate review and approval

Transparency Portal

Services to complete the following:

{1} Pre-Audit Process - Modify the Advantage Transparency Portal to support a pre-Audit process. This will be accomplished by leveraging the existing Transparency Portal staging tables.

Development: Create custom copies of the existing TP Universes, TP Reports (5 reports & 2 Explorer Spaces) and Data Filtering/Masking Script to point to Transparency Portal "Staging" tables.

Configuration: Establish a separate Sub-Folder (only accessible by OFM) in BusinessObjects from where the new "TP Pre-Publishing Audit Reports" can be run.

Operations: Update Transparency Portal ETL Batch job to only run Script 1(of 2) that loads the "Staging" tables. Subsequent run of Script 2 would be an "on-demand" request to PSMAG once pre-audit was completed and the portal content approved by OFM.

{2) Pre-Audit Reports - Provide 2 "reconciliation" reports:

A report to identify, or assist in identifying if it can't be done directly, Object/Object Groups in the Transparency Portal that were not accounted for in the data filtering / masking process.

A report to compare at a high level infoAdvantage data warehouse amounts vs. Transparency Portal Data Mart amounts. This may require 2 reports due to the complexity of combining 2 different data sources.

Services include design, development, unit testing, documentation updates, and support for user testing.

Compensation and Payment as follows:

(1) Services **$168,000**

Pre-audit Process - fixed fee of $84,000, to be paid in three (3) installments:

$28,000 to be paid upon approval of design
$28,000 to be paid upon approval of unit software
$28,000 to be paid upon the earlier of completion of user acceptance test, execution in production, or 3 months after delivery of approved unit tested software

Pre-audit Reports - fixed fee of $84,000, to be paid in three (3) installments:
$28,000 to be paid upon approval of design
$28,000 to be paid upon approval of unit tested reports
$28,000 to be paid upon the earlier of completion of user acceptance test, execution in production, or 3 months after delivery of approved unit tested reports

The Services and Deliverables specified in the Contract Change Request are additive to and separate and distinct from the SIGMA Project implementation project. For these reasons, the following changes in the terms and conditions of the Contract will apply exclusively to this Contract Change Request:

1. Section 2.221 (Limitation of Liability) is modified only for purposes of this Contract Change Request such that Vendor's liability for specific services performed under this Contract Change Request is limited to amounts paid under this Contract Change Request. Section 2.221 will remain in full force and effect for all other services provided by Contractor or any subcontractor under the Contract.

Draft Summary of Transparency Portal and Expanded CAFR Support
Subject to CGI corporate review and approval

Expanded CAFR Support Services

Services are based on the attached CAFR Support Plan, as previously provided (refer to the tabs labeled Updated Plan and Summary of Change):

(1)Services August 2017 through July 2018 – The State is requesting one (1) resource to be assigned full time as a Business Analyst and one (1) resource to be assigned at 25% as a Subject Matter Expert. The full time Business Analyst is Brook Purdy, who will be designated as a Key Personnel. The Subject Matter Expert is Tiffany Franks, who will be designated as a Key Personnel. Commensurate with assigned hours approximately equivalent to X of an FTE, any associated liquidated damages will be calculated at 25% of applicable damages per Section 2.243.

(2)Services August 2018 through January 2019 – The State is requesting one (1) resource to be assigned full time as a Business Analyst; up to 536 professional services hours from a Business Intelligence Programmer Analyst; up to 280 professional services hours for Pattern Stream activities; and up to 40 professional services hours per month from one (1) resource to be assigned as a Subject Matter Expert.

The following resources will be designated as Key Personnel:

- Brooke Purdy, who will be the Business Analyst
- Tiffany Franks, who will be the Subject Matter Expert ((SME). Commensurate with assigned hours approximately equivalent to X of an FTE, any associated liquidated damages will be calculated at 25% of applicable damages per Section 2.243.

(3)Optional Services, February 2019 through March 2019 – The State is requesting one (1) resource to be assigned full time as a Business Analyst; up to 160 professional services hours from a Business Intelligence Programmer Analyst; and up to 40 professional services hours per month from one (1) resource to be assigned as a Subject Matter Expert.

The following resources will be designated as Key Personnel:

- Brooke Purdy, who will be the Business Analyst
- Tiffany Franks, who will be the Subject Matter Expert ((SME). Commensurate with assigned hours approximately equivalent to X of an FTE, any associated liquidated damages will be calculated at 25% of applicable damages per Section 2.243.

Compensation and Payment as follows:

(1) Services August 2017 through July 2018 (monthly fee of $29,600 per month)	$355,200

Draft Summary of Transparency Portal and Expanded CAFR Support
Subject to CGI corporate review and approval

{2) Services August 2018 through January 2019 **$407,940**
(monthly fee of $67,990 per month)

{3} Optional Services, February 2019 through March 2019 **$104,060**

Business Analyst – fixed fee of $56,000 paid in two monthly installments of $28,000 per month

Business Intelligence Programmer Analyst - fixed fee of $21,600 paid in two monthly installments of $10,800 per month

Subject Matter Expert – fixed fee of $26,460 for up to 40 hours of services per month from February 2019 through March 2019. This includes up to 2 trips to be on project site in Lansing, MI, with no more than 1trip per month. To be paid in in two monthly installments of $13,230 per month

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **11**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
Program Manager	Ruth Schwartz	DTMB-IT
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Jarrod Barron	DTMB
	(517) 284-7045	
	barronj1@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME
	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$51,861,527.00	$230,070.00	$52,091,597.00

DESCRIPTION

Effective 9/1/2017 the State adds funding for extending services for resources already onsite per Attachment A. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

Attachment A:

Time and Cost Breakdown				
Agency	Resource	Extension Beginning Date	Extension End Date	Cost
DHHS	Tamara Swenson	9/1/2017	10/1/2017	$ 76,440.00
MDOT	Stephen Baltutis	8/1/2017	10/31/2017	$ 45,630.00
SIGMA	Jenny Zheng	7/1/2017	10/31/2017	$ 48,600.00
SIGMA	Terri Hughes Lazzell	10/1/2017	11/18/2017	$ 59,400.00
			Total:	$230,070.00

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **10**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
Program Manager	Ruth Schwartz	DTMB-IT
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Jarrod Barron	DTMB
	(517) 284-7045	
	barronj1@michigan.gov	

CONTRACT SUMMARY			
ERP IMPLEMENTATION SERVICES AGREEMENT			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
		N/A	
ALTERNATE PAYMENT OPTIONS		EXTENDED PURCHASING	
☐ P-Card ☐ Direct Voucher (DV) ☐ Other		☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$49,611,292.00	$2,250,235.00	$51,861,527.00

DESCRIPTION

Effective 6/19/2017, the parties add funding for the attached Contract Change Request clarifying roles and responsibilities and adding implementation services (value $2,015,035) and the attached Service Request for additional training (value $235,200). All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project

CONTRACT CHANGE REQUEST

This Contract Change Request is submitted by the Department of Technology, Management and Budget (“DTMB” or “State”) under the terms of the Contract #071B4300138 (“Contract” or “ISA”) dated June 25, 2014, between DTMB and CGI Technologies and Solutions, Inc. (“CGI,” “Contractor,” or “Vendor”) in accordance with Section 2.024 and Exhibit 2-1 of the Contract.

Contract:

ERP Implementation Services Agreement

Contract No. 071B4300138

Period of Coverage:

June 25, 2014 – September 30, 2017

Requesting Party:

CGI

Submission Date:

June __, 2017

Project Manager of Requesting Party:

William Hutchinson

Phone:

517.703.6664

1. OVERVIEW AND BACKGROUND

This Contract Change Request is submitted to effect the following changes to the Contract as mutually agreed:

1) Concerning ISA scope and roles and responsibilities of the parties:
    a. To clarify CGI’s responsibilities with respect to miscellaneous pending Change Log Items relating to various Tasks under ISA Attachment 2;
    b. To add CGI responsibilities to support User Acceptance Testing as specified in ISA Attachment 2, Task 9;
    c. To add CGI responsibilities to support Training and Knowledge Transfer as specified in ISA Attachment 2, Task 11;
2) Concerning ISA compensation, to make adjustments to the Payment Schedule as specified in ISA Attachment 4; and

3) Concerning project staffing, to update CGI's Key Personnel commitments as specified in ISA Attachment 5.

2. OBJECTIVES OF REQUESTED CHANGES

The objectives of the changes are to update the ISA to reflect mutually agreed modifications concerning the scope of the project, the parties' roles and responsibilities, the payment schedule, and CGI's Key Staff commitments.

Throughout this Contract Change Request, proposed changes to existing Contract language are denoted in red font with language additions underscored and language deletions struck through.

3. CHANGES IN SCOPE - CLARIFICATIONS TO PROJECT SCOPE OF WORK, SCHEDULE and STAFFING

3.1. Miscellaneous Change Log Items

3.1.1. Change Log Items Logged On or Before June 30, 2017

CGI will complete the Change Log Items identified in Project SIGMA's Sharepoint Change Log and in this Section 3.1.1 pursuant to this CCR 11.

3.1.1.1. Change Log Item 36 - Add Coding to Credit Card Process for specialized addenda records

Add customized coding to the Credit Card process to include current specific transactions that do not follow the typical Addenda record layout.

3.1.1.2. Change Log Item 44 - Provide additional totals on Timesheets

To improve efficiency in reviewing approving timesheets, additional totals have been requested:

(1) On ESS and MSS timesheet, the addition of a pop-up "baseball card" to display summarized hours by event type for each week and pay period.

(2) On the view for ESS TIMEI, MSS TIMEI, and HRM TIMEI, the addition of two display-only weekly total columns at the end of each timesheet line [prior to the pay period total].

(3) Potentially also add the two display-only weekly total columns to the Daily Activity tab of the timesheet (not needed on any other tabs) and to the HRM TIMEG.

This enhancement will be incorporated into the CGI Advantage baseline solution set.

3.1.1.3. Change Log Item 45 - Add timesheet cross-edit capability

Current timesheet edits support cross-edit to detect the simultaneous use of two codes (e.g., sick leave usage and overtime) within the same pay period. DCDS currently provides warnings in DCDS for such conditions within a single week.

This enhancement will be incorporated into the CGI Advantage baseline solution set.

3.1.1.4. Change Log Item 62 - Statistical Record ID – Increase Field Length
As work has progressed with DHHS on their cost allocation statistical information, it has become clear that for ease of maintenance and use it would be ideal if the field was long enough to store their Task Order and Sub Unit codes. Currently the field is 5 characters long, but the Task Order/Sub Unit combination would require at least 8 characters. The recommendation is to extend the field to 10 characters.

This enhancement will be incorporated into the CGI Advantage baseline solution set.

3.1.1.5. Change Log Item 78 - Add Paid Warrant File Interface from Treasury to SIGMA
It was confirmed that JPMC cannot send the PAID warrant information through the same channel in which we will receive the PAID information for the checks issued out of SIGMA. This is due to the fact that the information is coming from two different systems at Chase and they have no way of combining it to send us one file. As discussed on the 10/11 JPMC biweekly conference call, the bank will continue to send the paid warrant information to Treasury as they do today. Treasury will then format and interface the paid warrant information to SIGMA to be sent through PDI before being uploaded to SIGMA.

3.1.1.6. Change Log Item 80 - Enhancements to SIGMA EDI Batch Parameters and Transaction Detail
2 enhancements are requested to the SIGMA ETP/EDI functionality.

3.1.1.6.1. Change Log Item 80a - Identification of Agency EDI for workflow routing
Each agency's EDI invoices need to be generated in their own agency code during batch processing in order to route properly in Workflow. Electronic accounts are set up for each agency on the EAPRO (Electronic Account Profile) yet batch is run under one agency. (Appendix #1 – EAPRO screen shot.) Currently, per the concept papers and designs: The Load EDI Invoices process in Advantage builds Electronic Invoice (IE) documents using a single department/unit code assigned in the batch process parameters. This means that all IE documents generated from a file will be routed to one department/unit for workflow. The Electronic Payment Request Chain process builds Electronic Payment Request (EPRC) documents using a single department/unit code assigned in the batch process parameters. All EPRC documents generated from a file will be routed to one department/unit for workflow.

This enhancement will be incorporated into the CGI Advantage baseline solution set.

3.1.1.6.2. Change Log Item 80b - Agency formatting of billing invoice detail
Agencies should be able to access formatted billing invoice detail (online and in the BI application) beyond what is provided on the IE (Electronic Invoice) document. This information is used for reporting purposes, approval processing, to support audits, and for Federal grant requirements for reimbursement. (Appendix #2 – Invoices from ETP application.) In the legacy ETP system: There are online pages (and Business Objects fields) that display detailed invoice information such as beginning and ending meter readings, usage, device serial number, etc. In SIGMA: Information identified above will be auto loaded into the EDI Invoice Header table (EDIH) and EDI Invoice Detail table (EDID). They are inquiry only pages. EDID displays all incoming record segments tied to an invoice. There is a link from the invoice document to the EDIH/EDID records. Fields such as meter readings, serial numbers, previous account balances that are extraneous to creating an IE document will be displayed in EDID. However, the data is unformatted, and includes field delimiters (Addendum #3 – EDID and Link from IE document.)

3.1.1.7. Change Log Item 102 - Allow for an individual ACH Company ID for each ACH bank code
SIGMA will not be able to process separate company ID fields based on which module the transaction originates from (i.e. payroll, retirement, income tax), rather the system will overwrite this field to a standardized company ID across all payments types in check writer.

This enhancement will be incorporated into the CGI Advantage baseline solution set.

3.1.1.8. Artifacts Required for Change Log Items Logged on or before June 30, 2017
Each Change Request item includes a different set of artifacts. Exhibit 3.1 (Change Log Item Artifacts) below specifies which artifacts will be included or updated as appropriate with each Change Request Item. For Documentation and Training Materials, CGI will provide updates or confirm that appropriate updates have already been made.

Exhibit 3.1 Change Log Item Artifacts

Change Request	Design Basis	System Test Results	Updated Design Documentation	Updated Training Material
36 – Add Coding to Credit Card Process for specialized addenda records	Add Coding to Credit Card Process for specialized addenda records.docx	YES	YES	YES
44 – Provide additional totals on Timesheets	CR44 and 45 Timesheet Changes – Mockup Drafts.pptx	YES	YES	YES

45 – Add timesheet cross-edit capability	CR44 and 45 Timesheet Changes – Mockup Drafts.pptx	YES	YES	
62 – Statistical Record ID – Increase field length	Per CR Log description	YES	YES	YES
78 – Add Paid Warrant file interface from Treasury to SIGMA	CR78 Paid Check File Layout from Chase Bank to SIGMA.msg I04-DELIV-Phase_2_Interface_Designs–SIGMA_Payment_Interfaces_with_External_Entities.docx	YES	YES	
80a – Enhancements to SIGMA EDI Batch Parameters and Transaction Detail: Identification of Agency EDI for workflow routing	CR-EDI.docx	YES	YES	
80b – Enhancements to SIGMA EDI Batch Parameters and Transaction Detail: Agency formatting of billing invoice detail	CR-EDI.docx	YES	YES	
102 – Allow for an individual ACH Company ID for each ACH bank code	Per CR Log description	YES	YES	
164 – VSS Customizations	Per CR Log description	YES	YES	

3.1.1.9. Acceptance Criteria for Change Log Items Logged on or before June 30, 2017

The Acceptance Criteria for these Change Requests include the following:

- The earlier to occur of (i) Completion and Acceptance of System Test Results, which may be combined with a State User Acceptance Test of the Change Log Item; or (ii) operation of the applicable Change Log Item in production.
- Completion and Acceptance of updated design documentation, as identified in Exhibit 3.1 above. Updated design documentation will consist of updates to the original concept paper or an addendum to the approved Project SIGMA design deliverable, as applicable.
- Completion and Acceptance of updated training materials, as identified in Exhibit 3.1 above.

3.1.2. Change Log Items Logged After June 30, 2017

Requested Change Log Items identified after June 30, 2017 will be addressed through mutually agreed Task Orders in accordance with this Section 3.1.2. The parties agree that there may be additional work performed to address critical, high priority change requests and they will be managed and approved based on task orders, as follows.

- The State will make a request through the Project SIGMA Change Request logging process.
- CGI will provide an estimate including LOE (number of hours), cost and delivery date in a draft Task Order.
- The State will approve or reject the proposed Task Order. The parties may negotiate to resolve differences prior to finalizing a proposed Task Order.
- CGI will complete finalized Task Orders and submit for approval per the current Project ISA Deliverable Approval Process.
- Once approved by the State, CGI will invoice for the approved deliverable. The invoice amount will be per the approved Task Order, assuming no scope changes.
- The not-to-exceed budget for all task order based services is defined in Exhibit 4.2.1 Allotments for Additional Scope Task Orders

Documented Scope Changes	**Cost (USD)**
1: Scope Changes as defined in Exhibit 3-1 of this change notice	$631,095

3.2. Changes concerning User Acceptance Testing ("UAT") Leadership and Support

The scope of Attachment 2, Task 9 is modified as set forth in this Section 3.2

CGI will provide the State with expanded user acceptance testing (UAT) support above and beyond the level of support specified in the Contract. The expanded support is necessary to support the increase in the number of agency testers (every State agency is expected to participate in testing), the number of test case executions, and the associated test session support and after session review and triage of issues.

The additional scope added through this Section 3.2 is based on the following assumptions:

- The State plans to conduct core team and agency UAT from February 12, 2017 through August 18, 2017, as currently defined in the Project Master Schedule. The additional support described in this section is intended to be used through the completion of this general UAT period, as defined in the Master Project Schedule and subject to change by mutual agreement.
- The State Core and State Agency teams will meet deadlines for the tasks for which they are responsible.
- CGI will expend all effort (hours) noted in Exhibit 3.2.

Exhibit 3.2 (CGI Supplemental UAT Support Milestones) details the specific Service Milestones performed/to be performed as part of this Section 3.2.

NOTE: Milestones are priced as firm fixed fee. Hours have been used in conjunction with a Blended Hourly Rate to calculate work effort and arrive at the fixed fee for each milestone.

Exhibit 3.2 CGI Supplemental UAT Support Milestones

CGI Supplemental UAT Support Milestones	Cost (USD)
1: Expanded UAT Support ▪ Scope Change o The expanded support requirement results primarily from an increase in the number of agency test cases and testers. Rather than drawing a representative set of users from across the agencies to create an agency test team, and then having that agency test team execute core scripts from an agency perspective, each agency is executing core cases and additional agency specific test cases. o The Current UAT Plan anticipates ~11,700 test cases (1,500 core and 10,200 agency test cases), with multiple testers from each State Agency. That compares to a test bed of about 6000 test cases, where the core team executes 1,500 core test cases twice and the agency team executes the 1,500 test cases twice from an agency perspective. o The different approach requires expanded support for approximately 5,700 additional test cases, representing a 182% increase in test scope. o An increased number of CGI functional and technical team members will need to be available to address the questions and issues generated from the anticipated test case population and testing group size. ▪ Level of Effort o Test cases are the main drivers for areas of additional support – session support, triage, and offline processing planning and support. o With 5,700 more cases to be executed, the scope change is equivalent to a 95% increase to the planned user acceptance testing effort (U08 / U08.1, which is valued at $1,146,250). o The expanded scope can be included as part of current UAT deliverables ***Deliverables:*** ▪ U08 / U08.1 UAT Execution FIN ▪ U08 / U08.1 UAT Execution Procurement ***Acceptance Criteria*:** ▪ Per current deliverable acceptance criteria ***Milestone Payments (upon Deliverable Acceptance):*** ▪ U08 / U08.1 UAT Execution FIN	 $734,470

▪ U08 / U08.1 UAT Execution Procurement	$354,470
Total CGI Expanded UAT Testing Support	**$ 1,088,940**

3.3. Changes Concerning Training and Knowledge Transfer

The scope of Attachment 2, Task 11 is modified as set forth in this Section 3.3.

Exhibit 3.3 details updates to be performed pursuant to Attachment 2, Task 11 of the Contract.

Exhibit 3.3 Training Deliverable Alterations

Training Delivery Alterations	Hours	Cost (USD)
Expanded Train the Trainer Requirements • Scope Change o The Initial Plan, based on completion of a Training Assessment with the State, provided support for ~90 trainers o The Current Plan will require support for ~254 trainers o The difference between the current plan and initial plan represents a 182% increase. The State and CGI agree that after considering mitigating factors (for example, not all State trainers will attend train-the-trainer teach back sessions), the impact is commensurate to supporting a 100% increase in trainers. • Level of Effort o The scope change is equivalent to twice the planned effort. o The expanded scope can be included as part of current train-the-trainer Deliverable TK21		$195,000
Changes to Approved Training Material Content Additional changes to content and structure of training material previously accepted by the State pursuant to Section 2.253 of the Contract may be identified and required. Unless required to be addressed under Section 1.120 (Warranties) of the Contract, such additional changes will be addressed as follows. • CGI will make approved changes, as follows: o The State will make a request through the Project SIGMA Change Request logging process o CGI will provide an estimate, including an LOE (number of hours), cost and delivery date in a draft Task Order o The State will approve or reject the proposed Task Order. The parties may negotiate to resolve differences prior to finalizing a proposed Task Order.	Per approved Task Order	Per approved Task Order

o CGI will complete finalized Task Orders and submit for approval per the current Project ISA Deliverable Approval Process. o Once approved by the State, CGI will invoice for the approved deliverable. The invoice amount will be per the approved Task Order, assuming no scope changes o The not-to-exceed budget for all task order based services is defined in Exhibit 4.2.1 Allotments for Additional Scope Task Orders		
Total CGI Training Services Components		$ 195,000

3.4. Changes concerning Reports

Attachment 2, Task 6.E.2 is deleted as follows:

~~2. All reports required to meet State and federal reporting requirements~~

4. CHANGES IN COMPENSATION AND PAYMENT SCHEDULE

Compensation changes effected by the Contract Change Request are outlined in this Section 4. The overall compensation changes are summarized in Section 4.1:

4.1. Compensation Defined in Attachment 4: Deliverables and Payment Schedule, Section 4.1, Overall Payments by Project Phase, is amended and restated in its entirety as follows:

Overall payments to the Contractor under this Agreement shall be limited to the Fixed Price listed in Section 1.601. Payments to Contractor are further limited by Project Phase, as indicated in Exhibit 4-1 below:

Exhibit 4.1 Payment by Project Phase

ERP Project Phase	Pre-CCR Fixed Price	Fixed Price Increase	Revised Fixed Price
Total Phase 1 Implementation Services	$2,483,092	$0	$2,483,092
Total Phase 2 Implementation Services	$40,346,959	$2,015,035	$42,361,994
Total Final Post Implementation Support Services	$3,725,271	TBD $0	$3,725,271
Change Notice #3	$350,000	$0	$350,000
Total Estimated Contract Value	$46,905,322	$2,015,035	$ 48,920,357

4.2. Modification of Payment Deliverable PS07

Pursuant to Change Notice 4, the parties agreed to implement Advantage Release 3.11 in lieu of Release 3.10. Accordingly, Exhibit 4.2 is modified to redesignate Deliverable PS07 as Deliverable IM32 within Payment Milestone M13PMT 1, and CGI shall be entitled to invoice for and receive of the associated payment upon cutover to production operations.

4.3. Addition of Fixed Price for Additional Scope Added through This CCR 11

Exhibit 4.2 has been updated to add the fixed price for additional scope added through Sections 3.1 - 3.3 of this CCR 11. Modifications related to this change notice are designated by the red font.

4.4. Allotted Hours for Change Log Items and Training and Knowledge Transfer Content Changes Added through this CCR 11

Exhibit 4.2.1 has been added to reflect allotted hours Change Log Items and Training and Knowledge Content Changes added through Section 3.1.2 and Section 3.3, respectively, of this CCR 11.

Exhibit 4.2 Payments

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Phase I					
Milestone 1					
Planning Deliverables	**1-Project Management**				
Project Strategy, Plan and Resource Schedule		P01	M1PMT-1		
Risk Identification, Analysis, and Management Plan		P02	M1PMT-1		
Issue Process/Database		P03	M1PMT-1		
Status Reporting Process		P04	M1PMT-1		
Scope Change Control Process		P05	M1PMT-1		
Organizational Change Management Plan		P06	M1PMT-1		
Communications Plan		P07	M1PMT-1	30.00%	$74,492.76
Technical Services Deliverables	**2-Technical Services**				
Project Environment Specification		T01	M1PMT-2		
Completed Software Installation, User Playground, and Software Education Sessions		T02	M1PMT-2		
Complete Development Environment - Phase 1		T03	M1PMT-2		
Complete Development Environment - Phase 2		T04	M1PMT-2		
System Analysis and Design Deliverables					
Site Specific Code Retrofitting Approach	3-Systems Analysis and Design	S01	M1PMT-2	25.00%	$62,077.30
Training and Knowledge Transfer Deliverables	**11-Training and Knowledge Transfer**				
Project Team Training Approach and Plan		TK01	M1PMT-3		
Knowledge Transfer Approach and Plan		TK02	M1PMT-3		
Project Team Training -ERP		TK03	M1PMT-3		
Project Team Training - Methodology and Approach		TK04	M1PMT-3	30.00%	$74,492.76
Project Management Deliverables					
Milestone Report 1: Project Strategy and Plan	Project Mgt	PM01	M1PMT-4	15.00%	$37,246.38
Milestone 1 Total Payments				**100.00%**	**$248,309.20**
Milestone 2 - Budget Preparation Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Not Used		S04			
Requirements Validation Document		S03	M2PMT-1		
Budget Preparation Design		S04	M2PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Inventory of Transactions, Views, Reports, and Processes		S05	M2PMT-1		
Internal Control Risk Assessment		S06	M2PMT-1		
Software Configuration Plan		S07	M2PMT-1		
Chart of Accounts Design Assistance - Budget Preparation		S08	M2PMT-1		
Functional Designs		S09	M2PMT-1	30.00%	$89,391.31
Technical Designs		S10	M2PMT-2		
Requirements Traceability Matrix		S11	M2PMT-2	15.00%	$44,695.66
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Plan		D01	M2PMT-3		
Data Conversion Program Designs		D02	M2PMT-3		
Report Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Budget Prep Report Designs		R01	M2PMT-3	10.00%	$29,797.10
Interfaces Deliverables	7-Interfaces				
Interface Plan (covering all phases)		I01	M2PMT-4		
Interface Designs		I02	M2PMT-4	5.00%	$14,898.55
Technical Services Deliverables	2-Technical Services				
Security Architecture and Design		T05	M2PMT-5		
Configuration Management Procedures		T06	M2PMT-5	15.00%	$44,695.66
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM02	M2PMT-6		
Communications Plan Updates		PM03	M2PMT-6	5.00%	$14,898.55
Milestone Report 2: Budget Preparation Design		PM04	M2PMT-7	20.00%	$59,594.21
Milestone 2 Total Payments				**100.00%**	**$297,971.04**
Milestone 3 ERP Core Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Requirements Validation Document		S11	M3PMT-1		
Core Design Fundamentals Document		S12	M3PMT-1		
Process, and Transaction Mapping Analysis		S13	M3PMT-1		
Requirements Validation Document		S14	M3PMT-1		
Cost Accounting Classification and Reporting Plan		S15	M3PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Inventory of Transactions, Views, Reports, and Processes		S16	M3PMT-1		
FHWA Comprehensive Design		S18	M3PMT-1		
Chart of Accounts Plan		S20	M3PMT-1		
Chart of Accounts Design Assistance		S21	M3PMT-1		
Functional Designs		S22	M3PMT-1	20.00%	$1,354,162.34
Technical Designs		S23	M3PMT-2		
Requirements Traceability Matrix		S24	M3PMT-2	10.00%	$677,081.17
Implementation Analysis Design (IAD)		S25	M3PMT-7		
Catalog Management Plan		S26	M3PMT-7	20.00%	$1,354,162.34
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Program Designs		D03	M3PMT-4		
Interface Deliverables	7-Interfaces				
Major Integration Approach Document (covering all phases)		I03	M3PMT-4		
Interface Designs		I04	M3PMT-4		
Technical Services Deliverables	2-Technical Services				
Completed Production and Production QA Specification		T07	M3PMT-4	25.00%	$1,692,702.92
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM05	M3PMT-5		
Communications Plan Updates		PM06	M3PMT-5	10.00%	$677,081.17
Milestone Report 3: ERP Core Design		PM07	M3PMT-6	15.00%	$1,015,621.75
Milestone 3 Total Payments				**100.00%**	**$6,770,811.69**
Milestone 4 - Budget Preparation Configuration and Development					
Configuration and Development Deliverables	4-Configuration Management and Development				
Configuration and Development Inventory		CD01	M4PMT-1		
Unit Tested and Documented Configuration		CD02	M4PMT-1		
Unit Tested Site Specific Code		CD03	M4PMT-1		
Unit Tested and Documented Workflows		CD04	M4PMT-1		
Unit Tested and Documented Configuration		CD05	M4PMT-1		
Conversion Deliverables	5-Data Conversion	D00	M4PMT-2		
Unit Tested Data Conversion Programs		D04	M4PMT-2		
Interfaces Deliverables	7-Interfaces				
Interface Tested Programs		I05	M4PMT-2	20.00%	$228,807.97

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK05	M4PMT-3		
End User Training Plan		TK06	M4PMT-3		
End User Training Curriculum		TK07	M4PMT-3	5.63%	$64,403.99
Technical Services	2-Technical Services				
Completed System and Recovery Test Environment		T08	M4PMT-4		
Completed Training Environment		T09	M4PMT-4		
Production and Production QA Environment Specification		T10	M4PMT-4		
Performance Testing and Tuning Plan		T11	M4PMT-4		
Approved Phase 1 Security, Vulnerability and Penetration Test Plan		T12	M4PMT-4		
System and Recovery Testing	8-System and Recovery Testing				
System and Recovery Test Plan		ST01	M4PMT-4		
Approved and Loaded System and Recovery Test Environment		ST02	M4PMT-4	34.37%	$393,211.96
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessments		IM01	M4PMT-5		
Agency Implementation Guide		IM02	M4PMT-5		
Agency Implementation and Change Management Plans		IM03	M4PMT-5		
Project Management	1-Project Management				
End User Readiness Assessment		PM08	M4PMT-5	20.00%	$228,807.97
Milestone Report 4: Budget Preparation Configuration and Development		PM09	M4PMT-6	20.00%	$228,807.97
Milestone 4 Total Payments				**100.00%**	**$1,144,039.86**
Milestone 5: Budget Preparation UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments		T13	M5PMT-1		
Completed Phase 1 Performance Testing and System Tuning		T14	M5PMT-1		
Performance Testing and System Tuning Procedures		T15	M5PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed Security, Vulnerability, and Penetration Test		T16	M5PMT-1	10.00%	$179,403.99
Conversion Deliverables	5-Data Conversion	D05			
Approved Mock Conversion		D06	M5PMT-2	20.00%	$358,807.97
System and Recovery Testing Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST03	M5PMT-3	40.00%	$717,615.95
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U01	M5PMT-4		
User Acceptance Test Plan and Scripting Assistance		U02	M5PMT-4		
User Acceptance Test Environment and Data		U03	M5PMT-4		
Documentation Deliverables	10-Documentation				
Online Help		DC01	M5PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance		IM04	M5PMT-4		
Implementation Cutover Plan		IM05	M5PMT-4		
Implementation Checklist		IM06	M5PMT-4		
Production Job Schedule		IM07	M5PMT-4		
Approved Batch jobs on Job Scheduler		IM08	M5PMT-4	10.00%	$179,403.99
Milestone Report 5: Budget Preparation UAT Go/No Go		PM10	M5PMT-5	20.00%	$358,807.97
Project Management Deliverables	1-Project Management				
Milestone 5 Total Payments				**100.00%**	**$1,794,039.87**
Milestone 6: Budget Preparation Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Assistance		U04	M6PMT-1	30.00%	$311,384.13
Documentation Deliverables	10-Documentation				
User Documentation		DC02	M6PMT-2		
Technical Documentation		DC03	M6PMT-2		
Operations Documentation		DC04	M6PMT-2		
System Management Guide		DC04a	M6PMT-2		
Security Administration Documentation		DC05	M6PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Workflow Administration Documentation		DC06	M6PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK08	M6PMT-2		
End User Training Environment/Data		TK09	M6PMT-2		
Trained State Trainers		TK10	M6PMT-2		
End User Training Assistance		TK11	M6PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK12	M6PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off		TK13	M6PMT-2	20.00%	$207,589.42
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments		IM09	M6PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM10	M6PMT-3		
Help Desk Plan		IM11	M6PMT-3		
Help Desk Implementation Assistance		IM12	M6PMT-3	25.00%	$259,486.78
Project Management Deliverables	1-Project Management				
Milestone Report 6: Budget Preparation Implementation Go/No Go		PM11	M6PMT-4	25.00%	$259,486.78
Internal Control Risk Assessment		S17	M3PMT-1		
Milestone 6 Total Payments				**100.00%**	**$1,037,947.11**
Milestone 6.1: Re-Planning					
Project Management Deliverables	1-Project Management				
Updated Project Strategy, Plan, and Resource Schedule		PM19	M_PMT-6.1		
Updated Change Management Plan & Communications Plan		PM20	M_PMT-6.1		
Updated Communications Plan		PM21	M_PMT-6.1		
Report Deliverables					
Phase 2 Report Analysis Deliverable		R15	M_PMT-6.1	100.00%	$150,000.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Milestone 6.1: Total Payments				**100.00%**	**$150,000.00**
Milestone 7: Budget Preparation Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM13	M7PMT-1		
Converted Data in Production Environment		IM14	M7PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1 Post Implementation Support		PS01	M7PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 7: Budget Preparation Acceptance		PM12	M7PMT-1	100.00%	$283,377.54
Milestone 7 Total Payments				**100.00%**	**$283,377.54**
Milestone 8: Phase 2 Agency Implementation Planning & Organization					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessment		IM15	M8PMT-1		
Agency Implementation and Change Management Plans for All Agencies		IM16	M8PMT-1	30.00%	$1,019,640.36
Agency Implementation Guide		IM17	M8PMT-2	40.00%	$1,359,520.47
Project Management Deliverables	1-Project Management				
End User Readiness Assessment		PM13	M8PMT-3		
Milestone Report 8: Agency Implementation Planning and Organization		PM14	M8PMT-3	30.00%	$1,019,640.36
Milestone 8 Total Payments				**100.00%**	**$3,398,801.19**
Milestone 9: ERP Core Development and Configuration Complete					
Technical Services Deliverables	2-Technical Services				
Completed System and Recovery Test Environment		T17	M9PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Approved Security, Vulnerability and Penetration Test Plan		T18	M9PMT-1	11.39%	$1,000,000.00
Data Conversion Deliverables					
Software Configuration Plan		S19	M9PMT-1		
Vendor File/VSS Configuration, Conversion, and Integration Approach		D08.1	M9PMT-2.1	0.80%	$70,000.00
Data Conversion/Mock Conversion Plan Update/Plan		D08.2	M9PMT-2.2	2.85%	$250,000.00
Configuration and Development Deliverables	4-Configuraton Management and Development				
Internal Control Risk Assessment		S17	M9PMT-2.3		
Configuration and Development Inventory and Plan		CD06	M9PMT-2.3		
Assistance to DHHS for Cost accounting and Cost Allocation mapping and setup (team lead & 2 to 4 SME's)		IM29	M9PMT-2.3		
Unit Tested and Documented Configuration		CD07	M9PMT-2.3		
Unit Tested Baselined and Site Specific Code		CD08	M9PMT-2.3		
Unit Tested and Documented Workflows		CD09	M9PMT-2.3		
Unit Tested and Documented Configuration		CD10	M9PMT-2.3		
Data Conversion Deliverables	5-Data Conversion				
Unit Tested Data Conversion Programs		D07	M9PMT-2.3	45.56%	$4,000,000.00
Interfaces Deliverables	7-Interfaces				
Completed and Tested State Transportation System Integration		I05	M9PMT-3		
Completed and Tested HRMN Integration		I06	M9PMT-3		
Completed and Tested Procurement Integration including Punch Out contracts		I07	M9PMT-3		
Completed and Tested Disbursement Integration		I08	M9PMT-3		
Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties		I09	M9PMT-3		
Completed and Tested EDI Interfaces		I10	M9PMT-3		
Other Interfaces - Tested Programs		I11	M9PMT-3	11.39%	$1,000,000.00
MIDB Design		R02	M9PMT-4.1	1.14%	$100,000.00
MIDB Report Designs		R03	M9PMT-4.2	1.14%	$100,000.00
Report Designs for Production ERP		R04	M9PMT-4.3	1.14%	$100,000.00
CAFR Report and Publication Design		R05	M9PMT-4.4	1.14%	$100,000.00
Transparency & Accountability Website Design		R06	M9PMT-4.5	1.14%	$100,000.00
System and Recovery Test Deliverables	8-System and Recovery Testing				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
System and Recovery Test Plan (including Phase 1.5 as a discrete component)		ST04.1	M9PMT-5		
Approved and Loaded System and Recovery Test Environment		ST05.1	M9PMT-5		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK14	M9PMT-5		
End User Training Plan		TK15	M9PMT-5		
End User Training Curriculum		TK16	M9PMT-5	7.32%	$642,500.00
Project Management Deliverables	1-Project Management				
Milestone Report 9: ERP Core Function Configuration and Development Complete		PM15	M9PMT-6	15.00%	$1,316,500.00
Milestone 9 Total Payments				100.00%	$8,779,000.00
Milestone 9.1: Budget Design, Development and Configuration Phase 1.5					
Budget Preparation Phase 1.5 Design Update for 3.11, Deferred Phase 1 Functionality, Ongoing Elaboration		S04.1	M9.1PMT-1		$125,000.00
Budget Preparation Phase 1.5 Configuration, training, technical updates (Specific deliverables listed in the Milestone Acceptance Criteria Section)		S04.2	M9.1PMT-2		$125,000.00
Milestone 9.1 Total Payments				100.00%	$250,000.00
Milestone 9.2: Budget Preparation Phase 1.5 UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments			M9.2PMT-1		
User Acceptance Test Environment			M9.2PMT-1		
Completed Phase 1.5 Performance Testing and System Tuning			M9.2PMT-1		
Performance Testing and System Tuning Procedures			M9.2PMT-1		
Completed Security, Vulnerability, and Penetration Test			M9.2PMT-1	19.38%	$77,500.00
Conversion Deliverables	5-Data Conversion				
Approved Mock Conversion			M9.2PMT-2	19.38%	$77,500.00
System and Recovery Testing Deliverables	8-System and Recovery Testing		M9.2PMT-3		
Approved System and Recovery Test Outcomes		ST05.2	M9.2PMT-3	31.88%	$127,500.00
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training			M9.2PMT-4		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
User Acceptance Test Plan and Scripting Leadership and Assistance			M9.2PMT-4		
User Acceptance Test Environment and Data			M9.2PMT-4		
Documentation Deliverables	10-Documentation				
Online Help			M9.2PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance			M9.2PMT-4		
Implementation Cutover Plan			M9.2PMT-4		
Implementation Checklist			M9.2PMT-4		
Production Job Schedule			M9.2PMT-4		
Approved Batch jobs on Job Scheduler			M9.2PMT-4	19.38%	$77,500.00
Milestone Report 9.2: Budget Preparation UAT Go/No Go			M9.2PMT-5	10.00%	$40,000.00
Milestone 9.2 Total Payments				**100.00%**	**$400,000.00**
Milestone 9.3: Budget Preparation Phase 1.5 Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
Approved User Acceptance Test Outcomes			M9.3PMT-1		
User Acceptance Test Leadership and Assistance			M9.3PMT-1	28.57%	$100,000.00
Documentation Deliverables	10-Documentation				
User Documentation			M9.3PMT-2		
Technical Documentation			M9.3PMT-2		
Operations Documentation			M9.3PMT-2		
System Management Guide			M9.3PMT-2		
Security Administration Documentation			M9.3PMT-2		
Workflow Administration Documentation			M9.3PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials			M9.3PMT-2		
End User Training Environment/Data			M9.3PMT-2		
Trained State Trainers			M9.3PMT-2		
End User Training Assistance			M9.3PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off			M9.3PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off			M9.3PMT-2	40.00%	$140,000.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments			M9.3PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance			M9.3PMT-3		
Help Desk Plan			M9.3PMT-3		
Help Desk Implementation Assistance			M9.3PMT-3	21.43%	$75,000.00
Project Management Deliverables	1-Project Management				
Milestone Report 9.3: Budget Preparation Implementation Go/No Go			M9.3PMT-4	10.00%	$35,000.00
Milestone 9.3 Total Payments				**100.00%**	**$350,000.00**
Milestone 9.4: Budget Preparation Phase 1.5 Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover			M9.4PMT-1		
Converted Data in Production Environment			M9.4PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1.5 Post Implementation Support			M9.4PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 9.4: Budget Preparation Acceptance			M9.4PMT-1	100.00%	$100,000.00
Milestone 9.4 Total Payments				**100.00%**	**$100,000.00**
Milestone 10: End-to-End Test Go/No Go					
Technical Services Deliverables	2-Technical Services				
Completed Security, Vulnerability and Penetration Test Plan		T19	M10PMT-1		
Completed Security, Vulnerability, and Penetration Test		T20	M10PMT-1		
Completed Performance Testing and Tuning Plan		T21	M10PMT-1		
Completed Performance Testing and Tuning		T22	M10PMT-1		
Performance Testing and System Tuning Procedures		T23	M10PMT-1		
Completed User Acceptance Test Environment		T24	M10PMT-1		
Production and Production QA Environments		T25	M10PMT-1		
Configuration and Development Deliverables					
System Tested and Documented Configuration			M10PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
System Tested and Documented Baselined and Site Specific Code			M10PMT-1		
System Tested and Documented Workflows			M10PMT-1	20.49%	$679,194.30
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST06	M10PMT-2		
Interfaces Deliverables	7-Interfaces				
System Tested State Transportation System Integration			M10PMT-2		
System Tested HRMN Integration			M10PMT-2		
System Tested Procurement Integration including Punch Out contracts			M10PMT-2		
System Tested Disbursement Integration			M10PMT-2		
System Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties			M10PMT-2		
System Tested EDI Interfaces			M10PMT-2		
Other Interfaces - System Tested Programs			M10PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Tested Data Conversion Programs			M10PMT-2		
Approved Mock Conversion		D08.3	M10PMT-2		
End-to-End Test Deliverables	8-System, End-to-End, and Recovery Testing				
End-to-End Test Plan		ST04.2	M10PMT-2.2		
Approved and Loaded End-to-End Test Environment		ST05.2	M10PMT-2.2	20.52%	$680,000.00
Documentation Deliverables	10-Documentation				
Online Help		DC07	M10PMT-3		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10PMT-3		
Implementation Cutover Plan		IM19	M10PMT-3		
Implementation Checklist		IM20	M10PMT-3		
Production Job Schedule		IM21	M10PMT-3		
Approved Batch jobs on Job Scheduler		IM22	M10PMT-3	33.74%	$1,118,092.40
Project Management Deliverables	1-Project Management				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Milestone Report 10: ERP Core Function UAT Go/No Go		PM16	M10PMT-4	25.25%	$836,694.31
Milestone 10 Total Payments				100.00%	$3,313,981.01
Milestone 10.1: User Acceptance Test Go/No Go					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10.1PMT-1	13.79%	$450,000.00
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved End-to-End Test Outcomes		ST06.1	M10.1PMT-2	13.79%	$450,000.00
Training Deliverables	11-Training and Knowledge Transfer	TK00	M10PMT-2.1		
Computer Based Training (CBT) Designs		TK17	M10PMT-2.1		
Unit Tested Computer Based (CBT) Training		TK18	M10PMT-2.1		
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U05	M10PMT-2.1		
User Acceptance Test Plan and Scripting Assistance		U06	M10PMT-2.1		
User Acceptance Test Environment and Data		U07	M10PMT-2.1	69.36%	$2,263,981.01
Key Stakeholder and Outreach Assistance Deliverables					
Vendor/Supplier/Customer/Local Outreach Plan		IM30	M10.1PMT-3		
Milestone Report 10.1: User Acceptance Test Go/No Go		PM17	M10.1PMT-3	3.06%	$100,000.00
Milestone 10.1 Total Payments				100.00%	$3,263,981.01
Milestone 11: Core Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Test Assistance				
User Acceptance Test Leadership & Assistance		U08	M11PMT-1		
Approved User Acceptance Test Outcomes		U08.1	M11PMT-1		
Documentation Deliverables	10-Documentation				
User Documentation		DC08	M11PMT-1		
Technical Documentation		DC09	M11PMT-1		
Operations Documentation		DC10	M11PMT-1		
System Management Guide		DC10a	M11PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Security Administration Documentation		DC11	M11PMT-1		
Workflow Administration Documentation		DC12	M11PMT-1	41.00%	$3,273,940.00
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK19	M11PMT-2		
End User Training Environment/Data		TK20	M11PMT-2	7.32%	$390,000.00
Trained State Trainers		TK21	M11PMT-3		
End User Training Assistance		TK22	M11PMT-3		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK23	M11PMT-3		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-Off		TK24	M11PMT-3	14.64%	$975,000.00
Key Stakeholder and Outreach Assistance Deliverables					
Local Entity and Vendor Outreach Assistance		IM31	M11PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and QA Environments		IM23	M11PMT-4		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM24	M11PMT-4		
Help Desk Plan		IM25	M11PMT-4		
Help Desk Implementation Assistance		IM26	M11PMT-4	22.05%	$1,175,000.00
Project Management Deliverables	1-Project Management				
Milestone Report 11: Core Implementation Go/No Go		PM17	M11PMT-5	15.00%	$799,350.00
Milestone 11 Total Payments				100.00%	$6,613,290.00
Milestone 12: Reporting					
MIDB Design		R02	M12PMT-1		
MIDB Report Designs		R03	M12PMT-2		
Report Designs for Production ERP		R04	M12PMT-3		
CAFR Report and Publication Design		R05	M12PMT-4		
Transparency & Accountability Website Design		R06	M12PMT-5		
Tested and Approved Budget Preparation Reports		R07	M12PMT-6	26.67%	$400,000.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Report Distribution System Installed, Configured, and Ready for implementation		R08	M12PMT-7	26.67%	$400,000.00
Tested and Approved MIDB Changes		R09	M12PMT-8	6.67%	$100,000.00
Tested and Approved MIDB Reports		R10	M12PMT-9	6.67%	$100,000.00
Tested and Approved Reports for Production ERP		R11	M12PMT-10	13.33%	$200,000.00
Tested and Approved CAFR Reports/Publication		R12	M12PMT-11	6.67%	$100,000.00
Tested and Approved Transparency & Accountability Website		R13	M12PMT-12	6.67%	$100,000.00
Report Distribution System Installed, Configured, and Ready for Implementation		R14	M12PMT-13	6.67%	$100,000.00
Milestone 12 Total Payments				**100.00%**	**$1,500,000.00**
Milestone 13: Core Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM27	M13PMT-1		
Converted Data in Production Environment		IM28	M13PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 13: Core Acceptance		PM18	M13PMT-1	100.00%	$4,418,441.54
Milestone 13 Total Payments				**100.00%**	**$4,418,441.54**
Post Implementation Support Through September 30, 2018					
1st Calendar Quarter Period	13-Post Implementation Support	PS03	PIPMT-1	25.00%	$745,054.15
2nd Calendar Quarter Period		PS04	PIPMT-2	25.00%	$745,054.15
3rd Calendar Quarter Period		PS05	PIPMT-3	25.00%	$745,054.15
4th Calendar Quarter Period		PS06	PIPMT-4	25.00%	$745,054.15
Total Post Implementation Payments				**100.00%**	**$2,980,216.60**
Change Log Items added per CCR 11					
Delivery of Enhanced Code and Associated Configurations Part 1		CL01	M14PMT-1		**$244,875.00**
Delivery of Enhanced Code and Associated Configurations Part 2		CL02	M14PMT-2		**$220,425.00**

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completion/Confirmation of Updated Configuration and Training Documentation		CL03	M14PMT-3		**$165,795.00**
Total Change Log Payments					**$631,095.00**
Additional Scope Task Orders					**$100,000.00**
Upgrade to 3.11					
Upgrade to Latest Release		IM32	M15PMT-1		$745,054.15
Total Upgrade Payments					
Total Project Payments					**$48,920,357.81**

Exhibit 4.2.1 Allotments for Additional Scope Task Orders

Services	**Allotted Payment Amount**
Task Order Services	$100,000

5. CHANGES IN CGI KEY PERSONNEL COMMITMENTS

Attachment 5 to the ISA is hereby deleted and replaced in its entirety with the following:

5.0 Contractor Key Personnel

The personnel specified in Exhibit 5-1 have been designated as Key Personnel and are subject to the provisions of Sections 2.062 and 2.243 covering Key Personnel and Liquidated Damages. For this purpose, Key Personnel may be released from their assigned roles upon satisfactory completion of their duties under this Agreement.

Exhibit 5-1

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Project Manager	Bill Hutchinson	10/05/2015	Y	Y

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Phase 2 Implementation Manager	~~TBD~~ Bill Ruddock	On team at time of contract change	Y	Y
Phase 1 Implementation Manager	~~Mark Johnson~~ Diane Paniccia	On team at time of contract change	Y	Y
Financial Lead	~~John Jones~~ David Hay	~~7/2014~~ On team at time of contract change	Y	Y
Deputy Project Manager	Brenda Limberg	7/2014	Y	Y
Budget Preparation Lead	~~Jon Gingrich~~ Rachelle Wilkins	~~7/2014~~ On team at time of contract change	Y	Y
~~Phase 2 Design & Configuration Team PM~~	~~TBD~~	~~12/1/2015~~	~~Y~~	~~Y~~
Labor Distribution Lead	~~Senthil Bagavathy~~ Alden Jamison (50%)	On team at time of contract change	~~Y~~N	Y
Cost Accounting Lead	~~Allan Mozingo~~ Scott Waldman	On team at time of contract change	Y	Y
Asset Management Lead	Kenneth Cotton	On team at time of contract change	Y	Y
Inventory Management Lead	Kenneth Cotton	On team at time of contract change	Y	Y
Time and Leave/HRMN Integration Lead	Daniel Heilman	8/15/2015	Y	Y
Federal Highway Billing Lead	~~Donna Chapman~~ Allan Mozingo (50%)	On team at time of contract change	~~Y~~N	Y
Technical Lead – ERP	Rejo Thekkudan	On team at time of contract change	Y	Y
Technical Lead ERP (Technical Services)	Rejo Thekkudan	On team at time of contract change	Y	Y
InfoAdvantage and Transparency Lead	~~Ron Chaudhari~~ Francesca Winkler	On team at time of contract change	Y	Y

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Interfaces	Wael Amoudi	7/2014	Y	Y
Data Conversion	~~Tim Stutes~~ Dan Kelly	On team at time of contract change	Y	Y
Development	Tara Lenz	On team at time of contract change	Y	Y
Configuration	Vigna Nalliah	On team at time of contract change	Y	Y
Training Lead	~~Jim Thorp~~ Kelley Taylor Dan Powell	On team at time of contract change	Y	Y
Implementation Services (2)	Andy Kiesewetter ~~(100%)~~ ~~Neal Jones (50%)~~	7/2014	Y	Y
Agency Implementation Lead (2) * see named Agency Liaisons in table immediately below	Andy Kiesewetter ~~Neal Jones (50%)~~	7/2014	Y	Y
Organizational Change Management and Communication	~~Joan Lillich~~ Jason Huffine	~~7/2014~~ On team at time of contract change	Y	Y
Testing Lead	~~Craig Stevens~~ Argie Kapogianis	~~8/24/2015~~ On team at time of contract change	Y	Y
Post Implementation Support	Vigna Nalliah	On team at time of contract change	Y	Y
On-Site Operations Manager for Hosting	Vigna Nalliah	On team at time of contract change	Y	Y
Delivery Project Executive	~~Kim Thorn~~ George Tarbox	~~10/2014~~ 2/2017	25%	Y
Service Delivery Manager	~~Robert McDaniel~~ Milton Mattox (not on-site full time)	On team at time of contract change	~~Y~~N	Y

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Procurement	~~David Hay~~ Travis Hassig	~~10/2014~~ On team at time of contract change	Y	Y
Advantage Application System Administrator	Brooke Purdy	On team at time of contract change	Y	Y

The following Key Personnel represent the minimum staff level required to be full-time, on-site resources for each role identified. The quantities are subject to adjustment based upon project schedule realignment and CGI resource plan. Adjustments require approval of the State Project Director.

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Test Analysts	4 Fulltime, Onsite	01/04/2016	Y	Y
Report Analysts & Developers	6 Fulltime, Onsite	12/01/2015	Y	Y
Interface Developers/SME's	4 Fulltime, Onsite	12/01/2015	Y	Y
Transparency Portal Lead	1 Fulltime, Onsite	03/01/2016	Y	Y
Transparency Portal Developers	2 Fulltime, Onsite	07/05/2016	Y	Y
Agency Liaisons (for key agencies; MDOT, DHHS, DTMB, Treasury)	4 Fulltime, Onsite	12/01/2015	Y	Y

6. PROPOSED CHANGES TO OTHER CONTRACT TERMS AND CONDITIONS

Section 2.041 of the Contract is amended and restated in its entirety as follows:

> 2.041. Fixed Prices for Services/Deliverables. Each Statement of Work or Purchase Order issued under this Agreement shall specify (or indicate by reference to the appropriate Agreement Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to the Contractor when requested as work progresses~~, but not more frequently than monthly,~~ in amounts approved by the Contract Administrator, after negotiation. Contractor shall show verification of measurable progress at the time of requesting progress payments.

MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
for
SIGMA Project Additional Implementation Services
Service Request

This Service Request is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance Exhibit 2-1 Contract Change Management Process.

Project Title:
Additional ERP Implementation Services

Period of Performance:
8/21/2017 – 9/29/2017

Project Director:
Ruth Schwartz
SchwartzR1@michigan.gov
(517) 284-7585

Contractor Project Manager:
Bill Hutchinson
w.hutchinson@cgi.com
(717) 421-0153

7. OVERVIEW AND BACKGROUND

Additional training services are being requested to support State agency trainers as they conduct agency training sessions in August, September and October 2017. These services will be provided by CGI training resources as outlined Section 5 of this Statement of Work.

8. OBJECTIVES OF SERVICE REQUEST

Onboard training support resources using the rates identified in Exhibit 4-3 of the Implementation Services Agreement.

9. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The training resources assist State trainers in delivering agency training sessions, including, the following:

- Delivering training sessions
- Assisting State trainers in preparing for training sessions
- Answering training questions from State trainers
- Being present at selected training sessions, addressing questions and assisting in delivery
- Provide general training delivery services
- Assisting Help Desk staff, as time permits

10. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018
Post Implementation Stabilization	12/31/2018

11. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting the following training resources:

		Weeks Onsite Providing Training Assistance (Monday through Friday)								
Training Resource	**SIGMA Training Course Experience** ***(Course Development or Delivery)***	**21-Aug**	**28-Aug**	**4-Sep**	**11-Sep**	**18-Sep**	**25-Sep**	**2-Oct**	**9-Oct**	**16-Oct**
Sean Lowry Training Lead	Getting Started Fixed Assets Treasury Disbursements Agency Disbursements Debt Management Treasury Intercepts	X			X	X		X	X	
Dan Powell Training Lead	General Accounting Basic General Accounting Advanced Accounting Table Management Vendor Customer Grantee Inventory Processing Procurement Overview Procurement Administrator Solicitations Basic Solicitations Advanced Purchase Order & Contract Awards Security for ASAs		X	X			X			X
Laurie Canacakos Senior BA	Cost Accounting Cost Allocation Grants Given Grants Received FHWA Task Orders	X	X	X		X		X		X
Jenny Cox Senior BA	Vendor Customer Grantee Accounts Payable Electronic Cash Receipting Procurement Card 1099/1042 S Processing	X	X		X		X		X	X
Jennifer Lawson Trainer	SIGMA HRM Labor Distribution			X		X	X		X	
Joel Drew Trainer	SIGMA Budget Train the Trainer	X	X		X	X			X	

		Weeks Onsite Providing Training Assistance (Monday through Friday)								
Training Resource	**SIGMA Training Course Experience *(Course Development or Delivery)***	**21-Aug**	**28-Aug**	**4-Sep**	**11-Sep**	**18-Sep**	**25-Sep**	**2-Oct**	**9-Oct**	**16-Oct**
Lisa Herrington Trainer	Accounts Receivable Fixed Assets Leases Inventory Management Inventory Processing Agency Cash Receipts Employee Expense Activities			X	X		X	X		X

12. COMPENSATION AND PAYMENT

- The activities described in this Service Request fall within the definition of a “Change” as set out in Section 3.2 of Exhibit 2-1 Contract Change Management Process.
- CGI has informed the State that this Service Request constitutes a Contract Change Request and has provided explanation of the basis on which CGI has made the determination.
- The State Project Executives have delegated review and approval of this service request to the State Project Director via email on July 25, 2016.
- The State Project Director acknowledges and agrees that the Service Request constitutes a Contract Change Request.
- The State Project Director has submitted the Contract Change Request.

CGI is proposing a fixed price model as follows:

- Each week, onsite training resources will prepare a summary of sessions attended and support provided.
- CGI will invoice per the following payment milestones. Each invoice will be accompanied by the weekly resource summaries for the corresponding time frame.

Milestone 1 – for the period August 21 through September 8	$78,400
Milestone 2 – for the period September 11 through September 29	$78,400
Milestone 3 – for the period October 2 through October 20	$78,400
TOTAL	**$235,200**

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **9**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
	Program Manage	Ruth Schwartz	DTMB-IT
		517-284-7585	
		schwartzr1@michigan.gov	
	Contract Administrato	Jarrod Barron	DTMB
		(517) 284-7045	
		barronj1@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME
	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$48,647,312.00	$963,980.00	$49,611,292.00

DESCRIPTION

Effective May 1, 2017, the below Statements of Work are hereby incorporated into the contract.

SOW 1 for OFM resources:
The parties add funding and the attached statement of work for one (1) Subject Matter Expert at the existing contractual rate of $245. The Subject Matter Expert will be assigned primarily to support the Office of Financial Management (OFM) implementation effort at $38,220 per month for 9 months, not to exceed $343,980.00. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

SOW 2 for DHHS resources:
The parties add funding and the attached statement of work Subject Matter Expert and Business Analyst services. Up to four resources will be assigned to Project SIGMA primarily to support the DHHS SIGMA Cost Allocation implementation effort through October 31, 2017, Firm Fixed amount of $620,000.00. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

Total= $963,980 =(SOW 1 $343,980.00)+ (SOW 2$620,000.00)

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES-SOW 1

for

SIGMA Project Additional Implementation Services

Service Request

This Service Request is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance Exhibit 2-1 Contract Change Management Process.

Project Title:
Additional ERP Implementation Services

Period of Performance:
4/17/2017 – 12/31/2017

Project Director:

Ruth Schwartz

SchwartzR1@michigan.gov

(517) 284-7585

Contractor Project Manager:

Bill Hutchinson

w.hutchinson@cgi.com

(717) 421-0153

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of one (1) resource, who will be assigned as a Subject Matter Expert primarily to support the Office of Financial Management (OFM) implementation effort.

2. OBJECTIVES OF SERVICE REQUEST

Onboard up one (1) Subject Matter Expert using the rates identified in Exhibit 4-3 of the Implementation Services Agreement.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Experts will be expected to assist OFM with their central control agency tasks and implementation preparation activities including, but not limited to, the following:

- Provide support and assistance to the OFM SIGMA team lead, including maintaining a plan of implementation preparation activities
- Monitoring and report progress against plan
- Review, identify, and recommend policy modifications
- Review, recommend, update, and document procedure changes
- Provide communication conduit between the OFM and core SIGMA project teams
- Provide testing support including assistance in the development of test scenarios and scripts
- Provide general implementation services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018
Post Implementation Stabilization	12/31/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting one (1) Subject Matter Expert resources.

6. COMPENSATION AND PAYMENT

- The activities described in this Service Request fall within the definition of a “Change” as set out in Section 3.2 of Exhibit 2-1 Contract Change Management Process.
- CGI has informed the State that this Service Request constitutes a Contract Change Request and has provided explanation of the basis on which CGI has made the determination.
- The State Project Executives have delegated review and approval of this service request to the State Project Director via email on July 25, 2016.

- The State Project Director acknowledges and agrees that the Service Request constitutes a Contract Change Request.
- The State Project Director has submitted the Contract Change Request.

CGI is proposing a fixed price model that would establish a monthly fee as follows:

- Normally there are 2080 hours in a year, excluding any vacation.
- Assuming some "off time", a year might be better normalized at 1880 hours that translates to ~156 hours per month.
- Monthly fee for services would be calculated as rate multiplied by 156.
- Each month, each CGI resource will submit a status report summarizing work performed and anticipated work activities for the coming month.

OFM

Proposed Candidate: James R. Keltner - Team Lead - $38,220 per month

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES-SOW 2

for

SIGMA Project Additional Implementation Services

Service Request

This Service Request is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance Exhibit 2-1 Contract Change Management Process.

Project Title:	**Period of Performance:**
Additional ERP Implementation Services	4/10/2017 – 10/31/2017
Project Director:	**Contractor Project Manager:**
Ruth Schwartz	Bill Hutchinson
SchwartzR1@michigan.gov	w.hutchinson@cgi.com
(517) 284-7585	(717) 421-0153

7. OVERVIEW AND BACKGROUND

This Service Request is for additional general implementation support resources who will be assigned primarily to perform additional services in support of implementing cost allocation for DHHS:

- Fully review the SIGMA cost allocation model in order to distribute indirect costs to the correct programs with an emphasis on DHHS participation in the review and modification process;
- Confirm that the SIGMA Cost Allocation Model conforms to the FY18 PACAP;
- Assist in the resolution of outstanding questions as to how to operate and maintain SIGMA Cost Allocation Model for DHHS;
- Modify the SIGMA Cost Allocation Model to employ different cost allocation methods that will simplify the model and reduce the need for ongoing maintenance; and

- Provide continuing support for the maintenance and enhancement for the SIGMA Cost Allocation Model through October, 2017.

8. OBJECTIVES OF SERVICE REQUEST

Onboard required Subject Matter Expert (SME) and Business Analyst (BA) resources using the rates identified in Exhibit 4-3 of the Implementation Services Agreement to provide additional support to:

- Fully review the SIGMA cost allocation model in order to distribute indirect costs to the correct programs with an emphasis on DHHS participation in the review and modification process;
- Confirm that the SIGMA Cost Allocation Model conforms to the FY18 PACAP;
- Assist in the resolution of outstanding questions as to how to operate and maintain SIGMA Cost Allocation Model for DHHS;
- Modify the SIGMA Cost Allocation Model to employ different cost allocation methods that will simplify the model and reduce the need for ongoing maintenance; and
- Provide continuing support for the maintenance and enhancement for the SIGMA Cost Allocation Model through October, 2017.
- Optionally provide continuing support for the maintenance and enhancement for the SIGMA Cost Allocation Model through January, 2018.

No changes to the SIGMA baseline software or managed environments are anticipated.

9. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 (“Services”) at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Acceptance of deliverables will be by the SIGMA Project Director and the DHHS representatives Suzi Kyes and Farah Hanley.

These resources will be expected to:

1. Train new DHHS Accounting personnel to understand current model as configured in SIGMA for Project Deliverable IM29, the means by which it was derived and the SIGMA Cost Allocation Process:

- SIGMA Cost Allocation Tables;
- SIGMA Cost Allocation Processing;
- SIGMA Cost Allocation Conversion Spreadsheets;
- Legacy Cost Allocation Process inputs to Model;

DHHS will coordinate the logistics of the training and ensure that facilities and equipment are available.

Deliverable: Three days of training to cover the above topics provided to the 2 new DHHS accounting personnel and as many as 6 additional DHHS staff members.

Acceptance: Training has been delivered. Documentation of sessions, topics and attendees for each day will be provided. CGI will share any material created to facilitate the training session; however, the material will not be considered a formal Deliverable.

2. Modify the Pool-Base relationship to statistics. This task is dependent upon DHHS consolidating SIGMA Subunits (DHHS "Functional Units") in an effort to simplify the model.

   Deliverable: Configuration spreadsheets and modified Pool-Base and Statistics tables.

   Acceptance: Acceptance of the spreadsheets and modified Pool-Base and Statistics tables by the DHHS Project Manager and SIGMA Project Director.

3. Create a Configuration Test Plan by:
   - Documenting the general strategy for Configuration Testing of Cost Allocation;
   - Documenting the step-by-step process of a single test iteration of Cost Allocation;
   - Scripting the expected results for the step-by-step process;
   - Prepare skeleton expenditure transactions which will drive desired test cases; and
   - Document how to setup the test expenditures for Configuration Test iteration.

   Deliverable: The Configuration Test Plan will consist of a single 15-20 page (2-5 test scripts) document comprised of:
   - The general strategy for the Configuration Test;
   - Test iteration process and suggested schedule;
   - The script for each test iteration;
   - The skeleton for test expenditures and instructions for its use.

   Acceptance: Approved Test Plan.

4. Execute a Modeling and Configuration Test. DHHS will be responsible for applying changes and checking the results of the allocation.

   Deliverable:
   - Prep work to execute Configuration Test runs:
     - Prior to execution, review and verify that tables load and accounting transactions are ready;
     - Process the input expenditure transactions and handle any issues;

- Execute Cost Allocation; and
- Validate that all pools clear.

Note that the configuration tables which will have changed are agency-specific and sufficiently independent of configurations established for other State agencies using SIGMA cost allocation such that no regression testing for prior UAT test cases will be necessary, and therefore is not included in this scope of work.

- Final Cost Allocation conversion spreadsheets, which are the enhanced version of Deliverable 2, as well as the final Configuration Test results. See Attachment A for the format of the Configuration Test results.

Acceptance: Approved Configuration Test Results as ready for User Acceptance Test.

5. Provide User Acceptance Test (UAT) Support, as follows:
   - Coordinate the transfer of approved Configuration Test Cost Allocation configuration data into UAT;
   - Coordinate batch runs of Cost Allocation;
   - Provide support and troubleshoot questions or issues as they arise in UAT;
   - Run reports or otherwise obtain the data for DHHS to validate UAT results; and
   - Provide assistance as needed to the DHHS UAT team.

   Deliverable: CGI support will be documented in a Cost Allocation UAT Report that will summarize:
   - Test runs and outcomes;
   - Report on Cost Allocation configuration issues and their outcome;
   - Summarize software issues reported through TFS and their status.

   Note that the configuration tables which will have changed are agency-specific and sufficiently independent of the remainder of the Agency's configuration such that no regression testing for prior UAT test cases will be necessary, and therefore is not included in this scope of work.

   Acceptance: Execution of the support activities as documented in the DHHS Cost Allocation UAT report.

6. Provide one (1) Business Analyst resource for ongoing Maintenance and Support for DHHS Cost Allocation through 10/31/2017. These services consist of:

   Support Services for the maintenance and refinement of the DHHS Cost Allocation Model.
   - Consult on proposed changes to the DHHS Cost Allocation model;
   - Assist on an as-needed basis to modify spreadsheets, or update SIGMA tables;
   - Assist on an as-needed basis to obtain or prepare test data for modified Cost Allocation configurations;
   - Coordinate trial Cost Allocation runs in the test environment; and
   - Assist on an as-needed basis with the validation of Cost Allocation runs.

   Deliverable: The CGI resource will prepare a weekly status report containing:

- Accomplishments in the current week;
- Planned Activities for the upcoming week; and
- Issues or Risks for the attention of DHHS management.

Payment of associated monthly milestone invoice.

Completion of the above Deliverables is based on the following assumptions:

- Continued availability of DHHS Accounting, Budget, and Federal Reporting staff to review configuration, resolve configuration questions and review the results of Cost Allocation tests;
- Substantially complete FY18 PACAP by 4/28/17 (90% stable functional organization and 90% stable methodologies);
- DHHS validation of all receiving programs - the programs to which indirect costs are distributed - in the Cost Allocation model; and
- The configuration to be changed is both agency-specific and functionally isolated and will therefore not require regression testing for earlier phases of UAT.
- DHHS consideration of the following cost allocation methodologies to reduce maintenance and complexity in SIGMA where reasonably viable:
    - Fixed indirect rates for Population Health capped grants, and
    - Expenditure basis rather than FTE-based methods.

10. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017

Key Date	Date
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018
Post Implementation Stabilization	12/31/2018

11. PROJECT STAFFING

Contractor will provide the resources/roles specified in this Section 5 for performance of the Services.

The State is requesting the following resources:

- Part time of up to 4 Subject Matter Experts as required to meet requirements for the Scope of Work as described in Section 3.

- One (1) full time Business Analyst May through October 2017

12. COMPENSATION AND PAYMENT

- The activities described in this Service Request fall within the definition of a “Change” as set out in Section 3.2 of Exhibit 2-1 Contract Change Management Process.

CGI is proposing a fixed price model with the following payment milestones:

Deliverable 1 - Training

Upon Acceptance $ 50,000

Deliverable 2 - Realign Pool-Base and Statistics

Upon Acceptance $ 50,000

Deliverable 3 - Configuration Test Plan

Upon Acceptance $ 90,000

Deliverable 4 - Modeling and Configuration Test

Upon Acceptance $ 190,000

Deliverable 5 - User Acceptance Test (UAT) Support

Upon Acceptance $ 150,000

Deliverable 6 - Ongoing Maintenance and Support for DHHS Cost Allocation (through - 10/31/2017)

Three milestone payments as follows:

(1) August 31 $ 30,000

(2) September 30 $ 30,000

(3) October 31 $ 30,000

Attachment A – Format for Configuration Test Results

PSTNG_CD_ID	(Multiple Items)

Sum of PSTNG_AM	RECEIVER FUND_CD														
				. Total	10130.SNAP ADMIN	10130.SNAP INVST	253001.MAL20PRMIN	253001.MSAADM3001	253005.MAMICHCA	90033.REFCASHADM	90354.AAADMIN	90490.OTHER SERV	90952.TANF ADMIN	DHHS2.MAL49	Grand Total
Pool Title	1000	3000	6313												
9998.E001 9998 - DHHS-OIG Director and Administrative Support	$ 44	$ 1	$ 511	$ 556	$ 7,934		$ 23,788	$ 108	$ 197	$ 4	$ 237		$ 76	$ 648	$ 33,548
9998.E005 9998 - DHHS-Recoupment and Debt Reconciliation Div Mgr and Admin Sup	$ 171		$ 1,980	$ 2,151	$ 30,735					$ 15					$ 32,901
9998.E006 9998 - DHHS-Recoupment and Debt Reconciliation Div Field Recoupment Sec	$ 5,740		$ 66,387	$ 72,127	$ 797,385					$ 499					$ 870,010
9998.E007 9998 - DHHS-Reconciliation and Recoupment Section and Welfare Debt Unit					$ 270,816										$ 270,816
9998.E009 9998 - DHHS-Field Operations Special Investigations Unit											$ 3,964		$ 1,270		$ 5,234
9998.E011 9998 - DHHS-Field Operations Local Sections											$ 31,579		$ 10,116		$ 41,694
C153.E001 FTE ct Across OIG-OIG Director and Administrative Support		$ -		$ -											$ -
C158.E001 FTE ct Across BSC 5-OIG Director and Administrative Support		$ -		$ -											$ -
C159.E001 FTE ct Across the OIG Field Operations Div-OIG Director and Administrative Support		$ -		$ -											$ -
C167.E001 FTE Across Recoupment and Debt Collect-OIG Director and Administrative Support		$ -		$ -											$ -
C167.E005 FTE Across Recoupment and Debt Collect-Recoupment and Debt Reconciliation Div Mgr and Admin Sup		$ -		$ -											$ -
C200.E001 Debt Collections-OIG Director and Administrative Support		$ -		$ -											$ -
C200.E005 Debt Collections-Recoupment and Debt Reconciliation Div Mgr and Admin Sup		$ -		$ -											$ -
C200.E007 Debt Collections-Reconciliation and Recoupment Section and Welfare Debt Unit		$ -		$ -											$ -
C201.E001 Field Recoupment-OIG Director and Administrative Support		$ -		$ -											$ -
C201.E005 Field Recoupment-Recoupment and Debt Reconciliation Div Mgr and Admin Sup		$ -		$ -											$ -
C201.E006 Field Recoupment-Recoupment and Debt Reconciliation Div Field Recoupment Sec		$ -		$ -											$ -
C231.E001 SER LIHEAP Policy Program Office-OIG Director and Administrative Support		$ -		$ -											$ -
C231.E009 SER LIHEAP Policy Program Office-Field Operations Special Investigations Unit		$ -		$ -											$ -
C231.E011 SER LIHEAP Policy Program Office-Field Operations Local Sections		$ -		$ -											$ -
C920.E001 Title IV-E Adoption Eligibility Rate (Remainder to TANF)-OIG Director and Administrative Support		$ -		$ -											$ -
C920.E009 Title IV-E Adoption Eligibility Rate (Remainder to TANF)-Field Operations Special Investigations Unit		$ -		$ -											$ -
C920.E011 Title IV-E Adoption Eligibility Rate (Remainder to TANF)-Field Operations Local Sections		$ -		$ -											$ -
CC826.E001 Medicaid Administration at 50FFP CMS 64 Line 20-OIG Director and Administrative Support		$ (0)		$ (0)											$ (0)
CC827.E001 Mdcd Adm at 50FFP CMS 64 Line 49 CHIP Title V-OIG Director and Administrative Support		$ -		$ -											$ -
F281.E001 Direct to SNAP-OIG Director and Administrative Support						$ 16,066									$ 16,066
F281.E009 Direct to SNAP-Field Operations Special Investigations Unit						$ 268,890									$ 268,890
F281.E011 Direct to SNAP-Field Operations Local Sections						$ 2,142,029									$ 2,142,029
F439.E001 Direct to TANF-OIG Director and Administrative Support													$ 470		$ 470
F439.E009 Direct to TANF-Field Operations Special Investigations Unit													$ 7,864		$ 7,864
F439.E011 Direct to TANF-Field Operations Local Sections													$ 62,642		$ 62,642
F825.E001 Direct to Medicaid Administration at 50 FFP CMS 64 Line 49-OIG Director and Administrative Support														$ 1,626	$ 1,626
F825.E009 Direct to Medicaid Administration at 50 FFP CMS 64 Line 49-Field Operations Special Investigations Unit														$ 21,175	$ 21,175
F825.E011 Direct to Medicaid Administration at 50 FFP CMS 64 Line 49-Field Operations Local Sections														$ 216,759	$ 216,759
F957.E001 Child Day Care-OIG Director and Administrative Support												$ 754			$ 754
F957.E009 Child Day Care-Field Operations Special Investigations Unit												$ 17,589			$ 17,589
F957.E011 Child Day Care-Field Operations Local Sections												$ 25,820			$ 25,820
F958.E001 Federal FIP-OIG Director and Administrative Support													$ 661		$ 661
F958.E005 Federal FIP-Recoupment and Debt Reconciliation Div Mgr and Admin Sup													$ 2,561		$ 2,561
F958.E006 Federal FIP-Recoupment and Debt Reconciliation Div Field Recoupment Sec													$ 85,853		$ 85,853
S408.E001 Direct to State General Fund-OIG Director and Administrative Support	$ 220		$ 71	$ 291											$ 291
S408.E002 Direct to State General Fund-Administrative Services Section	$ 159,460			$ 159,460											$ 159,460
S408.E009 Direct to State General Fund-Field Operations Special Investigations Unit	$ 9,097			$ 9,097											$ 9,097
S408.E011 Direct to State General Fund-Field Operations Local Sections	$ 51,699			$ 51,699											$ 51,699
S902.E001 State Disability-OIG Director and Administrative Support	$ 15			$ 15											$ 15
S902.E009 State Disability-Field Operations Special Investigations Unit	$ 256			$ 256											$ 256
S902.E011 State Disability-Field Operations Local Sections	$ 2,044			$ 2,044											$ 2,044
S904.E001 State FIP-OIG Director and Administrative Support	$ 5			$ 5											$ 5
S904.E009 State FIP-Field Operations Special Investigations Unit	$ 179			$ 179											$ 179
S904.E011 State FIP-Field Operations Local Sections	$ 1,431			$ 1,431											$ 1,431
Grand Total	$ 230,362	$ 1	$ 68,949	$ 299,311	$ 1,106,870	$ 2,426,985	$ 23,788	$ 108	$ 197	$ 518	$ 35,780	$ 44,163	$ 171,512	$ 240,208	$ 4,349,440

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

CONTRACT CHANGE NOTICE

Change Notice Number **8**
to
Contract Number **071B4300138**

CGI Technologies and Solutions Inc
300 S Washington Square
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Jon Jasper
248-496-4336
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*******6778

Ruth Schwartz	DTMB-IT
517-284-7585	
schwartzr1@michigan.gov	
Jarrod Barron	DTMB
(517) 284-7045	
barronj1@michigan.gov	

CONTRACT SUMMARY					
ERP IMPLEMENTATION SERVICES AGREEMENT					
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
June 25, 2014	September 30, 2017	1000 - 1 Year		September 30, 2018	
PAYMENT TERMS		DELIVERY TIMEFRAME			
		N/A			
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING	
☐ P-Card	☐ Direct Voucher (DV)	☐ Other		☐ Yes	☒ No
MINIMUM DELIVERY REQUIREMENTS					
N/A					

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$47,888,372.00	$758,940.00	$48,647,312.00		

DESCRIPTION

Effective January 10, 2017, the parties add funding and the attached statement of work for two (2) Senior Business Analysts at the existing contractual rate of $175 per hour and one (1) Team Lead at the existing contractual rate of $195 per hour. The two (2) Senior Business Analysts will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort at $27,300 per month each for 10 months, not to exceed $273,000.00 each. One Team Lead will be assigned to support the Michigan Department of Transportation (MDOT) conversion effort at $30,420 per month for 7 months, not to exceed $212,940.00 All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation Services

Service Request

This Service Request is entered into by the Department of Technology, Management and Budget ("DTMB" or "State") and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") under the terms of the Implementation Services Agreement (Contract #071B4300138) ("Agreement"), dated June 25, 2014, between DTMB and Contractor in accordance Exhibit 2-1 Contract Change Management Process.

Project Title:	**Period of Performance:**
Additional ERP Implementation Services	12/31/2016 – 10/31/2017
Project Director:	**Contractor Project Manager:**
Ruth Schwartz	Bill Hutchinson
SchwartzR1@michigan.gov	w.hutchinson@cgi.com
(517) 284-7585	(717) 421-0153

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of up to three (3) resources. Two (2) resources will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort and one (1) resource will be assigned to support the Michigan Department of Transportation (MDOT) conversion effort.

2. OBJECTIVES OF SERVICE REQUEST

Onboard up to three (3) Subject Matter Experts using the rates identified in Exhibit 4-3 of the Implementation Services Agreement.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Experts will be expected to assist in DHHS readiness activities including, but not limited to, the following:

- Review, identify, and recommend policy modifications
- Review, recommend, update, and document procedure changes
- Review, recommend, update, and document agency specific desk guides and reference material
- Support DHHS Change Management Efforts and Change Management Lead(s), provide communication recommendations and advice to help DHHS employees make a successful transition to the new system
- Provide testing support including assistance in the development of test scenarios and scripts
- Provide general implementation services

The Subject Matter Expert will be expected to assist in MDOT conversion activities including, but not limited to, the following:

- Review and recommend changes to agency specific conversion requirements
- Review and recommend changes to agency specific conversion designs
- Review and recommend changes to agency specific conversion technical work / development
- Review and recommend changes to agency specific conversion output designs
- Provide communication conduit between the MDOT and SIGMA conversion teams
- Provide testing support including assistance in the development of test scenarios and scripts
- Provide general conversion and technical services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting up to three (3) Subject Matter Expert resources.

6. COMPENSATION AND PAYMENT

- The activities described in this Service Request fall within the definition of a "Change" as set out in Section 3.2 of Exhibit 2-1 Contract Change Management Process.
- CGI has informed the State that this Service Request constitutes a Contract Change Request and has provided explanation of the basis on which CGI has made the determination.
- The State Project Executives have delegated review and approval of this service request to the State Project Director via email on July 25, 2016.
- The State Project Director acknowledges and agrees that the Service Request constitutes a Contract Change Request.
- The State Project Director has submitted the Contract Change Request.

CGI is proposing a fixed price model that would establish a monthly fee as follows:

- Normally there are 2080 hours in a year, excluding any vacation.
- Assuming some "off time", a year might be better normalized at 1880 hours that translates to ~156 hours per month.
- Monthly fee for services would be calculated as rate multiplied by 156.
- Each month, each CGI resource will submit a status report summarizing work performed and anticipated work activities for the coming month. It will be accompanied by a supporting time sheet, although it needs to be recognized that the fixed fee is based on an average of 156 hours per month over a 12-month period.

DHHS

Proposed Candidate: Thomas VanCamp - Senior Business Analyst - $27,300 per month

Proposed Candidate: TBD - Senior Business Analyst - $27,300 per month **OR** Business Analyst - $21,060 per month

MDOT

Proposed Candidate: Stephen Baltutis - Team Lead - $30,420 per month

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **7**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
	Program Manager	Schwartz Ruth	DTMB-IT
		517-284-7585	
		schwartzr1@michigan.gov	
	Contract Administrator	Jarrod Barron	DTMB
		(517) 284-7045	
		barronj1@michigan.gov	

CONTRACT SUMMARY

ERP IMPLEMENTATION SERVICES AGREEMENT

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME
	NA

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

MINIMUM DELIVERY REQUIREMENTS

NA

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$47,432,072.00	$456,300.00	$47,888,372.00

DESCRIPTION

Effective November 1, 2016, the parties add funding and the attached statement of work for two additional Business Analysts (BA) at the existing contractual rate of $135 per hour. One BA will be assigned primarily to support the Organizational Change Management and Communications team for up to 2100 hours. One BA will be assigned primarily to support the Cost Accounting and Cost Allocation teams for up to 1280 hours. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, and DTMB Procurement approval.

MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation Services

Statement of Work

This Statement of Work is entered into by the Department of Technology, Management and Budget (“DTMB” or “State”) and CGI Technologies and Solutions Inc. (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #071B4300138) (“Agreement”), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation Services	10/24/2016 – 10/31/2017
Project Director:	**Contractor Project Manager:**
Ruth Schwartz	Bill Hutchinson
SchwartzR1@michigan.gov	w.hutchinson@cgi.com
(517) 284-7585	(717) 421-0153

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of two (2) Business Analysts (BA) in staff augmentation roles. One BA will be assigned primarily to support the Organizational Change Management and Communications team. This resource is anticipated to be required through October, 2017. One BA will be assigned primarily to support the Cost Accounting and Cost Allocation teams. This resource is anticipated to be required at least through mid-June, 2017 with the possibility of extending the resource through October, 2017. The decision related to the extension is anticipated in early 2017.

2. OBJECTIVES OF SERVICE REQUEST

Onboard two (2) Business Analysts (BA) using the hourly rates identified in Exhibit 4-3 of the Implementation Services Agreement.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 ("Services") on an hourly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Business Analyst assigned to the Organizational Change Management & Communications team will be expected to assist with activities including, but not limited to, the following:

- Marketing strategist / planner
- Create marketing / communications programs
- Create and design informational and promotional materials
- Create and design product literature and advertising materials
- Content writer / editor (presentations, speeches, web, news, etc.)
- Responsible for brand management
- Coordinate and implement marketing communication projects
- Public relations support
- Special events management and facilitation
- Organizing and preparation of presentations
- Work products support the implementation of change strategies

The Business Analyst assigned to the Cost Allocation and Cost Accounting teams will be expected to assist with activities including, but not limited to, the following:

- Assist in planning activities for assigned functional area(s).
- Provide input pertaining to assigned functional area(s) into the development of the detailed project plan for the overall SIGMA project.
- Make modifications/refinements the "To-Be" processes, including related documentation, as the processes are being developed, as necessary (e.g., modifications needed as a result of changes in the FRICE-W elements).
- Explain new "To-Be" processes to end user personnel, as well as other key stakeholders.
- Determine data element values relating to assigned functional area(s) (e.g., new organization codes).
- Participate in mapping legacy data to the SIGMA system data structures and defining data conversion strategies (i.e., what and how much data to convert to the new SIGMA system and what data to archive in a retrievable form).
- Participate in integration, system, end-to-end and user acceptance testing.
- Troubleshoot problems.
- Comply with all project standards (e.g., data storage, labeling conventions, etc.).
- Prepare status reports on assigned functional area(s).
- Attend and actively participate in team meetings, as well as project-wide meetings.
- Provide direct support to Agencies as/if needed throughout testing and implementation activities.

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services.

The State is requesting two (2) Business Analyst resources.

6. COMPENSATION AND PAYMENT

This Section 6 specifies the hourly billing rates applicable to the performance of the Services. The specified hourly billing rates are based on the rates set forth in Price Table 4 (Rates for Additional Services and Larger Projects) of Attachment 3 (Payment Schedule) to the Agreement.

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913

P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **6**

to

Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S Washington Square
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
	Program Manager	Schwartz Ruth	DTMB
		517-284-7585	
		schwartzr1@michigan.gov	
	Contract Administrator	Jarrod Barron	DTMB
		(517) 284-7045	
		BarronJ1@michigan.gov	

CONTRACT SUMMARY

DESCRIPTION: ERP Implementation Services Agreement

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018

PAYMENT TERMS	DELIVERY TIMEFRAME
NA	NA

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

MINIMUM DELIVERY REQUIREMENTS

NA

DESCRIPTION OF CHANGE NOTICE

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

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$46,905,322.00	$ 526,750.00	$47,432,072.00

DESCRIPTION: Effective September 13, 2016, the parties add funding and the attached statement of work for one additional Subject Matter Expert at the existing contractual rate of $245 per hour, not to exceed $526,750.00. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency, DTMB Procurement and State Administrative Board approval.

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project Additional Implementation Services

STATEMENT OF WORK for Contract Change Notice No. 006

This Statement of Work for Contract Change Notice No. 006 (“Statement of Work”) is entered into by the Department of Technology, Management and Budget (“DTMB” or “State”) and CGI Technologies and Solutions Inc. (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #071B4300138) (“Agreement”), dated June 25, 2014, between DTMB and Contractor in accordance with Section 2.005 of the Agreement and Attachment 4 to the Agreement.

Project Title:	**Period of Performance:**
Additional ERP Implementation Services	08/01/2016 – 10/31/2017
DTMB Deputy Project Director:	**Contractor Project Manager:**
Lisa Evani	Bill Hutchinson
EvaniL@michigan.gov	w.hutchinson@cgi.com
(517) 284-7586	(717) 421-0153

1. OVERVIEW AND BACKGROUND

Additional general implementation support services are being requested in the form of a Subject Matter Expert that will be assigned primarily to support the Department of Health and Human Services (DHHS) implementation effort.

2. OBJECTIVES OF STATEMENT OF WORK

Onboard one (1) Subject Matter Expert using the hourly rates identified in Exhibit 4-3 of the Implementation Services Agreement.

3. SCOPE OF WORK

Contractor will perform the task and other services specified in this Section 3 (“Services”) on an hourly billing basis at the rates specified in Section 6 of this Statement of Work. The schedule for performance of the Services is specified in Section 4. Contractor is not responsible for the completion of Deliverables under this Statement of Work.

The Subject Matter Expert will be expected to assist in DHHS readiness activities including, but not limited to, the following:

- Review, identify, and recommend policy modifications
- Review, recommend, update, and document procedure changes

- Review, recommend, update, and document agency specific desk guides and reference material
- Support DHHS Change Management Efforts and Change Management Lead(s) , provide communication recommendations and advice to help DHHS employees make a successful transition to the new system
- Provide testing support including assistance in the development of test scenarios and scripts
- Provide general implementation services

4. PROJECT SCHEDULE

The schedule for performance of the Services is specified in the Integration Master Schedule (IMS), Agency Implementation Plan, and Agency Technical Schedule. The high level project schedule dates are included below.

Key Date	Date
Project Start Date	07/01/2014
Phase 1.5: Budget Preparation Implementation Date	08/01/2016
Phase 2 Implementation Dates	
• Budget Preparation	07/31/2017
• Procurement & VSS Functionality	07/31/2017
• Core Financials	10/01/2017
• Time, Expense, Leave, and Labor Distribution	10/16/2017
Start Date for Phase 1.5 Post Implementation and Production Support	08/01/2016
Start Date for Phase 2 Post Implementation and Production Support	10/01/2017
End of Phase 1.5 and Phase 2 Production and Post Implementation Support	09/30/2018

5. PROJECT STAFFING

Contractor will provide the individual resources/roles specified in this Section 5 for performance of the Services. The State is requesting one (1) Subject Matter Expert resource.

6. COMPENSATION AND PAYMENT

This Section 6 specifies the hourly billing rates applicable to the performance of the Services. The specified hourly billing rates are based on the rates set forth in Price Table 4 (Rates for Additional Services and Larger Projects) of Attachment 3 (Payment Schedule) to the Agreement.

Except as otherwise provided in this Section 6, the terms and conditions of Section 2.040 (Financial Provisions) of the Agreement applicable to services performed on a time and materials basis shall apply to compensation and payment for the Services under this Statement of Work.

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**
to
Contract Number **071B4300138**

CONTRACTOR	
	CGI Technologies and Solutions Inc
	300 S. Washington Square, Suite 405
	Lansing, MI 48933
	Jon Jasper
	248-496-4336
	jon.jasper@cgi.com
	*******6778

STATE			
Program Manager	Ruth Schwartz	DTMB
	517-284-7585	
	schwartzr1@michigan.gov	
Contract Administrator	Jarrod Barron	DTMB
	(517) 284-7045	
	BarronJ1@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: ERP Implementation Services Agreement			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	1000 - 1 Year	September 30, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
n/a		n/a	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
n/a			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$46,905,322.00	$ 0.00	$46,905,322.00		

DESCRIPTION: Effective June 10, 2016, the parties modify Contract Change Notice No. 3 to change the completion date for Deliverable D05 to June 30, 2016. This change will have no other impact on project cost or schedule. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, Agency and DTMB Procurement agreement.

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

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

CHANGE NOTICE NO. 4

to

CONTRACT NO. 071B4300138

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
CGI Technologies and Solutions Inc.	Daniel Keene	daniel.keene@cgi.com
300 S. Washington Square, Suite 405	**PHONE**	**CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)**
Lansing, MI 48933	(248) 496-4336	6778

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	SBO	Ruth Schwartz	(517) 284-7585	schwartzr1@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Simon Baldwin	(517) 284-6997	baldwins@michigan.gov

CONTRACT SUMMARY

DESCRIPTION: ERP Implementation Services Agreement

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	Indefinite Number of Periods	September 30, 2017

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1-Year	☐	N/A	September 30, 2018

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$40,770,738.00	$6,134,584.00	$46,905,322.00

DESCRIPTION: Effective October 13, 2015, the first option year for this Contract is hereby exercised and it is increased by $6,134,584.00 per the attached, revised Statement of Work. The revised Contract expiration date is September 30, 2018. Please note, the Contract Administrator has been changed to Simon Baldwin, the Contractor address has changed and the Primary Contact for the Contractor has been changed to Daniel Keene. Please note the Current Value above has been corrected from the Change Notice 3, where the Estimated Revised Aggregate Contract Value was stated incorrectly. Except as modified above and within the body of this Contract Change Notice, all other terms, conditions, specifications, and pricing remain the same, per Contractor and Agency agreement, DTMB Procurement approval and State Administrative Board approval on October 13, 2015.

RED/ SHADED TEXT REFLECTS PRIOR CONTRACT CHANGE NOTICE (CONTRACT NOTICE NO. 1). BLACK/ HIGHLIGHTED TEXT REFLECTS CURRENT CONTRACT CHANGE NOTICE (CONTRACT NOTICE NO. 4).

1.002 BACKGROUND

Section 1.002 is hereby deleted in its entirety and replaced with the following:

The following separate contracts support the State's ERP Implementation Project

- This Agreement for Implementation Services that provides for ERP implementation services as well as project technical environment hosting until full hosting services are provided through the separate Managed Services Agreement. This Agreement will be for the duration of the project and post implementation. The project will start on July 1, 2014 and continue through September 30, ~~2017~~ 2018 (including 12 months of post implementation support). The State is also seeking pricing for three (3) one year renewal options; and reserves the right to seek additional option years.

- Software License and Maintenance Agreements for the ERP and for third party application software (if any). Such agreements will include pricing for five (5) years of annual maintenance and support beyond the final implementation date.

- A Managed Services Agreement that provides for hosting and disaster recovery facilities and services and includes ERP application maintenance, development, and other services. This agreement is for seven (7) years commencing no later than March 1, 2015 and includes annual renewal pricing options for an additional three (3) years. The State reserves the right to seek additional option years. Services under this agreement commence as indicated below:

Aspect of Service	Service Commencement Date
Project Hosting	No later than March 1, 2015
Production Hosting	Phase 1 Implementation Date - ~~August 1, 2015~~
Operations Services	Phase 1 Implementation Date - ~~August 1, 2015~~
Disaster Recovery Services	Phase 1 Implementation Date - ~~August 1, 2015~~
Post Implementation Production Support and Maintenance	End of each Phase Phase 1 - ~~August 1, 2015~~ Phase 2 – October ~~1, 2016~~ 2017

1.100 Scope of Work and Deliverables

1.101 SCOPE

Section 1.101 is hereby deleted in its entirety and replaced with the following:

As part of the State's ERP Project, Contractor will implement the following software functions for the executive, legislative, and judicial branches of the State using CGI's Advantage ~~Release~~ 3.11, and CGI Advantage Toolkit Bundle Release 3.11 (hereinafter collectively referred to as ERP or ERP Software):

- Accounts Payable and Disbursements (including EFT and some electronic vendor invoices)
- Accounts Receivable and Billing
- Asset Management

- Budget Control
- Budget Preparation (Advantage 3.10 will be implemented for Phase 1 with a subsequent upgrade to Advantage 3.11 prior to the completion of Phase 2)
- Cash Reconciliation
- Cost Allocation
- Employee Time and Attendance
- Employee Travel and Expense Reimbursement
- Expenditure Tracking Against Debt Issues for IRS Reporting
- Federal Highway (FHWA) Billing
- General Ledger and Financial Reporting
- Grants Management (Grantee Side)
- Grants Management (Grantor Side)
- Inventory
- Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds
- Labor (and Equipment Cost) Distribution
- Positive Pay Banking (subject to a determination of feasibility)
- Procurement
- Project Accounting
- Transparency & Accountability Portal
- Vendor Accounts Payable Web Inquiry
- Vendor Payment and EFT Web Registration
- Vendor Procurement Registration and Procurement Self Service
- Vendor Tax Reporting (1099 & 1042) and Backup Withholding

Selected functions of the CGI Advantage Procurement and Vendor Self Service modules will also be implemented for local entity use. These include those needed to 1) issue bids, receive responses to the bids, and tabulate and/or evaluate bids 2) view state contracts. Implementation of procurement functionality for local entities will not include: requisitions, purchase orders, receiving, vendor invoice processing, or any budgeting, accounting, inventory, or asset functions. Nor will it include any services related to integration or interfacing with local entity systems.

A. Implementation Services and Schedule

The Contractor will provide services necessary to conduct the State's ERP Implementation Project (ERP Project) and to design, configure, extend, modify, and implement the ERP software and to update MIDB, the State's existing administrative data warehouse, or implement CGI infoAdvantage as an alternative to updates to MIDB. This supersedes any reference to MIDB found elsewhere in this Implementation Services Agreement. Such services are further elaborated in:

- Attachment 2: Implementation Services, Tasks, Deliverables, and Milestones
- Attachment 3: Timeline and Scope Clarifications
- Attachment 6: Interfaces
- Attachment 7: Systems to Be Replaced
- Attachment 8: Functional and Technical Requirements Clarifications
- Attachment 9: Severity Level Definitions
- Attachment 10: Functional and Technical Requirements
- Attachment 11: Procurement Functional and Technical Requirements

The ERP Project phasing, implementation, and final post implementation support schedule is as follows:

	Date
Project Start Date:	July 1, 2014
Phase I Budget Preparation Implementation ▪ Begin production use of new Budget Preparation Module on ~~August 1~~ October 5, 2015 and December 1, 2015 in accordance with the rolling implementation schedule and scope defined and agreed to by the project governance board. ▪ To prepare the budget for the 2016-17 fiscal year which begins October 1, 2016	~~August 1, 2015~~ October 5/December 1, 2015
Phase 1.5 Budget Preparation ▪ Implement Phase 1.5 which includes the upgrade of PB to Advantage 3.11 and deferred Phase 1 functionality	August 1, 2016

	Date
Phase 2 Core Financial Implementation ▪ Phase 2 is expected to start at the beginning of the project and run concurrently with Phase 1 ▪ Implement Budget Phase 2.0, including the process to format and load appropriations and allotments to SIGMA Financial, by August 1, 2017 ▪ Begin production use of Core Financials in alignment with the State's fiscal year beginning October 1, ~~2016~~ 2017. This includes the following distinct cutovers: o Procurement and related VSS functionality, July/August 2017 o Core Financials October 1, 2017 o Time, Employee Expense, Leave, and Labor Distribution first full pay period in October, 2017 (possibly second, subject to conversion and interface design)	October 1, ~~2016~~ 2017 (first day of new State fiscal year)
The Advantage 3.11 Software to support the implementation of phase 1.5 and phase 2 of the project is expected to be delivered with the General Availability release anticipated at the end of February, 2016 (the scope of which has been mutually agreed upon by the State and CGI and referenced in Attachment 12 within this change notice). The items identified as 'Post GA' will be delivered before the completion of System Test with sufficient time to configure and test as applicable. InfoAdvantage 3.11 will be available 1 month after the General Availability of Advantage 3.11 Software.	February, 2016
Post Implementation Support • From the Phase 1 implementation and continuing until 12 months after the final implementation	~~Through September 30, 2017~~

B. Procurement Scope Parameters

General

1. Vendor Self Service (VSS) will be rolled out ~~on 10/1/2016~~ in July/August 2017 in alignment with the project schedule and in conjunction with the ERP Project, but select VSS functions (for example, reverse auctions) will be rolled out post 10/1/~~2016~~ 2017 following a phased pilot approach to be defined as part of the design phase.
2. Supplier enablement/Vendor 'punch out' will be rolled out on 10/1/~~2016~~ 2017 in conjunction with the ERP Project for up to 5 selected suppliers. Contractor will support the state in adding additional suppliers following go-live through post-implementation support services.
3. The baseline Advantage 3.11 Procurement software will be implemented, i.e., no Michigan specific system customizations or modifications will be made to Advantage Procurement except to the extent that modifications:

   a. To support Vendor Self Service

   b. To support grantor or other functional area requirements that leverage Advantage Procurement features,

   c. Those that may be necessary to the Vendor Customer master file for it to accommodate the consolidation of procurement vendors, payables vendors, internal payees, internal customers, grant applicants, grant recipients, or to effect file synchronization with interfacing systems.

d. Those proposed by CGI in Attachment 11 that are not explicitly removed from scope in Attachment 8.

e. As otherwise determined during design as mutually agreed to by the State Project Director and CGI Project Manager.

CGI's overall contract obligation to modify the software remains limited to the total amount of hours to be devoted to modifications specified in section 3.3b of Attachment 3 "Development Pool of Hours"

4. Commodity codes will be setup using NIGP codes with vendor/commodity association at the 5 to 7-digit level (i.e., registration, notification, etc.). The exception to this will be where longer commodity codes are needed in association with punch out contracts, inventoried items, or where the State is already using longer codes. These exceptions will adhere to the project objectives of standardization.

5. Michigan will provide subject matter experts with functional and technical knowledge, including, but not limited to current system table setups, document usage, and modifications, and familiarization with existing procurement procedures.

6. Project governance will include the appropriate decision makers who are empowered to make design and implementation decisions in support of the procurement implementation.

7. Vendor maintenance post go-live will occur (including new vendors) in Advantage. Vendors can be entered by having them register using VSS, can be entered into Advantage by State staff, or will be maintained through interface with applicable systems.

8. It is assumed all the State agencies will operate Advantage Procurement using the same standardized processes and procedures. However, each agency may have its own security and workflow rules, including decentralized purchasing authority where allowed and authorized.

9. No Deliverable Definition Documents (DDD) will be created for the Implementation Analysis Design (IAD) and Deliverable Amendments. However, CGI will consult with the State Project Director and assigned State personnel to determine specifics associated with the approach, design content, involved state personnel, and other deliverable particulars and requirements.

Data Conversion and Interfaces

Addition details regarding data conversion and interfaces will be determined during the conversion and interface planning efforts and as mutually agreed to by the State Project Director and CGI Project Manager.

1. Data conversion includes all required table setup. Open items converted will be limited to encumbrance/order transactions that have open balances, and active master agreements and contracts. The encumbrance/order conversion will include both the open amount and a summarized prior closed amount where applicable, as well as commodity details. Historical procurement detailed information will not be converted.

2. ADPICS/ITRAC requisitions and non-accounting transactions other than master agreements/contracts will not be converted into Advantage. The conversion cutover plan will provide the cutoff timeline.

3. CGI and the State will work jointly during design and conversion planning activities to develop a plan to close out purchase orders in ADPICS with the goal to minimize the number of transactions to be converted. Efforts to reduce the count could include: an open items blackout period (where data is saved for direct entry in Advantage), resolving open items in ADPICS/MAIN after implementation, and/or clean-up of old open items in ADPICS/MAIN prior to 'going live'.

4. 3-way matching documents (Invoice and Receipt) will be addressed as part of the conversion cutover plan. Typically these documents are not converted rather there is a scheduled cutoff time to have them entered and processed within the legacy system.

1.106 ERP PROJECT GOVERNANCE

Section 1.106 is hereby deleted in its entirety and replaced with the following:

The project will adhere to governance structure with ~~four~~ five key levels to provide project oversight and an issue escalation path for issues and needed decisions.

- The State Project Director will provide day-to-day management and guidance for the project and will approve project deliverables for review with the State Project Executive(s). The project director may name designees in instances where either a dispute requires resolution and the Project Director is not available or for specific instances in regard to particular delegated deliverables or deliverable groups.

- The State Project Executives will approve all deliverables on the project, approve key communications, and will be able to resolve issues not involving scope, budget, or timeline changes. The State Project Executives may delegate any of these approvals (or subsets thereof) to the State Project Director.

- A Governing Board has been established that represents control agencies and operating departments of the executive branch and provides guidance on overall strategic direction. It will consist of the State CIO, Chief Deputy State Budget Director and representatives from each of the executive groups. The Governing Board will approve all milestones, review all change requests, and act to clear obstacles to project success. The Governing Board will meet monthly and at milestone boundaries. The Governing Board may delegate any of these approvals to the State Project Executives or the State Project Director.

- The Executive Sponsor for the STATE is John S. Roberts, State Budget Director. He will have overall authority over the ERP Project.

- An Executive Steering Committee comprised of the Executive Sponsor, Governing Board Co-Chairs, Project Executives, State Project Director, CGI President of U.S. Operations, CGI Executives, and CGI Project Manager will meet on a periodic basis as requested by the State Executive Sponsor to address project organizational, operational, and resourcing concerns.

The following procedure shall be followed if resolution is required for any dispute between the parties related to this Agreement.

- The State Project Director shall be notified of the dispute and will meet with the Contractor Project Director to discuss and resolve the issue. If the issue cannot be resolved within five (5) business days or an alternative time frame agreed to between the parties, the State Project Director will escalate the dispute to the State Project Executives who shall make a determination regarding the dispute within ten (10) business days. If the issue remains unresolved, either the State Project Executives or Contractor Project Director may escalate the issue to the State Project Sponsor (or Governing Board if more appropriate) for resolution. The State Project Sponsor shall have 10 business days to make a determination regarding the dispute. If the dispute is still not resolved, then either Party may seek available contractual remedies in accordance with Article 2 of this Agreement.

- The State Project Director and the State Project Executives may make reasonable request for additional documentation or analysis be prepared by the Contractor and submitted to them before meeting to discuss the dispute. In addition, the Contractor Project Director may make reasonable request for additional documentation pertinent to the dispute before meeting to discuss the dispute. The Parties shall have two (2) business days or an alternative time frame agreed to between the parties to prepare and provide any needed documentation to the other party. The time frame for resolution at any level will begin at the point that such documentation is submitted.

1.204 OTHER ROLES AND RESPONSIBILITIES

Section 1.204 is hereby deleted in its entirety and replaced with the following:

- The Contractor shall provide all required cooperation and support needed including sharing of all plans, work products, status reports, deliverables, analysis, and presentations; providing access to software and technical environments; and answering questions that the Quality Assurance or PMO vendor(s) may have. In addition, the monthly QA report will be shared by the 15th of each month, and CGI will provide an appropriate response, within 10 days of receipt, which may include a plan of action, agreement, or disagreement to address the QA report. The response will be subject to the review and approval of the State Project Director.

2.001 Contract Term

Section 2.001 is hereby deleted in its entirety and replaced with the following:

This Agreement shall begin on June 25, 2014 and continues through September 30, ~~2017~~ 2018. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Agreement, unless otherwise extended under the Agreement. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Agreement's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.243 Liquidated Damages

Section 2.243 is hereby deleted in its entirety and replaced with the following:

It is agreed between Contractor and the State that the actual damages to the State as a result of Contractor's failure to provide the promised Services and/or Deliverables in the manner specified in Attachment 2, Exhibit 2-1 and 2-2 of this Agreement, would be difficult or impossible to determine with accuracy. The State and Contractor therefore agree that liquidated damages as set out in such Attachments shall be a reasonable approximation of the damages that shall be suffered by the State as a result thereof. Accordingly, in the event of such damages, at the written direction of the State, Contractor shall pay the State the indicated amount as liquidated damages, and not as a penalty. Amounts due the State as liquidated damages, if not paid by Contractor within fifteen (15) days of notification of assessment, may be deducted by the State from any money payable to Contractor pursuant to this Agreement. The State will notify Contractor in writing of any claim for liquidated damages on or before the date the State deducts such sums from money payable to Contractor. No delay by the State in assessing or collecting liquidated damages shall be construed as a waiver of such rights. In the event that the State collects liquidated damages it shall not be entitled to seek additional damages arising out of the event that gave rise to the liquidated damages. The State shall not be permitted to assess liquidated damages where: (i) the parties have entered into dispute resolution proceedings under Section 1.106 of the Agreement regarding the facts and circumstances giving rise to the State's claim and such dispute resolution proceedings are still pending; or (ii) the applicable failure of Contractor results entirely or in part from the action or inaction of the State, its personnel, its other contractors, or other conditions or events set forth in Section 2.244 below. In no event shall the Contractor's aggregate liability for liquidated damages under this Agreement exceed $~~2~~ 6,000,000 (~~two~~ six million dollars). If the State becomes entitled to, but elects not to, collect liquidated damages, the State may then avail itself of all other remedies available under the Agreement.

Attachment 2

Attachment 2 is hereby deleted in its entirety and replaced with the following:

Task 1 - Project Management

The Contractor shall involve the State project management team to provide for Contractor compliance with the SUITE touch-points and processes (see item K, below), except where otherwise mutually agreed in accordance with Section 1.108 of the Agreement. Contractor's duties and responsibilities will include:

A. Provide Project Management

The Contractor shall provide overall project management for the tasks in the Agreement, including the day-to-day management of its staff and shall provide administrative support for its staff and activities. Throughout the project, the Contractor must employ ongoing project management techniques so that a detailed Project Plan is developed, executed, monitored, reported on, and maintained.

The State will provide oversight and Governance for the entire project as described below:

1. The Contractor Project Director will report to the State's Project Director
2. All Contractor deliverables will be approved by the State's Project Director and Project Executives or their designees. Deliverable review by the State will involve State Subject Matter Experts
3. All issues and decisions that cannot be resolved or made by the State's Project Director will be escalated to the State's Project Executives who will then make the required decision or escalate further to the Governing Board, the Executive Steering Committee, or to the ~~State Budget Office Director~~ Executive Sponsor, who shall be the final authority. The State's Project Director and Executives will be responsible for making consultations within the State when needed.
4. State Project Director, Executives and Governing Board review and approval will be required to close milestones and to begin work on the next milestone. See Task 1, item I for additional detail regarding milestones.
5. The State's Governing Board will meet monthly and may meet more frequently when necessary to review milestone completion or to approve beginning work on a new milestone.
6. The State's Project Executives together with the State's Project Director will set the agenda for all Governing Board Meetings. The Contractor will be consulted on agenda items and will support the State's Project Director and Executives, as required.
7. The Contractor Project Manager and designated Contractor executives will attend Governing Board Meetings and present status, provide analysis and recommendations related to needed decisions or issues requiring resolution, and answer questions that may arise during the course of the meeting. Other Contractor personnel may attend if needed to provide background, analysis, or a presentation on a topic scheduled for a particular meeting. However, the State reserves the right to hold meetings or to discuss a particular topic without Contractor personnel or representatives in attendance. In such situations, the Contractor Project Manager will be notified.
8. No Contractor personnel will be members of the Governing Board.
9. No Contractor executives or representatives may meet with Governing Board members, the DTMB Director, or other State officials concerning the project without the permission of the State Project Executives. The State may elect to require that one or either State Project Executives (or their designee(s)) be present at any such meeting that may occur.

B. Leading and Attending Status Meetings

As a part of its project management duties, the Contractor must lead and attend informational and status meetings required under this Attachment 2. Such meetings may include meetings with the DTMB Director, Deputy State Budget Director, State CIO, Governing Board, the Project Executives, the State's Project

Director, other consultants, elected officials, external stakeholders, and members of the ERP Project Team, as designated by the State. The meetings must follow a pre-set agenda but must also allow the Contractor or the State the option of discussing other issues that concern either party. Note that the State management has the option of setting and changing the frequency of the meetings.

C. Providing Plan Updates and Status Reports

The Contractor shall provide status reports to the State Project Director on a weekly basis. In addition, the Contractor must routinely update the Project Plan (at least bi-weekly) to reflect changes in the nature and timing of project activities or assignments. In addition, the Contractor shall routinely update the project organization chart as the project proceeds. Written and electronic status reports are due to the State Project Director at least 24 hours before each meeting. The Contractor's proposed format and level of detail for the status report will be subject to State approval.

Status reports must contain, at a minimum, descriptions of the following, for all work, both on-site and off-site:

1. The issues encountered and their current disposition
2. Whether deadlines were met
3. The issues that need to be addressed before proceeding to the next task
4. Any new risks facing the project and suggested mitigation strategies
5. Any new and pending change requests that impact scope, schedule, or budget
6. Anticipated tasks to be completed in the next week
7. Tasks timely completed, tasks not timely completed, and tasks where delays are expected
8. Updated Project Plan
9. Status of open issues
10. Progress against established milestones.
11. Detailed status reporting on all forms, reports, baselined- and non-baselined modifications, interfaces, conversion programs, mock conversions, test script preparation, and test execution, and defect and issue status.

The Contractor shall provide monthly status reports for the Project Executives, Governing Board, and Quality Assurance Firm. The Contractor will work with the State Project Director on the content of the Monthly Status Report prior to its submission. The primary focus of the monthly status report will be progress against milestones as well as any issues or risks that may be facing the project, and any issues or decisions being escalated to the Project Executives or Governing Board. The monthly status report and any accompanying presentation must be reviewed and approved by the State Project Director and Executives prior to submission or delivery to the Governing Board.

To the extent that subsidiary task plans are used, the full detail of the plans will be available to the State and will be used as the basis for status reporting.

The Contractor shall work jointly with the State to create a Scope and Focus communication document outlining the planned functionality to be implemented, interfaces to be built, key deliverables, and milestones, and to provide an overview of the design approach to be used for the procurement module. The intent of this communication is to announce the addition of the procurement module and the intended functionality and the approach and timeline for procurement related design activities.

The Contractor shall complete updates to the project schedule within 5 days of signature with the corresponding Procurement related items associated with the Procurement Contract Change Request. In addition, the following deliverables and amendments will be produced to support the implementation of CGI Advantage Procurement and delivered per the updated project schedule and will adhere to the PMP procedures as defined by project management:

D. Conducting a Kick-Off Meeting

The Contractor and State will conduct a kick-off meeting for the overall project and for the start of each Phase, at a minimum.   The State will have the option to hold kickoff meetings for each major project activity in each phase (e.g. design, configuration and development, system testing, user acceptance testing, training, implementation and cutover staging).

E. Performing Issue Tracking, Analysis and Escalation

The Contractor will be responsible for documenting issue management procedures and for logging, tracking, analyzing, reporting and working with the State Project team leaders and Director in escalating and resolving issues. The process documented must be compliant with Section 2.190 Dispute Resolution. The State Project Director's or designee's approval will be required for closing issues.

Project delays of more than 30 days or those that impact critical project milestones as identified in the project workplan shall be identified in the project status report. When a delay results from issues associated with the Contractor's performance of project responsibilities, the Contractor shall submit a written report to the State Project Director. This report shall include a detailed description of the delay, issues contributing to the delay, potential impacts to the project, and a risk mitigation plan inclusive of a strategy for moving the project back on schedule. If at any time subsequent to the initiation of the risk mitigation plan the State Project Director determines that satisfactory progress is not being made to address the project delay, the State Project Director may suspend all further payment to the Contractor. Payments to the Contractor shall resume once the State Project Director determines that satisfactory progress is being made to address the project delay. Upon suspension of payment or any point thereafter either party may invoke the dispute resolution process. If the project experiences a delay of greater than 90 days, the State may seek any remedy provided in the Agreement or otherwise available under Michigan Law.

F. Attending and Supporting Ad Hoc and Governing Board Meetings

The Contractor's Project Manager, or designee, will attend and participate in all project-related meetings as requested. The Contractor may be required to prepare materials and make formal presentations for many of these meetings.

G. Performing Risk Management

The Contractor will be responsible for risk identification, risk analysis and evaluation, formulation and implementation of risk mitigation strategies and contingency plans (as appropriate), and risk monitoring. Within the first six weeks of the project and before completion and submission of the Revised Project Strategy, Plan, and Resource Schedule, the Contractor will produce and present a Risk Management Plan that identifies and explains risks and recommends risk mitigation strategies for those risks deemed material. Preparation of this document shall be done in cooperation with the State Project Director. It shall be updated no less than quarterly with any new risks and to reflect monitoring of previously identified risks. Upon request of the State Project Director, the frequency of updates may be changed to monthly.

H. Scope Change Control Processing

The Contractor shall document the Scope Change Control Process to be used on the Project and submit it to the State Project Director for review, possible revision, and approval. During the project, the Contractor shall follow the approved scope change control process and obtain required State approvals, for any change in scope or changes to approved designs. For any approved changes the Contractor shall make all required updates to project plans, designs, and other documents related to scope or design changes. The Scope Control Process documented and used must be compliant with Section 2.024.

I. Tracking and Meeting Milestones

The Contractor will prepare milestone report deliverables for submission and presentation to the State Project Executives, Governing Board, State Project Director, and Quality Assurance Firm.   Successful achievement of milestone objectives must be documented before permission will be granted by the Governing Board to begin work on the next milestone. However, there will be some milestones that may be pursued in parallel. Milestones listed and described in Attachment 2, Exhibit 2-1: ERP Project Milestones will be used to plan, manage, and report status to the Governing Board, and will also be used as the basis for key payments to the Contractor for services rendered on the ERP Project. These milestones will be updated by State Project Director during project planning activities. Any such change will be made in consultation with the Contractor Project Manager.

J. Providing Organizational Change Management and Communications Services

The Contractor will provide personnel that are skilled and experienced in providing organizational change management services on ERP implementation projects in the public sector. Such personnel will be responsible for producing a Communications Plan, identifying areas of change and cultural resistance, assessing and monitoring end user readiness, and preparing an Organizational Change Management Plan. The Organizational Change Management personnel shall also assist the State in preparing and sending communications, and for assisting the team and State in executing the tasks and activities in the Organizational Change Management Plan. The Organizational Change Management personnel will coordinate through the State Project Director and Executives and through the Central Agency Support Team (CAST), which will have primary responsibility for interacting with the Agencies on the ERP project. (See Task 12: Implementation and Agency Change Management Assistance). The organizational Change Management and Communication Plans shall be updated at the beginning of each phase to focus on the activities and issues associated with the phase. End User Readiness Assessments shall be performed in each phase.

K. SUITE Mapping

During the initial planning period on the ERP Project, the Contractor shall create a SUITE Review and Mapping Document that maps SUITE required artifacts, touch-points, and required stage exits to planned work products, deliverables, or milestones planned for the project and that verifies that related SUITE requirements will be met by planned work, outputs, and use of the Contractors approach and methodology. This document shall be reviewed by designated State resources and must be approved by the State Project Director. The SUITE Mapping Document shall be updated, if required, for any deliverable that is defined after the initial document is prepared and approved. The State acknowledges that deliverables, work products, and project activities that are not specified by SUITE will be required on the project and that the Contractor's approach and methodology may be used so long as required SUITE artifacts, touch-points, and other requirements can be addressed by planned activities, deliverables, and work products.

L. Preparing Project Strategy, Plan, and Resource Schedule

Within the first six (6) weeks of beginning work, the Contractor shall create the detailed ERP Project Strategy, Plan and Resource Schedule (the Project Plan) consistent with agreed upon timeframes. This document shall be prepare in cooperation with the State Project Director, key stakeholders, key project participants, and possibly other consultants and shall show:

1. A consolidated view of the work to be performed for Phases 1 and 2 of the project
2. The implementation strategy
3. Project activities, task assignments, due dates and resources for both the Contractor and State employees
4. Ensure that SUITE Artifacts and Touch-points map to and are addressed by project methodology and Project Plan
5. Expected hours to be provided in association with each task, activity, and phase

6. A project organization chart showing both Contractor and State positions and named personnel. This will be accompanied by a narrative document that provides an overview of each role on the organization chart.
7. The following minimum timeframes available to the State to conduct User Acceptance Testing
    - Phase 1 – 2 months
    - Phase 2 – 4 months

The Project Plan shall build on the Project Strategy, Plan and Resource Schedule included in the Contractor's proposal and shall reflect the fundamental strategy, approach, and roles and responsibilities outlined in the proposal and refined during contract negotiations.

The State considers the timing and quality of the Project Plan to be critical to the overall success of the ERP Project. In order to serve its intended purpose this document shall clearly describe:

a. The systems to be replaced, the systems to be interfaced
b. Planned module usage by agency
c. Issues and risks impacting project implementation generally and by agency
d. The phasing strategy
e. A high-level approach and plan for meeting improvement goals assigned to the project
f. Organizational change management approach
g. Training approach
h. Knowledge transfer approach
i. Chart of accounts development approach
j. Conversion approach
k. Interface design and development approach
l. Testing strategy and approach, including unit, integration, regression, and user acceptance testing
m. MIDB and reporting approach
n. Phase 1 activities, tasks, work products and assignments
o. Phase 2 activities, tasks, work products and assignments
p. Project organization Chart
q. Roles and responsibilities for all project participants (not just those for central project team participants, such as, Agency Implementation Teams, software vendor, etc…)

The integration of Change Management, Risk Management, and Issue Management Deliverables into the overall project plan and approach should be addressed as a specific component of the Project Plan.

Within 6 weeks of execution of this CCN, the Contractor will provide an updated project schedule developed in consultation with the State Project Director and the State's PCO. The approach will leverage the current integrated master schedule as a starting point from which the Contractor's project schedule will be developed. This document shall be prepared in cooperation with the State Project Director, key stakeholders, key project participants, and possibly other consultants and will ensure the following items are addressed:

- The updated schedule will reflect appropriate detail regarding agency dependencies, including agency implementation plan activities appropriately aligned with agency technical work in the integrated master schedule.
- The schedule will include tasks to develop the 5 cutover schedules and recognize the varying and staggered dependences on the 5 cutover points in Phase 1.5/2 in regard to System Test, E2E and Recovery Test, UAT, unique conversion needs for the new year portions of labor distribution from DCDS, and staggered end user training and readiness associated with each.
- The schedule will reflect dependencies and tasks associated with the Managed Services Agreement, contract number 071B4300137, that are relevant to implementation and cutover.
- The schedule will reflect appropriate alignment of all development and configuration activities (including reports, forms, interfaces, conversions, extensions, and workflows) with associated system test activities
- The schedule will include or be supplemented by a detailed resource schedule that encompasses both the State and CGI resource requirements.
- The Contractor and the State will work together to elaborate the planned deliverables and dependencies for Phase 1.5 (milestones 9.1, 9.2, 9.3, and 9.4)

Within 6 weeks of execution of this CCN, the Contractor and State will draft and implement enhanced project strategy and project management plan procedures to address the following organizational and structural improvements that are needed:

- Improved resourcing of the Contractor PMO functions supporting each major component of the team
- Additional structure for team level production and review of deliverables
- Proactive inclusion of quality assurance early in deliverable production
- Enhanced structure for project management approaches
- Enhanced escalation and scope control processes

The Contractor will provide an updated and resourced change management plan, including the detailed approach for change management, within 4 weeks of execution of this CCN.

Attachment 2, Task 1, Section M is hereby added:

- A Procurement Implementation Analysis Document (IAD) will be created and submitted as a project deliverable for State review and approval that describes:
    - the procurement transactions targeted for implementation (inquiries, batch processes, ledgers, and transactions) including an appendix of all procurement tables and transactions
    - key design and implementation tasks
    - identification of Remedy, ITAM and AART as the three new interfaces to be built
    - major integrations that are no longer needed (Buy4Michigan)
    - key policy and foundational decisions related to procurement implementation
    - the list of functions to be fully or partially deferred for later implementation
    - the State will identify the list of 'punch out' contracts to be evaluated for implementation for up to 5 selected vendors procurement related risks and mitigation approaches or mitigation due dates
    - the expansion of the training audience and impact on the training window, needed instructors, and other aspects of training
    - all procurement module configuration decisions

- a simplified mapping of processes and transactions
- a list of tables with a description of which transactions update them (where applicable)
- documents and reports
- a crosswalk of ADPICS transactions and functions to those in SIGMA
- functional and technical designs for any modifications that may be required

- Creation of addenda to approved deliverables that require content related to procurement as identified below. These Addenda and any updates to other deliverables will submitted to the State for review and approval and will allow for the inclusion of procurement related content without changing the content of the underlying Deliverable or triggering the review and approval of the underlying and already approved Deliverable.

Deliverable ID	**Deliverable**	**Deliverable Updates Required**	**Procurement Related Deliverable Addendum – Y/N or New**	**Scope of Addendum or Deliverable**
P01	Project Schedule	Y	N	• Add tasks, resources, dependencies, durations to support the development, review and approval of the Deliverable Addenda and new Deliverables and all other Procurement related tasks
P02, P03, P04, P05, P06	PMP	Y	N	• Update Section 10 Governance Plan to include: o Revised Project Management Structure to support Procurement o Updated Roles and Responsibilities associated with Procurement
S03 and S14	Requirements Validation	N	Y	• To include validation of the additional ***268*** Procurement Requirements
TK01	Project Team Training Approach and Plan	N	Y	• Update Section 3.1 Wave 1 – Core Functional Project Team Training to include Procurement Courses
TK02	Knowledge Transfer Approach and Plan	N	Y	• Update Exhibit 3-2 Knowledge Transfer Roles to include Functional Team Procurement SME Roles
S25	Implementation Analysis Design	New	New	Create Implementation Analysis Design (IAD) based on above criteria
S26	Catalog Management Plan	New	New	See Task 3, Item N
PM19	Key Stakeholder and Outreach Assistance	New	New	See Task 12, Item J
PM20	Local Entity and	New	New	See Task 12, Item K

Deliverable ID	Deliverable	Deliverable Updates Required	Procurement Related Deliverable Addendum – Y/N or New	Scope of Addendum or Deliverable
	Vendor Outreach Assistance			
IM01, IM15	Agency Implementation and Change Management Assessments	N	Y	The AROC Deployment Team will produce an additional Agency Implementation and Change Management Assessment focusing on procurement for each agency that includes: * Documentation of planned agency usage of modules, transactions, processes, and functions * Documentation of planned replacement of agency specific systems and planned agency-specific interfaces * Creation of an Old/New Transaction Crosswalk for use by agency implementation teams, trainers, and other purposes * Any need for agency legacy system modification * Any need for federal, state, or other externally mandated reports (at the report level) * Agency specific data conversion issues and tasks to be performed * Identification of agency ERP system users * Agency preparation for testing activities * Agency-specific planning and scheduling * Other relevant factors (e.g. the agency has a geographically disbursed workforce; the agency must coordinate ERP procurement implementation with other initiatives, presence of significant issues, etc.)

- Provide key Stakeholder and outreach assistance (see Task 12 Section J):
    - An initial set of communications to key Stakeholders (including local entities) regarding the discontinuation of the Buy4Michigan project and the expansion of ERP Project Scope
    - Vendor and Local Entity outreach and engagement required and planned
- As of the date of this change request, the following ERP Deliverable Definition Documents (DDDs) have been approved by the State. It is assumed that these deliverable definition documents and their corresponding deliverables will include procurement related content stemming from this contract change (i.e. Advantage Procurement, Advantage Vendor Procurement Registration and Procurement Self Service, and the removal of Buy4Michigan Integration) to the extent the State Project Director and CGI Project Manager determine necessary based upon the Scope and Focus Communication Document.

Deliverable ID	Deliverable Description
IM04/IM10/IM18/IM24	Completed and Approved Agency Implementation and Change Management Assistance
I03	Major Integration Approach Document
D01-2	Date Conversion Plan – Phase 2
IM02/IM17	Agency Implementation Guide
I01-2	Interface Plan – Phase 2
TK03	Project Team Training – ERP
TK04	Project Team Training – Methodology and Approach
TK05/TK14	End User Training Needs Assessment
S11/S24	Requirements Traceability Matrix
S05/S16/S07/S19	Inventory of Transactions; Views; Reports and Processes and Software Configuration Plan
S13	Process and Transaction Mapping Analysis
S06/S17	Internal Control Risk Assessment
I03	Major Integration Approach Document

Task 1 Deliverables

Planning

1. Project Strategy, Plan and Resource Schedule
2. Risk Identification, Analysis, and Management Plan
3. Issue Process/Database
4. Status Reporting Process
5. Scope Change Control Process
6. Communications Plan
7. Organizational Change Management Plan
8. SUITE Review and Mapping
9. Milestone Report 1: Project Strategy and Plan

Phase 1

1. End User Readiness Assessment
2. Organizational Change Management Plan Update
3. Communications Plan Update
4. Milestone Report 2: Budget Preparation Design
5. Milestone Report 4: Budget Preparation Configuration and Development Complete

6. Milestone Report 5: Budget Preparation UAT-Go/No Go
7. Milestone Report 6: Budget Preparation Implementation Go/No Go
8. Milestone Report 7: Budget Preparation Acceptance

Phase 1.5 & 2

1. End User Readiness Assessment
2. Organizational Change Management Plan Update - Phase 1.5 and 2
3. Communications Plan Update - Phase 1.5 and 2
4. Milestone Report 3: ERP Core Design
5. Milestone Report 8: Agency Implementation Planning and Organization
6. Milestone Report 9: ERP Core Function Configuration and Development Complete
7. Milestone Report 10: UAT Core Function UAT Go/No Go
8. Milestone Report 11: Core Implementation Go/No Go
9. Milestone Report 13: Core Acceptance
10. Updated Project Strategy, Plan and Resource Schedule Phase 1.5 and 2

Task 2 - Technical Services

The Contractor shall involve the State technical team to provide for Contractor compliance with the SUITE touch-points and processes for architectural and security design and decisions, except where otherwise mutually agreed in accordance with Section 1.108 of the Agreement. The Contractor's responsibilities for providing technical services on the ERP Project include the following:

A. Project Hosting and Installation

The Contractor must provide hosting services for project technical environment needed until such environments are provided via a separate Hosting and Managed Services. Toward that end, the Contractor is responsible for the following either onsite or via its own facility that is accessible to the Project:

1. Provide project technical environment specifications
2. Provide, install, configure, and test the servers, server peripherals, rack mountings, operating system software, utilities, and system management software.
3. Install the application software, all required DBMS and third party software specified in the Proprietary Software License Agreement (“software”) and assist State in verifying that all software modules are installed and operate materially in accordance with applicable specifications as appropriate on-line and off-line, that the system can be accessed from State's network, and that the software documentation is materially complete.
4. Make the software accessible to State workstations
5. Organize source and object libraries, all baseline job streams or scripts, and any other software components necessary to support the installation acceptance test. At the conclusion of this initial installation the Contractor shall provide the State with a set of documented procedures and required tools so State staff can independently connect additional workstations.

The Contractor shall document the project environment specifications to enable a smooth transition to the hosting/managed service provider.

B. Installation Acceptance Testing Assistance

The Contractor shall assist the State in verifying: that all acquired software modules are present and installed; that the system operates in a stable fashion both on-line and off-line, and; that the system can be accessed from the State’s network.

C. Establishment of a User “Playground”

The Contractor shall install a pre-populated set of application files complete with all reference, budget, option selections and other data necessary, based on Contractor’s experience and the State’s requirements, for State users to become familiar with the system. This environment shall also be used by the Contractor to conduct demos and education sessions.

D. Software Education Sessions

The Contractor shall provide education sessions which describe:

1. The software configuration
2. Organization of software libraries
3. System operation procedures for use during the project
4. System administration responsibilities log on/log off procedures
5. Other topics necessary to educate the State on system housekeeping during the ERP Project.

E. Configuration Management and Version Control

The Contractor shall be responsible for planning, organizing, and conducting all ERP Project related configuration and release management and version control for application source code, object code, software configuration and parameter, operating system, DBMS, hardware, and other technical environment components. The Contractor shall document configuration management procedures and will use tools approved by the State. The Contractor will also provide all configuration management tools to the State at the conclusion of the project.

F. Patch Management and Upgrades

The Contractor shall track, manage, install, and test all software patches, service packs, code fixes, new releases and upgrades for all software acquired, licensed, or otherwise provided in association with the ERP Project. At the end of the ERP project, the Contractor will ensure that the State is on the agreed upon release of ERP software and the contractor supported release of other software for the agreed upon ERP software including operating system, DBMS, other software required and provided, and updates to any custom programming / modifications to meet the State's ERP requirements documented in Attachments 8 and 9 of this Agreement.

G. Performance Testing and System Tuning

The Contractor shall plan and conduct performance testing and system tuning for the installed configuration. These tasks shall be planned, coordinated and performed with State system programmers and database administrators who will review and approve plans, test outcomes, and tuning outcomes. The Contractor shall also produce detailed Performance Testing and System Tuning Procedures. The State recognizes that performance testing and tuning activities may be necessary at several stages in the process. For example, tuning could take place after the software installation, prior to production migration and during initial production operations.

If modifications or extensions are made to the application software to meet the State's unique requirements, it is expected that the Contractor shall review and adjust the database configuration to ensure acceptable performance. The following table summarizes performance testing and tuning responsibilities of the Contractor and State.

Activities	Contractor	State
Develop Performance Testing and Tuning Plan	Lead	Assist
Document procedures to capture and monitor user-response time metrics	Lead	Assist
Conduct Performance Testing	Lead	Assist
Perform system turning and performance resolution as required to meet performance requirements	Lead	Assist
Manage track and report status of activities	Lead	Assist
Acceptance of Performance Test Results	Assist	Lead

H. Technical Environment Setup, Maintenance, and Hosting

The Contractor shall provide all technical environment management setup, software configuration management, migration, maintenance, and synchronization needed during the course of the project. Such environments shall include but not be limited to:

1. The user playground
2. Development environments
3. System and Recovery Test environments
4. User acceptance testing environment
5. Performance testing environment
6. Training environments
7. Other environments that may be necessary as mutually agreed (e.g. for data conversion)

The Contractor shall also provide hosting services for all required project environments as specified in the Agreement until cutover to managed services is set to occur. At that time, provisions of the Managed Services Agreement will apply and all required hosting required for project and production technical environments will be provided under that agreement. Project environment setup and maintenance will continue to be the responsibility of the Contractor once the provision of hosting services under the Managed Services Agreement becomes active. The Contractor will also be responsible for providing complete and fully functioning development environment to the State upon expiration or termination of the Agreement or the Managed Services Agreement as applicable.

I. Production and Production QA Environment Specification

The Contractor shall produce specifications for the Production and Production/QA environments which will be provided as part of the Managed Services Agreement. The specifications must include hardware and peripherals, system software, DBMS, third party components, network connections and access, application architecture, and all other production and QA environment components. The Production QA environment will be identical to the Production Environment in all regards including capacity.

J. Preparation and Certification of a Production Ready Production Environment

The Contractor shall migrate configured, extended, enhanced, tested, and approved ERP and any other application software specified in the Proprietary Software License Agreement including all site specific code including that for reports, interfaces, enhancements to the Hosted/Managed Services production and production QA environment as mutually agreed to be needed to meet the schedule for performance testing, user acceptance testing, security testing or implementation cutover. Prior to each implementation, the Contractor shall test the environment and certify its readiness for production use.

For the second and any subsequent implementation phases, the Contractor shall adapt and expand the production environment, as mutually agreed to be required for the application components and other differences that may exist to support ERP production operations once implementation for that phase occurs. The Contractor shall also create and certify Production QA environments that are identical in specification and capacity to the certified Production Environments for each implementation phase.

K. Security Architecture and Design

The Contractor will work cooperatively with designated IT security professionals and managers to design an 'end-to-end' security solution that meets the State's security needs and conforms to applicable State and Federal Law and Policy. The design will be documented in the Security Architecture and Design document. This document must be produced during the first phase of the project, but may be supplemented in the remaining phase as reasonably required by State project management.

L. Perform Security Testing

The Contractor shall work with designated State IT and Security Managers and Professionals to create a Security, Vulnerability and Penetration Test Plan. This plan will be submitted to the State for review and approval. The plan will document test objectives, test scenarios and scripts, and required outcomes. Once the plan is approved, the Contractor will conduct all testing specified in the plan. At the discretion of the State, some or all of the testing may be incorporated into the system test. The following table summarizes the security testing responsibilities of the Contractor and the State. The Contractor is responsible for providing any tools needed that are not already licensed to and available to the State. The Contractor will review and obtain the approval of all such tools with State IT and Security Managers prior to finalizing plans for use.

Activities	Contractor	State
Develop Security, Vulnerability, and Penetration Test Plan	Lead	Assist
Conduct security testing	Lead	Assist
Identify and remediate issues	Lead	Assist
Conduct analysis of vulnerabilities	Lead	Assist

Activities	Contractor	State
Develop penetration testing scripts	Lead	Assist
Conduct penetration testing	Lead	Assist
Identify and remediate issues	Lead	Assist

Task 2 Deliverables

1. Project Environment Specification
2. Completed Software Installation, User Playground, and Software Education Sessions
3. Configuration Management Procedures
4. Completed Development Environment
   - Phase 1
   - Phase 1.5
   - Phase 2
5. Completed System and Recovery Test Environment
   - Phase 1
   - Phase 1.5
   - Phase 2 – System Test Environment
   - Phase 2 – Completed End-to-End and Recovery Test Environment (may be the same environment as System Test Environment based upon the System Test Plan)
6. Completed Training Environment
   - Phase 1
   - Phase 1.5
   - Phase 2
7. Completed User Acceptance Test Environment
   - Phase 1
   - Phase 1.5
   - Phase 2
8. Security Architecture and Design
9. Approved Security, Vulnerability and Penetration Plan
   - Phase 1
   - Phase 1.5
   - Phase 2
10. Completed and Approved Security, Vulnerability and Penetration Test
    - Phase 1
    - Phase 1.5
    - Phase 2
11. Performance Testing and Tuning Plan
    - Phase 1
    - Phase 1.5
    - Phase 2
12. Performance Testing and System Tuning Procedures
    - Phase 1
    - Phase 1.5
    - Phase 2
13. Completed and Approved Performance Testing and System Tuning
    - Phase 1
    - Phase 1.5
    - Phase 2
14. Production and Production QA Environment Specification

- Phase 1
- Phase 1.5
- Phase 2

15. Production and Production QA Environments
    - Phase 1
    - Phase 1.5
    - Phase 2

Task 3 - Systems Analysis and Design

The Contractor will perform analysis and design activities as follows:

A. Validate and Update RFP Requirements

The Contractor shall organize and conduct sessions with key State Subject Matter Experts and Managers to review, validate, update and format the RFP requirements for use in guiding design, configuration, and testing activities on the Project. The Contractor will then document the updated requirements, annotate each with a brief description of how the validated requirement will be met, and submit and revise the documentation as required to obtain State approval. The Contractor shall use the updated requirements as the base of the SUITE Requirements Traceability Matrix (RTM) or Contractor's comparable document. This document will be updated throughout the project.

B. Budget Preparation Design

The Contractor will work with the State Project Director, designated State subject matter experts, managers, and IT professionals to document the planned budget preparation process and create comprehensive functional and technical designs for Budget Preparation. As part of this effort, the Contractor will assist the State in determining how improvements to the State's Budget Preparation Process may be made in conjunction with the design and deployment of Budget Preparation software, this design document will include:

1. Budget forms and other inputs
2. All required budget preparation outputs
3. 'End-to-end' budget preparation process
4. Structure, controls, capabilities, reporting, and security associated with each of the State's budget preparation phases
5. Scenario based analytical and 'what if' capabilities
6. Operating and capital budget preparation capabilities
7. Text and graphics capture and reporting capabilities
8. 'Budget Book' publication
9. Automated loading of budget preparation module with previous years actuals and budget to use as a starting point
10. Automated loading of finalized budget to ERP to establish budget controls and reporting for each year
11. Other capabilities as needed to meet the state's requirements
12. Documentation of how the budget preparation module design will be realized via standard features, configuration, interfaces, site specific coding, reports, extracts, and modifications (if any)
13. How the prepared budget synchronizes with budget control approach and functionality to be used in ERP design
14. How initial loading of budget preparation will occur using converted legacy data
15. Chart of accounts elements that must be developed prior to implementation of the Budget Preparation Module

16. Functional and Technical designs for any required programming

C. Produce Core Design Fundamentals Document

Within 12 weeks of the project start date, the Contractor shall complete an ERP Core Design Fundamentals Document that describes how the new ERP solution will be implemented to meet key core financial requirements associated with Phase 2 of the project. The effort to produce this document will include 3 components of analysis and documentation:

1. A thorough review and analysis of the State's current processing associated with:
   a. R-STARS coding block and ledger usage; budget controls, agency usage, and reporting; transaction set; fund structures; data entry reduction capabilities; accounting practices; and inbound/outbound interfaces
   b. DCDS transactions, capabilities, and usage including time and attendance, employee travel and expense reimbursements, and labor and employee expense distribution functionality
   c. Contract and Payment Express functionality
   d. Electronic Transaction Processing system’s functionality
   e. Warrant Writing and EFT Processing
   f. DOT Federal Highway Billing

2. An overview of the planned ERP functionality, its relation to current capabilities, and how key project or processing needs will be met. The following will be included:
   a. A listing of the ERP solution modules to be used by the State and the functionality that each will provide
   b. A full list of the ERP solution transactions to be implemented
   c. Detail of how the new ERP coding block will be used and a cross walk to the State's current MAIN coding block usage (including all agency variations in use of the coding block)
   d. Detail of the approach, system options, and elements to be used to establish budget control and reporting
   e. Data entry reduction strategies to be used in the ERP
   f. The fund types proposed for implementation, the accounting model associated with each, and a comparison with fund types currently used by the State
   g. A description of the approach, ledgers, and key elements used to meet the state's requirements for full accrual, modified accrual, and cash basis accounting
   h. A listing and description of the key reporting tables and ledgers that will be used for budget, project, grant, and other key reporting needs
   i. A listing and explanation of key system structural, processing, and configuration options and recommendations as to how those options should be set for the State
   j. Details of how the new ERP will replace DCDS functionality
   k. Details of how the new ERP will replace Contract and Payment Express functionality
   l. An overview of planned integration between the ERP solution and the following:
      - The State's procurement software
      - Banking and electronic commerce institution software
      - Department of Transportation Systems
      - Treasury systems including those related to debt management, investment management, and offsets
      - State systems making warrant and EFT requests via automated interface

- The State's HR-Payroll solution (HRMN)

3. An overview specifying how key ERP objectives of the State will be realized during the project. These objectives include:

   a. Automate and streamline budget preparation and Budget Book publication
   b. Chart of accounts reform/uniform coding block usage
   c. Replacement and improvement of the state's transparency & accountability portal
   d. Replacement and improvement of the state's vendor web self-service portal (C&PE)
   e. Support for debt reporting
   f. Support for investment accounting
   g. Vendor tax reporting (1099 and 1042), b-notices, and backup withholding
   h. MIDB data currency and reporting
   i. Project and grant reporting/budgeting/ processing
   j. Automating of cost allocation
   k. Automating bank reconciliation
   l. Reduction in the number of applications supported and interfaced
   m. Automate BAI interfaces with banks
   n. Migrate warrant writing from UNISYS mainframe to ERP
   o. Implementation of ‘Positive Pay Banking’, if feasible
   p. Automate vendor file synchronization with the State’s procurement system, 'Buy4Michigan'
   q. Automate and streamline CAFR production and publication
   r. Increase accounting and other detail posted from agency systems
   s. Other key objectives that may be identified during project planning

The Contractor shall work with the State Project Director to determine the sequence in which key components of the Core Design Fundamentals Document are produced, reviewed, and approved.

D. Process and Transaction Mapping Analysis

In order to configure redesigned processes to work with the new system, ensure appropriate change management efforts, document new procedures, and produce training materials which relate new transactions to old, the Contractor shall prepare a Process and Transaction Mapping Analysis which details the following:

1. A crosswalk and comparison between transactions in systems to be replaced and the new system transactions
2. New process designs for all statewide processes to be implemented as part of the ERP Project.
3. A crosswalk between MAIN coding block elements and values inferred by Index and PCA codes and the equivalent coding block elements/values associated with those to be used when the new ERP system is implemented.

E. Prepare Plan for Accounting Reform and the new ERP Chart of Accounts

The Contractor shall work with the State Project Director, designated State executives, managers, and accountants to prepare an Accounting Reform and New Chart of Accounts Development Plan that specifies a detailed approach as to how the following objectives shall be accomplished. That Plan should include the following:

1. Standardizing use of the coding block across agencies to facilitate consistent reporting for transparency, consistent use of budget elements, consistent use of statistical targets and 'actuals' in budgeting and reporting, and streamlined financial and operational reporting
2. Consolidating and standardizing objects of expenditure and other chart elements (which currently vary substantially across agencies)
3. Transition from the current practice of recording summary level transactions to administrative revolving funds (ARFs) with later detail reclassification to one where detail (particularly by funding source) is recorded on the initial transaction. The plan should include the needed assessment and ~~and~~ coordination steps required given the expected impact of eliminating ARFS on legacy system interfacing and possible modifications to such legacy systems.
4. Establishing new fund, program, function, account and other codes (including objects of expenditure, revenue sources, and balance sheet accounts)
5. Designing all chart, element, and other codes needed for budget preparation
6. Designing all chart elements and rollup codes needed to classify and summarize transactions for accounting and reporting
7. Meet CAFR reporting requirements with the new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
8. Meet Federal and State reporting requirements with new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
9. Meet tax reporting requirements
10. Ensure that each fund is designated as being a particular type (e.g. governmental, proprietary, expendable trust, etc.) and that the accounting treatments appropriate for that fund type are applied
11. Ensure that each fund is accounted for on the appropriate basis given State policy (i.e. full accrual, modified accrual, or cash basis)
12. Ensure that agency defined chart elements are identified and that a plan for developing chart values for those elements is created that dovetails with the schedule on which such elements will be needed for data conversion, interfaces, and other project activities

F. Create Cost Accounting Classification and Reporting Plan

The Contractor shall be required to prepare a comprehensive document which describes how the State shall design and setup its grants, projects, work orders, and cost allocation algorithms to accomplish the following and take advantage of system functionality:

1. Record grant awards and associated information
2. Record and track budget and actual grant related revenues and expenditures
3. Recording employee time and expense reimbursements to Time and Leave Module and obtaining ‘costed’ labor charges via Labor Distribution Module
4. Track draws against grants
5. Report specific expenditures to support grant draws and required federal reports
6. Meet CMIA (Cash Management Improvement Act) requirements
7. Record and track project budget and actual expenditures
8. Charge projects and grants for non accounting events (e.g., computer or other equipment usage)
9. Statewide and Agency allocation of costs to grants, projects, and work orders to support billing and reporting objectives via cost allocation module

G. Inventory of Transactions, Views, Reports, and Processes

For each implementation phase, the Contractor shall produce a document listing and describing the transactions, views, reports, input or output forms, generated bills, correspondences, notices, work lists and workflows, batch processes, interfaces, and other functional capabilities or components that will be delivered for implementation in that phase. For each component or capability listed and described, the document will indicate whether the component is 'available out of the box', requires configuration, or requires site specific programming and how the State will review and approve the component. The document will also describe how system features, configuration, and extensions will be used to meet the Objectives of the State for the ERP project. The State will use the document in conjunction with other Contractor deliverables to verify the completeness of the Contractor's design and as a basis for determining whether the State's stated objectives for the project are being met via the design. The State is open to other approaches and deliverables that allow the State to meet its review objectives. Accordingly, the Contractor and the State Project Director may agree on an alternative deliverable subject to the written approval of State Project Executives.

H. Provide Chart of Accounts Design Assistance

The Contractor shall assign one or more full time resources to assist State personnel in creating a comprehensive chart of accounts including new element values for all coding block elements and related rollup codes that may be used for accounting, budgeting, and reporting. This assistance will be provided in association with Phase 1 and Phase 2 of the ERP Project.

I. Prepare a Site Specific Code Retrofitting Approach

The Contractor shall produce a Site Specific Code Retrofitting Approach document which outlines the strategy and approach that will be used to isolate and document site specific extensions and any modifications so that they may be re-introduced when the State upgrades to new releases of the application software.

J. Prepare a Software Configuration Plan

The Contractor shall produce a Software Configuration Plan for each project phase that describes configuration required for each major functional area and the ERP solution transactions, views, data structures, and other functionality that will be achieved via configuration. This document may be consolidated with the Inventory of Transactions, Views, Reports, and Processes documentation or the Configuration and Development Inventory at the discretion of the State ~~discretion~~ Project Director.

K. Prepare Site Specific Functional and Technical Designs

Once configurations, extensions, enhancements, or modifications have been approved by the State, the Contractor shall produce functional designs for review and approval. Concept papers have been substituted for Baseline Enhancements delivered to meet Michigan requirements. Once approved, the Contractor shall then produce the detail technical designs necessary to guide programmers in creating and testing site specific code.

L. Prepare FHWA Comprehensive Design that meets DOT and US Federal requirements

The Contractor will work with designated Department of Transportation subject matter experts, managers, and IT professionals to document the planned Federal Highway Billing (FHWA), Federal Aviation Administration, and other DOT processes that bill the US Federal Government and create comprehensive functional and technical designs for FHWA Billing. As part of this effort, the Contractor will assist the State in determining how improvements to the FHWA and other Federal Billing Processes can be made as part of the effort. The Contractor shall also work with any assigned Federal Department of Transportation and any other Federal Representatives and with State Department of Transportation representatives to ensure that the new FHWA and other Federal Billing Design fully meets applicable Federal requirements.

M. Internal Control Risk Assessment and Update Related Designs

The Contractor will work with designated State personnel to perform a risk and internal control review for the processes and functions to be implemented as part of the ERP Project. The Contractor will document the results of that review and will include a description of the internal controls, key software features, and other information needed to address the identified risks selected designs and process design deliverables and work products related to those identified risks. The standards for accepting other process and design deliverables will include adequate treatment of risks and needed controls for those areas and topics identified in the Internal Control Risk Assessment.

Task 3 Deliverables

Phase 1

1. Requirements Validation Document
2. Budget Preparation Design
3. Inventory of Transactions, Views, Reports, and Processes
4. Software Configuration Plan
5. Chart of Accounts Design Assistance - Budget Preparation
6. Internal Control Risk Assessment
7. Functional Designs
8. Technical Designs
9. Site Specific Code Retrofitting Approach *
10. Requirements Traceability Matrix

Phase 1.5

1. Budget Preparation Design Update for Advantage 3.11, Deferred Phase 1 Functionality, Ongoing Elaboration
2. Budget Preparation Phase 1.5 Configuration, Training, and Technical updates

Phase 2

1. Requirements Validation Document
2. Core Design Fundamentals Document
3. Process, and Transaction Mapping Analysis
4. Inventory of Transactions, Views, Reports, and Processes
5. Cost Accounting Classification and Reporting Plan
6. FHWA Comprehensive Design
7. ~~Internal Control Risk Assessment~~
8. Software Configuration Plan
9. Chart of Accounts Plan
10. Chart of Accounts Design Assistance
11. Functional Designs
12. Technical Designs
13. Requirements Traceability Matrix

* Site Specific Code Retrofitting Approach applies to Phase 2 as well

Task 4 Configuration and Development

The Contractor shall perform development, configuration, unit testing, and integration testing activities as required to meet the validated requirements and to provide functioning software based on designs identified and approved as part of the Analysis and Design Task. Contractor responsibilities shall be as follows:

A. Configuration and Development Inventory

The Contractor shall prepare a Configuration and Development Inventory that lists all configurations, parameters, and site specific development that will be required for implementation in each phase; the assigned Contractor resource; and the approach that can be used by the State to validate functionality and verify design, configuration, and development completion. This document shall be submitted to the State Project Director for approval. After submission and approval by the State Project Director, the Contractor shall maintain the status of each item on the inventory and submit that information as part of the weekly status report. At the discretion of the State~~'s discretion~~ Project Director, this deliverable may be consolidated with the Software Configuration Plan and/or the Inventory of Transactions, Views, Reports, and Processes.

B. Configured Software

The Contractor shall work closely with the State Project Director, team members, subject matter experts and technical personnel to meet all process, workflow, and functional requirements via software configuration and planned usage as per the approved designs. The Contractor must demonstrate the configured software, as required during the project so that State personnel may review and approve it. Approved configurations must be unit tested and documented as well. The following table summarizes the responsibilities of the Contractor and State related to software configuration activities and tasks.

Activities	Contractor	State
Develop Software Configuration Plan*	Lead	Assist
Conduct Project Team Training on Configuration Tools and Process	Lead	Assist
Conduct Prototyping Sessions	Lead	Assist
Coordinate State Participation in Prototyping Sessions	-	Lead
Configure Applications	Lead	Assist
Review and Approve Configuration	Assist	Lead
Verify Expected System Functionality	Assist	Lead
Update software application documentation with configuration	Lead	Assist
Provide assistance to DHHS for agency configurations including cost accounting and cost allocation mapping and set up to ensure complete configuration in alignment with project schedule and support reporting and interface needs	Assist	-

* This document ~~will~~ may be produced as part of task 3 – System Analysis and Design or included with the Phase 2 Configuration Inventory at the discretion of the State Project Director.

C. Workflow Configuration and Development

The Contractor shall provide software, tools, and services to analyze, configure or develop, and test workflow, electronic notification, and electronic approval processes that are standard to the system and those that are development items. The approach is expected to include specific workflow and notifications that should be considered for deployment in each module.

The Contractor shall establish the workflow requirements by:

1. Providing workflow recommendations based on previous implementations of comparable size and complexity;
2. Reviewing and gathering needs from the Business Process Redesign effort; and
3. Validating the workflow requirements included in the Contractors RFP Response.

The Contractor shall configure the standard workflows that are part of the delivered product as part of the software configuration services. The Contractor shall design, configure, and test all custom workflows to meet the workflow related requirements as documented in the Contractors RFP Response.

In addition to providing the standard and custom workflows to meet the State's requirements as represented in Attachments 8 and 9 of this Agreement, the Contractor shall provide an allowance for additional workflow development services which may be required to design, develop, test, and document the following number of custom workflows in anticipation that additional workflow needs will be identified, required, and approved during the ERP implementation:

Complexity	Complexity Descriptions	Number of Workflow Processes
Simple	A two-step process that includes evaluating data against up to two variables from step one, then the initiation of step two based upon the results of the query.	20
Average	A process with up to five steps that includes evaluating data against up to five variables from step one, the initiation of step two based upon the results of the query with a simple approval process, including the development of a simple data entry screen and an approval screen.	20
Complex	A process with greater than five steps that includes evaluating data against variables entered in step one, the initiation of step two based upon variable rules, the initiation of step three based upon the results of a multi-table query with a multi-step approval, rejection, and re-approval process, including the development of related data entry screen and approval screens.	40

The following table summarizes the responsibilities of the Contractor and State related to work list and workflow related activities and tasks.

Activities	**Contractor**	**State**
Brief State ERP team on workflow recommendations from other clients	Lead	-
Validate all workflow requirements during business process reengineering	Assist	Lead
Identify and describe proposed workflows for development	Lead	Assist
Review and approve proposed workflows	-	Lead
Design and configure workflows (standard and custom)	Lead	Assist
System test workflows	Lead	Assist
Develop and complete Workflow Administration Guide	Lead	Assist
Conduct Knowledge Transfer for Workflow Administration	Lead	Assist

D. Site Specific Code, Baseline Enhancements, and Modifications

The Contractor shall be responsible for completing all site specific extensions, enhancements (baseline and site specific), and any modifications to the ERP Solution software approved by the State during the Analysis and Design Activities. This includes custom forms to meet requirements as approved by the State Project Director. The Contractor shall be responsible for coding, unit testing, and integration testing of all site specific code in accordance with applicable approval procedures and criteria specified in the Agreement. In addition, the Contractor shall create all site specific code in accordance with the strategy and techniques outlined in the approved Site Specific Retrofitting Approach so that they can be easily reproduced when the State upgrades to new releases of the software application.

Task 4 Deliverables

Phase 1

1. Configuration and Development Inventory
2. Unit Tested and Documented Configuration
3. Unit Tested and Documented Site Specific Code
4. Unit Tested and Documented Workflows

Phase 1.5

1. Configuration and Development Inventory
2. Unit Tested and Documented Configuration
3. Unit Tested and Documented Site Specific Code
4. Unit Tested and Documented Workflows
5. Internal Control Risk Assessment

Phase 2

1. Configuration and Development Inventory and Plan
2. Unit Tested and Documented Configuration
3. Unit Tested and Documented Baselined and Site Specific Code
4. Unit Tested and Documented Workflows
5. Internal Control Risk Assessment

Task 5 Data Conversion

The Contractor shall be responsible for the following data conversion tasks, activities, and deliverables:

A. Data Conversion Plan

The Contractor shall produce a preliminary comprehensive Data Conversion Plan including identification of State's responsibilities that will be subject to the approval of the State Project Director. The Contractor shall produce a Mock Conversion Plan addressing the following items in detail and including new information gained from design and project scheduling activities. These plans shall cover:

1. All aspects of creating the production database necessary to take the system "live" including automated conversion that cover (at a minimum) MAIN, Buy4Michigan, Treasury integration, DCDS, and MiTES conversion needs; conversion validation tools and approaches; and recognition of the unique timing and loading sequences required to support the 5 cutover/conversion points. Certain MAIN, Buy4Michigan, Treasury, DCDS, and MiTES conversions may be addressed through manual or semi-automated conversion processes subject to the approval of the State Project Director.
2. Data transfers during the period when the old and new system are both operating (during year-end close processing or during implementation phasing)
3. Conversion of required data from legacy systems scheduled for replacement as part of the ERP Project (See Attachment 7: Systems to Be Replaced)

4. The establishment of beginning balances when the fiscal year ending 9/30/~~2016~~ 2017 is closed in the old system
5. Contingency planning requirements for alternate conversion timeframes
6. The conversion of any detailed master data, history, or open items necessary to support, reporting, auditing, or processing objectives including, but not limited to, project, grant, multi-year appropriations. The plan shall also include but not be limited to: all inventories of assets and supplies
7. The plan shall also include all inventories of FHWA billing.
8. Some historical data will be addressed through providing access to the operational data store via the infoAdvantage Warehouse. These historical data structures will be supported by BusinessObjects or by an ODBC connection.
9. Initial loading needed for budget preparation implementation
10. Loading sequence needed for each cutover component of Phase 1.5
11. Loading sequence needed for each cutover component of Phase 2
12. InfoAdvantage loading of project history data to a custom universe for reporting purposes (see Task 6) and, if applicable, other custom universes.
13. Conversions needed for project activities including testing and training
14. Automated tools or routines to assist the State in validating and verifying converted and loaded data both to the application and to MIDB
15. Plan for conducting and reviewing Mock Conversions
16. The Data Conversion Plan shall include the strategy and plan for loading budget data as well as reference, open items, and historical financial, cost accounting, asset, inventory, labor distribution, timesheet, and employee expense reimbursement data.

The Contractor shall produce a Vendor File/VSS Configuration, Conversion, and Integration Approach that identifies:

1. A specific approach for consolidating multiple source files related to vendors, customers, grantees, employees, internal vendors, internal customers, and grant applicants into a single vendor-customer master file.
2. An analysis and specific approach for converting contracts, purchase agreements, catalogs, purchase orders, and other procurement related open items and standardizing as required, with converted inventory files.

This plan shall describe:

- All files or tables to be built in the new system
- Data sources for those files
- Expected data volumes
- Conversions where automated programming ~~can~~ will be used to significantly reduce data conversion labor
- Summary of data (type, period of time, summary or detail) to be converted
- Roles and responsibilities and timing requirements for the conversion effort
- ~~A specific approach for consolidating multiple source files related to vendors, customers, grantees, employees, internal vendors, internal customers, and grant applicants into a single vendor-customer master file.~~
- ~~An analysis and specific approach for converting contracts, purchase agreements, catalogs, purchase orders, and other procurement related open items and synchronizing, as required, with converted inventory files.~~

Segments of this plan may be delivered serially to incorporate the results of analysis of assigned activities that occur as the project progresses. Updates to the plan will be made, as required, based on the learning and circumstances encountered during the mock conversions.

B. Data Conversion Programs

Based on the Data Conversion Plan, the Contractor shall be responsible for creating and testing automated conversion programs to support the commencement of live operations. This deliverable shall include:

1. Data Conversion Program Designs
2. Developing programming specifications
3. Coding and unit and integration testing for the conversion programs

The State and Contractor shall ~~be responsible~~ share responsibility for developing test scenarios and conducting the acceptance testing ~~with the assistance of the Contractor~~. As part of this effort the Contractor shall build any crosswalk file structures required to complete this task. The State will assist the Contractor in populating the crosswalk tables and will be responsible for any legacy data cleanup required.

C. Mock Conversions

The Contractor shall be responsible for running mock conversions in a project technical environment to test the conversion and to verify that data is being converted successfully, accurately, and completely. The Contractor will provide automated tools or programs that assist the state in determining that the converted totals match source file totals, that record counts are accurate, that converted data passes all ERP validations, and that conversions occur within the window of time available during planned cutover and implementation activities. A successful mock conversion approved by the State will be required before the State agrees to commence User Acceptance Testing in each phase. Other mock conversions will be performed to allow as needed for testing, review of converted data, and to compare the time required for conversion within the time available in the implementation plan. Mock Conversion will be repeated as required to get to a successful mock conversion where data conversion was validated to be accurate and completed within the time available in the implementation plan.

D. Converting Data

The Contractor shall be responsible for running the conversion programs and assisting the State with the verification of the converted data in the production environment. Based on the Data Conversion Plan, the State will take responsibility for legacy data cleanup, loading data that is not practical to convert and load automatically, and for certifying the production database as being accurate.

The following table summarizes the responsibilities of the Contractor and State related to data conversion activities and tasks.

Activities	Contractor	State
7. Manage Conversion Activities	Lead	Assist
8. Create a Data Conversion Plan and Mock Conversion Plan for migrating data between legacy systems and ERP Solution	Lead	Assist
9. Design and document Data Mappings	Lead	Assist
10. Extract data from legacy systems	Assist	Lead
11. Provide Subject Matter Expertise for legacy system data	Assist	Lead
12. Transform and import extracted data into ERP Solution including creation and population of crosswalk structures	Lead	Assist
13. Perform Data Cleansing	Assist	Lead
14. Provide guidance to the State on performing required data clean-up efforts identified through the mock data conversion process	Lead	Assist

Activities	Contractor	State
15. Execute test run conversions and production conversion automated processes (Mock Conversions)	Lead	Assist
16. Present test conversion results to Project Governance	~~Assist~~ Shared	~~Lead~~ Shared
17. Validate quality and accuracy of converted data for mock conversions and production conversion	~~Assist~~ Shared	~~Lead~~ Shared
18. Perform manual conversion of data (including non-electronic data)	~~Assist~~ Shared	~~Lead~~ Shared

Task 5 Deliverables

General

1. Data Conversion Plan

Phase 1

1. Data Conversion Program Designs
2. Unit Tested Data Conversion Programs
3. Approved Mock Conversion
4. Converted Data in Production Environment

Phase 1.5

1. Data Conversion Program Designs
2. Unit Tested Data Conversion Programs
3. Approved Mock Conversion
4. Converted Data in Production Environment

Phase 2

1. Mock Conversion Plan Update
2. Vendor File/VSS Configuration, Conversion, and Integration Approach
3. Data Conversion Program Designs
4. Unit Tested Data Conversion Programs
5. Approved Mock Conversion
6. Converted Data in Production Environment

Task 6 ~~MIDB~~ InfoAdvantage, Reporting, and Transparency & Accountability Website

A. Design, Develop, and Unit Test Budget Preparation Reports

The Contractor shall document reporting requirements and design, develop, and unit test reports needed for the Budget Preparation Implementation as specified more fully in Subsection E of this Task 6.

B. Design, Develop, and Test ~~MIDB Changes~~ InfoAdvantage Reports and Changes

The Contractor shall design and develop new reports and customized reports (including changes to universes if needed) ~~reporting data structures and indexes for the State's existing MIDB data warehouse~~. The existing or additional ~~MIDB~~ data structures shall, at minimum, consist of:

1. Selected ERP Data Structures needed for ~~MIDB~~ infoAdvantage reporting
2. Custom or Summarized Record Structures
    a. Detailed accounting transaction records expanded to include rollup codes and descriptions
    b. Detailed grant and project accounting records expanded to include rollup codes and descriptions
    c. Summarized fiscal year accounting data at the ‘Month to Date’ and ‘Year to Date’ level

d. Custom Universe to house summarized grant and project accounting data at the 'Month to Date', 'Year to Date', and 'Inception to Date' levels in lieu of having to convert the detailed history through SIGMA Financial

e. Records variously summarized by fund, agency, program, and other attributes

f. Records which facilitate period and cross period reporting

g. Other record structures needed to meet ad hoc reporting objectives

C. Data Refresh, Custom Record Building, and Operations Capabilities

The Contractor shall provide configured Extract, Transform, and Load (ETL) or other tools and any required custom programming to update new ERP related data in MIDB on a nightly or more frequent basis. (The State must approve the use of any tool.) The following items that are required will be included:

1. ERP extracts
2. Database replication
3. Data transformation (either from one record structure to another or from XML to fixed record structures suitable for reporting)
4. MIDB loading
5. Summarization and custom record building within MIDB
6. Control reports and synchronization routines
7. Programming to rebuild ERP related MIDB data if it becomes corrupted
8. Architecting the MIDB backup and recovery process

D. Report Analysis

The Contractor shall organize and lead the effort to:

1. Review standard reports delivered with the ERP software and obtain State decisions as to which will be implemented on the ERP Project.
2. Review State reporting needs and obtain and document State decisions on which custom reports will be needed from ~~MIDB~~ InfoAdvantage and from the ERP production application (and from any third party software products that were proposed by the Contractor in its RFP Response).
3. Analyze reporting needs and identify where the State can reduce the overall number of reports required via the use of request or run time parameters that allow the focus and content of the report to be tailored for different groups or needs. For example, report parameters specifying agency, period, date range, fund, and other variables would allow a single report program to be used to provide statewide or specific agency data and to provide data for particular periods or all periods during a fiscal year, as needed).
4. Analyze reporting needs and identify where the State can achieve economies via use of report distribution capabilities (e.g. where a single report could be run and the report distribution software divided and distributed each agencies data in the report rather than running a series of individual agency reports).
5. Obtain and document State decisions on the project phase in which each approved report will be implemented.
6. Identify and prioritize report development activities in regard to timing and availability of reports for the start of System Test, the start of End-to-End Test, and the start of User Acceptance Test. This prioritization is meant to target at least 90% of custom reports (core ERP and InfoAdvantage) will be available at the beginning of the End-to-End Test and is subject to approval of the State Project Director.

E. Reports

The Contractor shall define a mutually agreeable approach to design, develop, and unit test the following reports:

1. All reports and schedules required to produce and publish the State's Comprehensive Annual Financial Report
2. All reports required to meet State and federal reporting requirements
3. All reports specifically identified in the State's functional requirements and rated as "high" if the report cannot be addressed by the ERP system's standard reports
4. All reports specifically identified in the State's functional requirements and rated as "medium" if the report requirement cannot be met by a standard report, subject to the approval of the State
5. 1099 and 1042 reporting
6. All control and operational reports required (including control reports for batch processing and interfaces and operational reports related to disbursement runs, daily transaction listings, reconciliation, synchronization, worked and unworked items, aging reports, etc.).
7. The following additional custom reports as determined by the State, and as defined and agreed to in the planning and design phases of the project:

   a. **Custom ~~MIDB~~ InfoAdvantage Reports** – The Contractor shall produce the following number of ~~MIDB~~ InfoAdvantage custom reports based on input from State Project Management.

      - **100 simple reports** – defined as reports that are estimated to require less than or equal to 40 hours to complete the entire development process, including report design and documentation, development, and unit testing.
      - **100 medium reports** – defined as reports that are estimated to require greater than 40 hours but less than or equal to 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.
      - **100 complex reports** – defined as reports that are estimated to require more than 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.

   b. **Custom ERP Reports** – The Contractor shall produce the following number of custom reports that operate against the ERP Solution production database(s) based on input from the State Project Director. These can be shifted to InfoAdvantage reports with approval of the State Project Director.

      - **100 simple reports** – defined as reports that are estimated to require less than or equal to 40 hours to complete the entire development process, including report design and documentation, development, and unit testing.
      - **100 medium reports** – defined as reports that are estimated to require greater than 40 hours but less than or equal to 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.
      - **100 complex reports** – defined as reports that are estimated to require more than 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.

F. Report Distribution

The Contractor shall setup and test all custom and standard reports (that the State has decided to use) on the Report Distribution System in each phase.

The Contractor shall setup and test an interface to State's Computer Output to Laser Disk system (COLD).

G. Transparency and Accountability Website Design and Development

The Contractor shall produce required designs and perform needed development and unit testing for the new State Transparency and Accountability Website. Consultation with the State Project Director in all stages of design and development is required. At a minimum, the Transparency & Accountability site should provide the following:

1. Provide year-to-date expenditures by category within state department
2. Provide year-to-date expenditures by category within appropriation unit.
3. Provide information regarding vendor payments by vendor, state department, and spending category including the payee name, department issuing the payment, spending category, payment date, and payment amount.
4. Provide ability to exclude confidential or sensitive payee and expenditure data
5. Be searchable.
6. Provide the ability to drill down to lower levels of detail.
7. Provide the ability to display data as charts and graphs.
8. Include data for the current fiscal year and the four previous fiscal years.
9. Provide that data be updated regularly, at least once per month.

In addition, the State is interested in expanding and improving the information and functionality provided by the current website. Examples of potential improvements follow:

- Show budget vs. actual
- Show multi-year appropriations and summary expenditures
- Show YTD revenues vs. expenditure data in pre designated categories and summary levels
- Show expenditure trend data across multiple periods in selected expenditure categories
- Show comparative period expenditure data for current and prior year on a YTD basis
- Show funding splits for state programs
- Show program level expenditures
- Other

Task 6 Deliverables

Phase 1

1. Budget Prep Report Designs
2. Tested and Approved Budget Preparation Reports
3. Report Distribution System Installed, Configured, and Ready for Phase 1 implementation

Phase 1.5

1. Report Analysis
2. Budget Prep Report Designs
3. Tested and Approved Budget Preparation Reports
4. Report Distribution System Installed, Configured, and Ready for Phase 1.5 implementation

Phase 2

1. Report Analysis Deliverable
2. ~~MIDB~~ InfoAdvantage Design including CMC and any custom universes, indexes, etc.
3. Tested and Approved ~~MIDB~~ InfoAdvantage Changes
4. ~~MIDB~~ InfoAdvantage Report Designs
5. Tested and Approved ~~MIDB~~ InfoAdvantage Reports
6. Report Designs for Production ERP
7. Tested and Approved Reports for Production ERP
8. CAFR Report and Publication Design
9. Tested and Approved CAFR Reports/Publication
10. Transparency & Accountability Website Design

11. Tested and Approved Transparency & Accountability Website
12. Report Distribution System Configured and Ready for Phase 2 Implementation (including COLD interface)

Task 7 Interfaces

The Contractor will design, develop, and implement interfaces listed and described in Attachment 6: Interfaces (excluding the interface to/from Buy4Michigan and in addition ITAM, AART and Remedy that will now be needed on the ERP project). These interfaces will be needed to support existing processes and external systems that currently interface with MAIN or other systems slated for replacement as part of the ERP Project. In order to reduce the development and maintenance effort associated with these interfaces, the State requires that all inbound and outbound system interfaces be funneled through standardized interfaces for each identified interface type. This software shall be fully documented to allow DTMB and other State agencies to properly structure current and future interface projects and to facilitate maintenance of interfaces once the system has been implemented. The Contractor will also be responsible for designing, developing, and testing any temporary interfaces that may be required during implementation phasing following the same responsibilities as outlined below in E, Roles and Responsibilities.

The Contractor's responsibilities shall include the following tasks, activities, and deliverables.

A. Create Major Integration Approach Document

The Contractor shall create and submit a document to the State describing key integration between the ERP and the following internal and external systems:

1. State's Transportation legacy systems
2. ~~State's procurement software (from Periscope)~~
3. State's human resource and payroll software (from Infor)
4. State systems that transmit warrant and EFT requests for Disbursement
5. State systems that transmit Payment Vouchers for processing that require vendor file synchronization
6. Banks, credit card processors, and other financial institutions
7. Vendor systems that submit EDI based vendor invoices
8. Integration/Interfaces between the ERP software and any third party or custom applications provided for the project as required to meet specific requirements.
9. ~~State's IT Portfolio and Resource management software (Changepoint)~~

The Contractor shall work with designated state personnel from DTMB, Treasury, and other State Agencies, as well as representatives from external entities to document requirements, design approaches, key details, legacy system modification needed, and any issues associated with the listed integration/interface areas. The document shall also describe how each of the complex integration/interfaces will be tested including those involving external entities.

B. Create Interface Plan

The Contractor shall provide the State with a plan which identifies, analyzes and schedules all interfaces (including those analyzed in the Major Integration Approach Document) to be developed and implemented. This plan document shall include:

1. A description of each interface that is required
2. The direction of the interface
3. The ERP and other system transactions involved
4. Data mapping and translation required
5. Frequency with which the interface will run
6. The technical approach to be used for the interface
7. The phase in which the interface will be needed
8. The identification and resolution of data translation or other issues
9. The sequence in which the interfaces shall be developed and moved to production. All temporary interfaces needed as part of the phasing approach shall also be included in this document.

C. Integration/Interface Between ERP and any Third Party Software Products

The Contractor shall be responsible for all design, programming, extracts, translations, loads, interface tool configuration and extension, job creation, and unit and integration testing required between the ERP and any third party software proposed by the Contractor to meet applicable State requirements.

D. Major Interface/Integration

The Contractor shall be responsible for all design, programming, extracts, translations, loads, interface tool configuration and extension, job creation, and unit and integration testing for the following major integration efforts:

1. ~~Integration between the ERP solution and the State's Procurement System including:~~
   a. ~~Vendor file synchronization~~
   b. ~~Validation of Procurement system transactions against coding block and budgets stored in the ERP system~~
   c. ~~Creation and processing of ERP encumbrance transactions based on Purchase orders created in the Procurement System~~
   d. ~~Creation and processing of ERP Payment Voucher transactions based on match processing that takes place in the Procurement System~~
   e. ~~Creation and processing of encumbrance adjustment, liquidation, or cancellation transactions based on change, cancellation, or other Procurement System Transactions~~
   f. ~~Posting of payment scheduling, warrant date and numbers, and other remittance information from the ERP back to the Procurement System to support reporting and queries~~
   g. ~~Posting of transactions to the ERP system in association with lapsing and reestablishment of purchase orders at year end~~

2. Integration between the ERP solution and the State's Human Resources and Payroll System including:
   a. Posting of Time and Leave data from the ERP to the State's HR/Payroll system
   b. Updating the ERP with payroll accounting and other data to perform labor distribution processing and subsequent update of the ERP accounting and cost accounting records
   c. Validation of employee data on ERP travel and expense reimbursement vouchers against employee data stored in the HR/Payroll System
   d. Posting of approved employee travel and reimbursement requests to the HR/Payroll system for payment through payroll
   e. Posting of accounting entries and remittance data to ERP from the HR/Payroll to reflect payment and associated distribution of payroll and travel/expense reimbursements
   f. Posting of any warrant requests to the ERP for disbursement for any payroll payments that could not be scheduled for payment through the normal payroll disbursement process
   g. Posting of payroll liability transactions and, where applicable, third party payroll payments to the ERP

3. Payment requests to the ERP for payees that will not be in the Vendor File for example, Tax Refunds, Retirement Payrolls, and Payroll

4. Vendor File Synchronization with State Systems that will transmit payment requests via automated interface

5. Payment requests to the ERP from State systems that will transmit payment requests via automated interface

6. Interfaces with Banks, credit card processors, and other financial institutions

7. Vendor systems that submit EDI based vendor invoices

8. Interface with Michigan Treasury Offset System
9. ~~Interface with State's IT Portfolio and Resource management software (Changepoint)~~

10. Interfaces/integration points related to 'Punch Out Contracts'

E. Other Interface Application Software

In addition to its responsibilities for Major Interfaces/Integration listed above, the Contractor shall complete the following for other required interfaces included in the Interface Plan:

1. Program specifications

2. Interface tool configuration and extension, if applicable

3. Interface programs

4. Unit and integration testing of the interface programs or configured tool

5. Creating and testing jobs to combine interface programs developed by the Contractor with any data extract, translation, and mapping programs or other components created by State programmers (or State contractors)

~~**State Responsibilities**~~

The State will be responsible for providing subject matter knowledge of existing interfaces and associated data. State subject matter experts will be made available to consult with the Contractor during the development of the Major Integration Approach Document and Interface Plan and to assist with the determination and adoption of acceptable alternatives to interfaces when appropriate.

For interfaces other than those associated with major integration efforts listed above, the Contractor shall also have overall responsibility for design, development, setup, and testing except as follows: the State will be responsible for coding and unit testing interface programs that extract data from State legacy applications using the formats and protocols defined by the Contractor for use in the transformation and load processes. Additionally, the State will code and unit test interface programs that load data into the legacy applications using the formats and protocols defined by the Contractor and will verify the accuracy of the interfaces through participation in all levels of testing.

The following table summarizes the interface responsibilities of the Contractor and the State.

Interface Roles and Responsibilities	Contractor	State
Managing Interface Activities	Lead	Assist
Interface Planning	Lead	Assist
Interface Design	Lead	Assist
Installation, Maintenance and Operation of Tools	Lead	Assist

Interface Roles and Responsibilities	Contractor	State
Interface Program Specifications	Lead	Assist
Interface Development/Unit Test (Transformation and Load Processes) to State Legacy Systems	Lead	Assist
Interface Development/Unit Test (Extract Processes) involving State Legacy Systems other than those associated with major integration efforts	Assist	Lead
Integration between ERP and any third party tools proposed by the Contractor	Lead	Assist
Audit / Control Reports	Lead	Assist
Interface Procedures	Lead	Assist
Conduct Integration/System Testing	Lead	Assist
Execute User Acceptance Testing*	Lead	Assist
Verify User Acceptance Testing*	Assist	Lead
Provide Subject Matter Expertise*	Assist	Lead
Execute Production Cut-over*	Lead	Assist
Verify Production Cut-over*	Assist	Lead

* These responsibilities will be executed in association with other tasks in the Statement of Work

Task 7 Deliverables

General

1. Major Integration Approach Document (covering all phases)
2. Interface Plan (covering all phases)

Phase 1

1. Interface Designs
2. Interface Tested Programs

Phase 2

1. Interface/Integration Designs
2. Completed and Tested Transportation System Integration
3. Completed and Tested HRMN Integration
4. ~~Completed and Tested Procurement Integration~~
5. Completed and Tested Disbursement Integration
6. Completed and Tested Banking, Credit Card Processors, and Other Financial Interfaces with External Parties
7. Completed and Tested EDI
8. Other Interface - Tested Programs
9. Completed and Tested Treasury Offset Integration
10. Completed and Tested Punch Out Contract integration

Task 8 System, End-to-End (Phase 2), and Recovery Testing

All system components must be subjected to system and recovery testing performed by the Contractor including all application software, interfaces, reports, forms, and any other components that will be used as part of the production system. The Contractor will conduct unit and integration testing on all components prior to commencing system, end-to-end, and recovery testing. System, End-to-End, and Recovery Testing must be thorough enough to demonstrate that the ERP solution is stable, functions as designed, and has minimal software or configuration defects going into the User Acceptance Test. For Phase 2, system testing will begin as functions are developed, configured and ready for testing and will conclude with a separate, comprehensive end-to-end test including all functions, full configurations, all interfaces, and production volume converted data. All Severity 1 and Severity 2 defects, as defined in Attachment 9, that are discovered during System, End-to-End, and Recovery Testing will be resolved prior to the commencement of UAT unless approved in writing by the State Project Director or her designee. Additionally, if the State Project Director determines that Severity 3 defects discovered during System, End-to-End, and Recovery Testing exist in numbers or in combinations that materially affect the State's ability to perform User Acceptance Testing, these defects will be resolved prior to the commencement of UAT. Contractor will be responsible for the following:

A. System and Recovery Test Plans*

The Contractor shall prepare plans and test scripts for system and recovery testing in each phase that will verify that:

1. The new, modified and unmodified software work in concert and operate in stable fashion;
2. The system has been properly configured and contains reference data and parameter settings needed for production use;
3. Reports, correspondence, and forms work in accordance with State requirements;
4. All scripts, batch setup, parameter specification, and scheduling and ~~or~~ job streams are complete and run properly;
5. All security roles, functions and controls operate as intended;
6. All interfaces function properly;
7. All web-based application and integration programming functions properly;
8. The system can be successfully restarted and recovered;
9. The system functions properly using converted data;
10. End-to-end processes are fully tested. All integration points are tested including those within the ERP application, between the ERP and any third party application software provided by the Contractor, and between the ERP application/third party applications and State legacy systems. For Phase 2, some end-to-end processes and integration points will not be tested prior to the End-to-End test execution in accordance with the approved test plans.

This test plan shall be comprehensive in scope and shall be drafted in cooperation with the State Project Director and subject matter experts. ~~At the State's discretion, t~~ Testing involving converted legacy system data ~~may be~~ is required.

The State reserves the right to review test scripts and test results. The Contractor will provide full and complete reports to the State during the course of system testing that show test scripts created, reviewed, and approved. Such reports shall also include test results that detail tests passed, test failed, the reason for test failure (e.g infrastructure, configuration, data, software, or script error), and tracking of re-tested scripts until successful. The report must also track the status of fixes pending, made, re-tested, and the outcome of such re-tests.

B. Prepare and Load System and Recovery Test Environment*

The Contractor shall perform all tasks needed to create and prepare the system and recovery test environment including all hardware, system software, DBMS, fully configured application software, other software or components, unit and integration tested programs, and production values for all parameters except where non production values have been explicitly agreed upon by the State Project Director to meet particular test objectives. The Contractor will also perform all tasks necessary to load required master data, reference data, chart of accounts records, MIDB data, opening balances, open items, and other data needed to conduct planned testing. The State will assist in performing those tasks where its involvement is required.

C. Application System and Recovery Testing*

The Contractor shall be responsible for conducting a system and recovery test in each project phase in accordance with the approved System and Recovery Test Plan. All system test and retest results shall be documented, exceptions analyzed. Material software, configuration, environment, or other defects shall be corrected. The Contractor shall consult with the State Project Director and designated State personnel to determine the extent of regression testing required, if any, based on the extent of discovered defects and 'fixes' observed. The Contractor shall then be responsible for running those regression tests, addressing any issues and correcting any defects that may be discovered before finalizing testing. The Contractor shall lead selected State project team members through the system and recovery test process so that they may review the test process and outcomes and learn about system operations and functionality. The overall testing and corrective effort shall be thorough enough that few software “bugs” or configuration defects are uncovered in the User Acceptance Test which will follow. At the conclusion of testing, the Contractor will certify to the State that system and recovery testing for the project phase is complete and successful and that all discovered defects and issues have been resolved prior to the beginning of User Acceptance Testing for ~~that~~ phase 1 and 1.5 and prior to the beginning of End-to-End Testing for phase 2.

The Contractor shall not start system and recovery testing for a project phase unless all development, configuration, unit and integration testing needed for that phase has been completed and approved by the State Project Director. Any exceptions must be approved in writing by the State Project Executives or their designee(s).

The following table summarizes the system and recovery testing responsibilities of the Contractor and the State.

System Test Roles and Responsibilities	Contractor	State
Develop System and Recovery Test Plan*	Lead	Assist
Provide sample test scripts and lists of scenario topics developed from other projects	Lead	-
Develop system test scripts for all online, batch, and web components of the total ERP solution	Lead	Assist
Develop system test scripts for all forms, reports, interfaces, conversion components, enhancements and workflows	Lead	Assist
Develop recovery test scripts*	Lead	Assist
Prepare and populate the system and recovery test environment with all components and data needed to conduct planned testing*	Lead	Assist

System Test Roles and Responsibilities	Contractor	State
Test online, batch, and web components of the ERP solution	Lead	Assist
Test forms, reports, interfaces, conversion components, enhancements, and work flows	Lead	Assist
Perform recovery testing*	Lead	Assist
Perform issue resolution for tested online, batch, and web components	Lead	Assist
Perform issue resolution for tested forms, reports, interfaces, conversion components enhancements, and work flows	Lead	Assist
Perform issue resolution for interfaces and conversion components developed by the State	Assist	Lead
Perform issue resolution for recovery test issues*	Lead	Assist
Manage and track status of activities	Lead	Assist

* Note: For Phase 2, Recovery Test Plan and associated environment and testing is included as part of End-to-End Test plan and not the System Test plan.

D. End-to-End and Recovery Test Plan – Phase 2

Phase 2 End-to-End and Recovery testing will be conducted for a period of at least six weeks. In preparation for this testing, the Contractor is responsible for the following:

- All data mapping
- Planning and organizing agency configuration and table loading
- Configurations covering at least 95 percent of all grants and projects, unless agency resource constraints have prevented this
- Testing workarounds for any grants or projects that do not fit the base model specifications
- Using fully configured values, production batch parameters, and full setup of batch jobs

The Contractor shall not start End-to-End and Recovery testing for a project phase unless the criteria identified above has been completed and approved by the State Project Director. Any exceptions must be approved in writing by the State Project Executives or their designee(s).

The Contractor is **not** responsible for the following:

- Agency resourcing of associated efforts;
- Agency delays caused by items outside of the Contractor's responsibilities.

The Contractor shall prepare plans and test scripts for end-to-end and recovery testing in Phase 2 that will verify that:

1. The new, modified and unmodified software work in concert and operate in stable fashion;
2. The system has been properly configured and contains reference data and parameter settings needed for production use;
3. Reports, correspondence, and forms work in accordance with State requirements;

4. All scripts or job streams are complete and run properly;
5. All security roles, functions and controls operate as intended;
6. All interfaces function properly;
7. All web-based application and integration programming functions properly;
8. The system can be successfully restarted and recovered;
9. The system functions properly using converted data;
10. End-to-End processes are fully tested. All integration points are tested including those within the ERP application, between the ERP and any third party application software provided by the Contractor, and between the ERP application/third party applications and State legacy systems.

This test plan shall be comprehensive in scope and shall be drafted in cooperation with the State Project Director and subject matter experts. Testing involving full, production volume converted legacy system data is required.

The State reserves the right to review test scripts and test results. The Contractor will provide full and complete reports to the State during the course of end-to-end and recovery testing that show test scripts created, reviewed, and approved. Such reports shall also include documented test results that detail tests passed, test failed, the reason for test failure (e.g infrastructure, configuration, data, software, or script error), and tracking of re-tested scripts until successful. The report must also track the status of fixes pending, made, re-tested, and the outcome of such re-tests.

E. Prepare and Load End-to-End and Recovery Test Environment

The Contractor shall perform all tasks needed to create and prepare the end-to-end and recovery test environment including all hardware, system software, DBMS, fully configured application software, other software or components, unit and integration tested programs, and production values for all parameters except where non production values have been explicitly agreed upon by the State Project Director to meet particular test objectives. The Contractor will also perform all tasks necessary to load required master data, reference data, configuration data, chart of accounts records, infoAdvantage data, opening balances, open items, production volume converted data, and other data needed to conduct planned testing. The State will assist in performing those tasks where its involvement is required.

F. Application End-to-End and Recovery Testing

The Contractor shall be responsible for conducting an end-to-end and recovery test in phase 2 in accordance with the approved End-to-End and Recovery Test Plan. All end-to-end and recovery test and retest results shall be documented, exceptions analyzed. Material software, configuration, environment, or other defects shall be corrected. The Contractor shall consult with the State Project Director and designated State personnel to determine the extent of regression testing required, if any, based on the extent of discovered defects and 'fixes' observed. The Contractor shall then be responsible for running those regression tests, addressing any issues and correcting any defects that may be discovered before finalizing testing. The Contractor shall lead selected State project team members through the end-to-end and recovery test process so that they may review the test process and outcomes and learn about system operations and functionality. The overall testing and corrective effort shall be thorough enough that few software “bugs” or configuration defects are uncovered in the User Acceptance Test which will follow. At the conclusion of testing, the Contractor will certify to the State that end-to-end and recovery testing for phase 2 is complete and successful and that all discovered defects and issues have been resolved prior to the beginning of User Acceptance Testing for phase 2.

The Contractor shall not start end-to-end and recovery testing for a project phase unless all development, configuration, unit and integration testing needed for that phase has been completed and approved by the

State Project Director. Any exceptions must be approved in writing by the State Project Executives or their designee(s).

The following table summarizes the system and recovery testing responsibilities of the Contractor and the State.

End-to-End and Recovery Test Roles and Responsibilities	Contractor	State
Develop End-to-End and Recovery Test Plan	Lead	Assist
Provide sample test scripts and lists of scenario topics developed from other projects	Lead	-
Develop end-to-end and recovery test scripts for all online, batch, and web components of the total ERP solution	Lead	Assist
Develop end-to-end and recovery test scripts for all forms, reports, interfaces, conversion components, enhancements and workflows	Lead	Assist
Prepare and populate the end-to-end and recovery test environment with all components and data needed to conduct planned testing	Lead	Assist
Test online, batch, and web components of the ERP solution	Lead	Assist
Test forms, reports, interfaces, conversion components, enhancements, and work flows	Lead	Assist
Perform issue resolution for tested online, batch, and web components	Lead	Assist
Perform issue resolution for tested forms, reports, interfaces, conversion components enhancements, and work flows	Lead	Assist
Perform issue resolution for interfaces and conversion components developed by the State	Assist	Lead
Perform issue resolution for recovery test issues	Lead	Assist
Manage and track status of activities	Lead	Assist

Task 8 Deliverables

Phase 1

1. System and Recovery Test Plan
2. Approved and Loaded System and Recovery Test Environment
3. Approved System and Recovery Test Outcomes

Phase 1.5

1. System and Recovery Test Plan
2. Approved and Loaded System and Recovery Test Environment
3. Approved System and Recovery Test Outcomes

Phase 2

1. System ~~and Recovery~~ Test Plan
2. Approved and Loaded System ~~and Recovery~~ Test Environment
3. Approved System ~~and Recovery~~ Test Outcomes
4. End-to-End and Recovery Test Plan
5. Approved and Loaded End-to-End and Recovery Test Environment
6. Approved End-to-End and Recovery Test Outcomes

Task 9 User Acceptance Testing Leadership and Assistance

The State and Contractor will be responsible for conducting acceptance testing of the entire application but the Contractor shall certify, in writing, that the System, ~~and~~ Recovery and End-to-End Tests have ~~has~~ been satisfactorily completed and that other UAT readiness milestone requirements have been met prior to the commencement of any User Acceptance Testing. In addition, the Contractor shall provide the following leadership and assistance before and during such testing:

A. User Acceptance Test Training

The Contractor will provide orientation and training on the system design, configuration, and functionality for State User Acceptance Team members who will be planning, creating test scripts, and executing the User Acceptance Test.

B. User Acceptance Test Planning Assistance

Although the State will take primary responsibility for preparing the Acceptance Test Plan, the Contractor shall provide assistance:

1. Structuring test cycles
2. Designing and creating test scripts
3. Explaining user actions, transactions, and processing outcomes
4. Explaining batch processes and processing outcomes
5. Organizing the test tracking, outcome tracking, and exception follow-up procedures
6. Updating the RTM
7. Creating test scenarios that allow the State to test the Implementation Checklist cut-over processes and procedures as part of the UAT. The cut-over to UAT will be used as a 'rehearsal' for the production cut-over.

The User Acceptance Test Plan shall be built around the State's most important business scenarios but will include comprehensive testing of the software and interfaces to ensure that it conforms to marketed or promised functionality.

C. User Acceptance Test Environment

The Contractor will be responsible for the establishment of a User Acceptance Test Environment that is completely ready for User Acceptance Testing including:

1. All required hardware, system software, database management systems, and other production environment components
2. Completely configured, extended, modified, system tested, and performance tuned ERP solution including any third party software application components (including all application programs, files, interfaces, reports, forms, and other components)
3. All parameters loaded with intended production values
4. A fully loaded application database(s) with converted data
5. A fully adapted, system tested, and loaded ~~MIDB~~ infoAdvantage that is synchronized with data in the ERP application
6. Security settings to allow all State acceptance test participants to execute test scripts
7. Pre-work required to allow testing of interfaces with State and external applications

8. The State intends to conduct production-volume (batch and online data included) performance testing in the UAT Environment. The UAT environment needs to mirror the production environment

D. User Acceptance Testing Assistance

The State and Contractor will ~~assume~~ share responsibility for conducting user acceptance testing of the entire application. For Phase 1, the Contractor shall provide assistance during such testing. For Phase 1.5 and 2, the Contractor shall provide leadership and assistance as outlined in the table below ~~during such testing~~. ~~This~~ The Contractor's leadership and assistance shall include:

1. Providing organizational system set-up and other required support to allow for the Implementation Checklist cut-over testing.
2. Any tasks that the Contractor would be responsible for performing during the Production Implementation, the Contractor will be responsible for performing during the cut-over to UAT. This serves to ensure user acceptance testing is based on an appropriate UAT environment and helps to validate the production implementation process. The Contractor would be responsible for identifying, tracking, and resolving problems or issues with the Implementation Checklist and any tools or components that were used while performing checklist items. In addition, the Contractor would be responsible for tracking start and end times for checklist items to ensure the implementation can be achieved within the cut-over window.
3. Submitting off-line jobs.
4. Performing backups.
5. Restoring databases as required.
6. Analyzing and explaining outcomes.
7. Answering questions as they arise.
8. Orientation and training on functionality of the system.
9. Assisting with ad hoc inquiries both to the ERP solution and to ~~MIDB~~ infoAdvantage.
10. Converting data and loading it to the UAT environment so that the test can verify that the software works with converted data.
11. Setting up vendor self service functions available over the internet including those related to ACH or credit card payment processing.
12. Setting up and directly conducting interface testing with external parties including banks, credit card companies, and other external entities (under supervision by the State).
13. Setting up and assisting with internal interface testing with State Agencies.
14. Assisting with test data set-up, including simulating interface data, and conducting the production-volume performance test.
15. Developing the User Acceptance Test Plan
16. Scheduling, coordinating, and overseeing agency participation in UAT.
17. Managing and tracking status of activities.

Successful completion of the User Acceptance Test in each phase shall be required before the software can be approved for production use.

E. FHWA Demonstration Testing Assistance

Under federal law, state transportation departments are expected to successfully complete a comprehensive test of the ERP's capabilities that shows it satisfies the primary elements of the Federal-Aid Highway Program (FAHP). This demonstration must occur prior to implementation of the ERP software for DOT. The Contractor shall be responsible for ensuring that the ERP system fully supports the required functionality and for preparing the test environment for the FHWA system demonstration. DOT staff will be responsible for performing the demonstration scripts to the satisfaction of the FHWA reviewers.

Phase 1.5 and 2 User Acceptance Test Roles and Responsibilities	Contractor	State
Develop User Acceptance Test Plan	Shared	Shared
Provide sample test scripts and lists of scenario topics developed from other projects	Lead	-
Provide system and end-to-end test scripts updated for usability in user acceptance testing	Lead	Assist
Develop UAT test scripts for all online, batch, and web components of the total ERP solution	Assist	Lead
Develop UAT test scripts for all forms, reports, interfaces, conversion components, enhancements and workflows	Assist	Lead
Schedule, coordinate, and oversee agency participation in UAT	Shared	Shared
Prepare and populate the UAT test environment with all components and data needed to conduct planned testing	Lead	Assist
Test online, batch, and web components of the ERP solution	Assist	Lead
Test interfaces with third parties	Lead	Assist
Test forms, reports, interfaces, conversion components, enhancements, and work flows	Shared	Shared
Perform issue resolution for tested online, batch, and web components	Lead	Assist
Perform issue resolution for tested forms, reports, interfaces, conversion components enhancements, and work flows	Lead	Assist
Perform issue resolution for interfaces and conversion components developed by the State	Assist	Lead
FHWA Demonstration Testing Assistance	Lead	Assist
Manage and track status of activities	Shared	Shared

Task 9 Deliverables

Phase 1

1. User Acceptance Test Training
2. User Acceptance Test Plan and Scripting Assistance
3. User Acceptance Test Environment and Data
4. User Acceptance Test Assistance

Phase 1.5

1. User Acceptance Test Training
2. User Acceptance Test Plan and Scripting Leadership and Assistance
3. User Acceptance Test Environment and Data
4. User Acceptance Test Leadership and Assistance
5. Approved User Acceptance Test Outcomes

Phase 2

1. User Acceptance Test Training

2. User Acceptance Test Plan and Scripting Leadership and Assistance
3. User Acceptance Test Environment and Data
4. User Acceptance Test Leadership and Assistance
5. FHWA Demonstration Testing Leadership and Assistance
6. Approved User Acceptance Test Outcomes

Task 10 Documentation

The Contractor must develop and provide the State with all required system documentation at the time the system is presented for final acceptance. The Contractor shall provide complete and accurate technical, system, operations, administrative, and user documentation as specified below:

A. Security Administrators Guide

The Contractor shall prepare a comprehensive security guide that combines general reference information with State-specific procedures to assist security administrators in performing their duties.

B. User Documentation

The Contractor shall develop End User Documentation with on-line user procedures, on-line help, and on-line policy documentation along with a hard-copy quick reference for ERP System users that provides log-on and log-off procedures and basic access and navigation instructions. The on-line guide must at least contain the following:

1. The customized and configured windows, screens, element names, modified functionality, government orientation, and other distinguishing characteristics and site specific configuration applicable to the State;
2. Functional Help Desk Phone Number;
3. Technical Help Desk Phone Number;
4. Instructions on obtaining a file from the new system;
5. Transaction Quick Reference Guides which include step-by-step procedures for executing each business process;
6. Report Guide (MIDB and Non-MIDB Related);
7. Transparency & Accountability Portal documentation;
8. Year-End Close Processing and CAFR Production Guide including steps for both Central and Agency staff;
9. Important Dates; and
10. Key Tips and Tricks.

C. System Management Guide Documentation

The contractor shall assist the State with development of a System Management Guide. This guide will describe the overall control and reconciliation procedures for the ERP system. This manual will be distributed to central system management personnel responsible for the administration, processing and control of the ERP system.

D. Operations Documentation

The Contractor shall develop complete operations documentation. The operations documentation must include overviews of the application, system structure, major processing, required interfaces, report documentation and correspondence documentation. This includes producing a Run Book, documenting any required periodic maintenance tasks, and documenting annual processes. The operations documentation must also describe the overall batch or background process schedule, including dependencies, sequencing, timing, and recovery procedures in the event aborted jobs or other batch errors.

E. Technical Documentation

The Contractor must produce complete system documentation that addresses the application software and its architecture (e.g., implementation view of the application architecture). This includes all ERP software source code, programs, executables, interface file layouts (or APIs for any real-time interfaces), EDI Implementation Guides, Run Book, software configuration management process, tool-specific guides (problem tracking tool, change tracking tool, version control tool, etc.) and a comprehensive data model that includes a detailed Data Element Dictionary **(**DED). The data element dictionary must include a crosswalk that reflects the data elements used by each function or module, logical data model, new user-defined elements, and a tool for keeping the DED current. The Vendor must maintain this documentation to reflect changes made throughout the project.

F. Documentation of All Customization/Configuration Parameters

The Contractor must document all customization /configuration parameters used at the State as well as the full range of alternative values possible (and the effect of each value). The documentation must reference all parameters and note and explain where dependencies occur and where environmental conditions dictate specific usage and settings.

G. Documentation of Exit Points and Exposed Parameters for Site-Specific Programming

The Contractor shall document all supported program exit points. The documentation must include the envisioned functionality of each exit point, any configuration values that may affect the operation of each exit point and the input and output data parameters or arguments available to site-specific programs invoked from each exit point. The documentation must also include sample programming code that uses the exit point with the associated input and output data parameters. The documentation must reference all parameters and note and explain where dependencies occur and where environmental conditions dictate specific usage and settings.

H. Workstation Installation Procedures and Automated Installation Tools

If there are any workstation-based components to any of the proposed software products, the Vendor shall provide the State with a set of documented procedures and automated deployment/installation scripts for use with the State's software distribution tools. These scripts and procedures must enable State staff to independently install and connect additional workstations. The state may move toward a virtual desktop.

I. Workflow Administration Guide

The management and administration of workflow software is expected to be a required duty for selected State personnel. The Contractor shall produce a Workflow Administration Guide that describes the duties of workflow administrators. The Guide must include:

1. Coverage of policies and procedures for workflow setup
2. User setup
3. Work group setup
4. Workflow rules setup
5. Provisions for establishing alternates for absent users
6. Archiving and reporting

J. Online Help

The Contractor shall describe the online help functions delivered with the proposed software, and the process available, if any, to customize the online help to support the software as configured and customized (if necessary) to meet the State's business needs.

K. MIDB Related Documentation (job set up, recovery, etc.)
The Contractor shall provide the data dictionary, technical documentation for ETL refresh processes, custom record building, canned reports, quantitative and qualitative reconciliation processes, Business Object Universes and associated security models.

Task 10 Deliverables

Phase 1

1. Security Administration Documentation
2. User Documentation
3. System Management Guide
4. Operations Documentation
5. Technical Documentation including Customization/Configuration Parameters, Exit Points and Exposed Parameters for Site-Specific Programming, Workstation Installation Procedures and Automated Installation Tools, and MIDB Related Documentation
6. Workflow Administration Documentation
7. Online Help

Phase 1.5

1. Security Administration Documentation
2. User Documentation
3. System Management Guide
4. Operations Documentation
5. Technical Documentation including Customization/Configuration Parameters, Exit Points and Exposed Parameters for Site-Specific Programming, Workstation Installation Procedures and Automated Installation Tools, and MIDB Related Documentation
6. Workflow Administration Documentation
7. Online Help

Phase 2

1. Security Administration Documentation
2. User Documentation
3. System Management Guide
4. Operations Documentation
5. Technical Documentation including Customization/Configuration Parameters, Exit Points and Exposed Parameters for Site-Specific Programming, Workstation Installation Procedures and Automated Installation Tools, and MIDB Related Documentation
6. Workflow Administration Documentation
7. Online Help

Task 11 Training and Knowledge Transfer

The Contractor shall provide four categories of training/knowledge transfer:

- Project Team Training;
- User Training to support implementation and ongoing needs;
- Technical and operations personnel training to support implementation; and

- Deeper knowledge transfer to a core group of functional, administrative, programming, and other technical and operations personnel to support independent capabilities consistent with the State's post implementation role when the Contractor departs.

Pursuant to the Managed Services Agreement the Contractor may limit technical knowledge transfer to those areas associated with the State's post implementation roles. The State will provide training facilities, as required.

The following shall be included as part of Contractor services:

A. Project Team Training

At minimum, the Contractor shall provide training to the project team as follows:

1. In the first weeks of the Project, training shall be provided using the installed baseline software. This training shall cover:
   a. System architecture, navigation and functionality
   b. The Contractor's basic strategy for establishing a scheme of classification for the State
   c. The Contractor's proposed means of meeting the State's budget needs
   d. On-line and batch operations
   e. Security, system options available
   f. Implementation methodology
   g. Project team roles and responsibilities
   h. Other topics useful in orienting the Project team to the software

The Contractor shall also explain how State Project team members may gain continued access to the "User Playground" environment to better understand system functionality and to try various business scenarios.

As the Project Strategy, Plan, and Resource Schedule become finalized, the Contractor shall provide education sessions to Project team members and key stakeholders on the approved strategy and plan. Key State executives, the State Project Executives, and the State Project Director will also participate in explaining the path to be taken.

As the Project progresses, the Contractor shall provide focused sessions with supporting materials on how State Project responsibilities can be met. Such topics shall include: developing desk procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing and operating a help desk, and other relevant topics helpful to Project team members in planning, organizing, and executing their assigned Project roles.

Additional project team training sessions (not included in those initially delivered) will be held within a timeframe mutually agreed upon by project management to familiarize project team members and a limited number stakeholders selected by the State on Advantage procurement and purchasing functionality including a full walk through of the vendor self-service function and an overview of the key configuration options that are available with the delivered package.

B. Project Team Training

At minimum, the Contractor shall provide training to the project team as follows:

1. In the first weeks of the Project, training shall be provided using the installed baseline software. This training shall cover:
   a. System architecture, navigation and functionality
   b. The Contractor's basic strategy for establishing a scheme of classification for the State
   c. The Contractor's proposed means of meeting the State's budget needs
   d. On-line and batch operations
   e. Security, system options available
   f. Implementation methodology

g. Project team roles and responsibilities

h. Other topics useful in orienting the Project team to the software

The Contractor shall also explain how State Project team members may gain continued access to the “User Playground” environment to better understand system functionality and to try various business scenarios.

As the Project Strategy, Plan, and Resource Schedule become finalized, the Contractor shall provide education sessions to Project team members and key stakeholders on the approved strategy and plan. Key State executives, the State Project Executives, and the State Project Director will also participate in explaining the path to be taken.

As the Project progresses, the Contractor shall provide focused sessions with supporting materials on how State Project responsibilities can be met. Such topics shall include: developing desk procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing and operating a help desk, and other relevant topics helpful to Project team members in planning, organizing, and executing their assigned Project roles.

C. Training Needs Assessment

The Contractor shall perform and document a training needs assessment for all pertinent State users, management, executive, technical, administrative, and operations personnel. The assessment will identify who needs training and what training is needed. It will also include an assessment of the extent of change necessary and where activities, materials, or supplemental help may be needed for State personnel to be adequately prepared to perform their ERP related duties and responsibilities once the ERP solution is implemented.

D. Training Plan

The Contractor must provide a detailed training plan for the design, development, implementation and evaluation of a comprehensive training program for the ERP System. The Training Plan will serve all levels of the ERP Project including the project team, system users, trainers and technical staff. It will be updated, as required, to reflect any evolution in planned content, delivery, and scheduling as the project proceeds.

The Training Plan will be based on the ‘training needs assessment’ conducted by the Contractor and must also describe the types of training to be employed to meet identified needs. The Plan must focus on the initial implementation of functionality to replace the existing systems/procedures, as well as immediate training for State users.

E. Training Curriculum

The Contractor will identify and document the training curriculum that will be used to educate and train State staff on functional use of the system, reports, ad hoc reporting, how to perform administrative functions, and on technical and operations topics that will be required by State personnel to operate, support, and maintain the ERP System.

F. Training Materials

The Contractor must design and develop all training materials including training guides, speaker notes, syllabi, user materials, user exercises, examples, and course curricula (including training objectives and outcomes). The Contractor must provide all electronic source documents and graphics used in the development and presentation of training. The State will provide specialized examples to incorporate in the training materials for particular agencies that may make different use of the same system features or transactions. In addition to computer based training, the Contractor must create material for high level demos/live sessions that can be conducted with various target audiences, for example, the time and leave audience, via auditorium and web-ex sessions.

G. Computer Based, Web-ex, and Auditorium Training for Time and Attendance and Employee Travel and Expense Reimbursement

The State's approximately 47,000 employees must be trained on the time and attendance functionality, as well as the employee travel and expense reimbursement functionality. The Contractor shall design, develop, test, and deploy computer based training (CBT) (preferably available over the Web) to all applicable State employees. The Contractor must pilot the high level demos/live sessions with the time and attendance audience via auditorium and web-ex sessions and train State staff to conduct additional sessions. This training must be comprehensive enough to allow end users to begin using the new time and attendance and employee travel and expense reimbursement functions upon implementation without any classroom training or one-on-one assistance. Because of the differences in time-keeping data entry across the State's workforce, specialized training examples will be needed for some groups (e.g. some MDOT employees, Corrections Officers, legislative and judicial agencies, etc.). The Contractor will be required to make the CBT modules available during Acceptance Test to verify its effectiveness and readiness for use by the

State's employees and (with the State's assistance) deploy the software for use in training end users. The Contractor must leave all required tools to modify and deploy the CBT modules with the State for future use

Help desk staff will require more direct training. This group can be used as a pilot for the effectiveness of the CBT.

H. End User Training to Support Implementation

A train-the-trainer classroom approach will be pursued by the Contractor to assist State in training employees who will be using the ERP System for functions other than Time and Attendance and Employee Travel and Expense Reimbursement. The main goal will be the effective training of approximately 4,000 users in a compressed timeframe as part of Phase 2. As part of this effort the Contractor must provide:

1. Classroom materials to support the classroom training effort. These materials may then be customized further by State personnel, with the Contractor’s assistance, to include desk procedure content, organization context information, and comparisons with previous procedures.

2. Training for State trainer candidates in:

   a. The system functionality on which they will be performing training; and

   b. How to customize the training materials and set up specific reference data in the training environment.

3. A stable, tested training environment pre-loaded with representative converted reference and historical data that can become a starting point for creating training materials (including screen prints showing user actions and processing outcomes). Note: For training purposes the State will take responsibility for entering representative reference data that is impractical or impossible to convert automatically.

4. Assistance to the trainer candidates as they customize training materials and enter required data to support their future training exercise.

5. Assistance creating and reloading the training database. This assistance will include: back up, restore, refresh, and troubleshooting assistance in the training environment as materials are prepared and customized and as end user training proceeds. Assistance related to the training database shall include creation, loading, and reloading the training database created using training specific data and an extract from the successful and approved mock conversion. It will also include setting the system clock and calendar as required to support training scenarios and repetition of particular training courses for different and subsequent user groups.

6. Assistance developing Executive End User desk guides for casual use and inquiry / reporting within the ERP solution.

I. Technical and Operations Personnel Training

The Contractor must provide hands-on training to State personnel in the necessary skills to provide needed operations and maintenance of the ERP system after implementation, starting with the first phase implementation. Such training will be based on the State's role in directly performing operations and maintenance services and in monitoring and overseeing related Contractor services that will be provided as part Managed Services The Hosting/Managed Services Contract may limit such training to the State to that required for the operations, maintenance, and oversight role designated for the State under the Managed Services Agreement. The Contractor shall work with the State during the planning process to document the role the State will play in system operations and software maintenance and will create and deliver technical and operations personnel training after first obtaining State approval for the training plan.

J. Knowledge Transfer

The State requires a more complete knowledge transfer approach that supplements training with carefully selected hands-on experience during the project. During the planning phase of the Project, the Contractor shall document a knowledge transfer approach to provide the State has a “critical mass” of knowledgeable users (experts), system administrators, programmers and other technical personnel sufficient to execute State responsibilities after implementation occurs.

The Contractor shall then incorporate the needed knowledge transfer activities, sessions, and tasks into the project plan and execute its responsibilities as called for in the approved Knowledge Transfer Plan.

Task 11 Deliverables

General

1. Project Team Training Approach and Plan
2. Knowledge Transfer Approach and Plan
3. Project Team Training
   - ERP
   - Methodology and Approach

Phase 1

1. End User Training Needs Assessment
2. End User Training Plan
3. End User Training Curriculum
4. End User Training Materials
5. End User Training Environment/Data
6. Trained State Trainers
7. End User Training Assistance
8. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
9. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Phase 1.5

1. End User Training Needs Assessment
2. End User Training Plan
3. End User Training Curriculum
4. End User Training Materials
5. End User Training Environment/Data
6. Trained State Trainers
7. End User Training Assistance
8. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
9. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Phase 2

1. End User Training Needs Assessment
2. End User Training Plan
3. End User Training Curriculum
4. End User Training Materials
5. End User Training Environment/Data
6. Trained State Trainers
7. End User Training Assistance
8. CBT Designs
9. Completed, Tested and Approved CBT Courses
10. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
11. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Task 12 Implementation and Agency Change Management Assistance

Implementation and Agency Change Management for the ERP Solution will be a shared responsibility of the Contractor and the State. Contractor responsibilities shall include the following:

A. Implementation Cutover Plan

The Contractor shall produce a detailed Implementation Cutover Plan for each project phase that includes all project activities needed for deployment of the ERP System into the production environment including specific cut-over tasks, planned dates for tasks to be started and completed, task responsibilities and assignments, task dependencies, estimated work effort required to complete each task, and the State sign-off required for each task completed. The Implementation Cutover Plan for Phase 2 shall detail each discrete cutover point associated with Phase 2.

The plan shall detail the approach for coordinating the following:

1. Data conversion activities;
2. Technical preparation and system changeover activities;
3. Development of a cutover activities checklist including activities that need to occur on the existing systems being replaced and interfaced;
4. Staffing requirements, by role and responsibilities, for both Contractor and State staff for all deployment / cut-over activities;
5. Deployment schedule; and
6. A contingency plan for identifying, communicating, resolving risks and maintaining then current production capability if the deployment is delayed.

The Contractor shall track progress against the plan and include this information in status and milestone reports submitted to the State.

B. Implementation Checklist

The Contractor shall prepare and maintain an Implementation Cutover Checklist for each phase that lists, describes, and tracks each activity required to ascertain that the ERP System and the State are ready for deployment and that related milestone criteria have been achieved. The Implementation Checklist for Phase 2 shall detail activities associated with each discrete implementation/cutover point for Phase 2. This checklist must be reviewed with the State Project Director and team leaders/managers with increasing frequency as the Go-Live date approaches to confirm in accordance with this Implementation Agreement:

1. User Acceptance and Performance Testing and Tuning have been successfully completed
2. Staff have completed staff and management training
3. Data has been converted, cleaned and accepted by the user
4. Interfaces are functioning as required
5. Reports are functioning as required
6. Site preparation requirements have been met
7. A full production schedule has been developed and approved
8. Full setup, testing, and certification of batch and print jobs on job scheduler and report distribution software have occurred
9. Effective knowledge transfer to applicable State Hosting/Managed Services personnel has occurred related to technical and administrative support for hardware, network and other infrastructure, server software, technical environments, security, and application of patches and software vendor updates
10. The Help Desk organization has been established and Help Desk personnel have been trained on the ERP and for their Help Desk roles
11. User and system supports are in place
12. Other outcomes or standards that may be identified and mutually agreed upon during implementation analysis and planning

The Contractor will track progress against the items included on the checklist and include that information in the status and milestone reports submitted to the State.

C. Agency Implementation and Change Management Planning

The Contractor shall work with designated Agency personnel and the State Project Director to prepare implementation and change management plans for each Agency that specify:

1. Implementation of the functions and modules that will be used by the Agency
2. Agency specific system replacement (if applicable)
3. Agency specific interfaces
4. Data preparation and conversion that must be performed by the Agency
5. Policies and procedure revisions needed by the Agency

6. Participation in Training Needs Assessment
7. Role Definitions needed to establish security profiles for Agency personnel
8. Development and delivery of Agency specific training content to be included in end user training
9. Hardware, software, and network readiness tasks (as applicable to that Agency)
10. Any Agency specific legacy system modifications that the Agency needs to perform
11. Security and workflow
12. Due dates and time frames
13. Key Change Management Issues and Required Actions
14. Other agency tasks, as required

Agency implementation plans will reflect a sufficient level of detail to clearly identify dependencies between agency implementation plans and agency technical schedules. Agency implementation plans and agency technical schedules will be reflected in the overall integrated master schedule. For Phase 2, these plans shall contain sufficient detail to address the discrete implementation/cutover points associated with Phase 2 functionality.

D. Agency Implementation Guide

The Contractor shall prepare an Agency Implementation Guide that will provide a comprehensive overview of the system as configured for the State; information on forming and organizing Agency teams; producing Agency implementation and change management plans; instructions for internal Agency Implementation Teams to follow as they perform Agency tasks associated with the ERP implementation; Agency team status reporting; an overview of project tasks where Agency involvement will be required and the participation that will be needed; Agency cutover schedules and related Agency checklist items; and other pertinent information. The primary audience for this document will be the Agency Implementation Teams. In addition to information and guidance, the guide will include templates that the agencies will be able to use to support their implementation efforts.

The Agency Implementation Guide will be modular in design to allow for sections to be released as completed and as appropriate given the project timeline. The Contractor will work closely with the State Project Director to determine the contents of the Agency Implementation Guide during initial planning activities on the project.

E. Provide Agency Implementation and Change Management Assistance

The Contractor shall organize, provide staff members, and take the lead on preparing all required documents for ~~a Central Agency Support~~ the Agency Deployment and Organizational Change Management and Communications Teams that will be staffed by both Contractor and State personnel. The Agency Deployment and Organizational Change Management and Communications Teams ~~Central Agency Support Team~~ will be responsible for the following:

Task	Contractor	State
1. Producing an Agency Implementation and Change Management Assessment for each Agency prior to producing the Agency Implementation and Change Management Plan that includes: a. Documentation of planned agency usage of new system modules, transactions, processes, and functions b. Documentation of planned replacement of agency specific systems and planned Agency specific interfaces c. Creation of an Old/New Transaction Crosswalk for use by agency implementation teams, trainers, and other purposes d. Planned Agency coding block usage and chart of accounts development responsibilities e. Any need for Agency legacy system modification f. Any need for federal, state, or other externally mandated reports (at the report level) g. Agency specific data conversion issues and tasks to be performed h. Identification of Agency ERP system users i. Other relevant factors (e.g. the Agency has a geographically disbursed workforce; the agency must coordinate ERP implementation	Lead	Assist

Task	Contractor	State
with other initiatives, presence of significant issues, etc.)		
2. Coordinating Agency specific interfaces and conversion activity with the Interfaces and Conversion Teams to schedule appropriate analysis, design, development, and testing.	Shared	Shared
3. Providing CGI Advantage product knowledgeable subject matter and technical expertise working with agencies to understand use of mapping and configuration specifications, interface and conversion templates, or other project materials provided to support the agencies.	Lead	Assist
4. Providing CGI Advantage product knowledgeable subject matter and technical expertise working on-site with agencies to support the Agency development of their custom reports and establish State team members' reporting and infoAdvantage expertise, in alignment with the Reports Analysis Deliverable.	Lead	Assist
5. Establishing and maintaining centralized Agency issue database and escalating issues (as required) for resolution	Shared	Shared
6. Coordinating the allocation of project resources to support various Agency implementation and change management assistance efforts	Shared	Shared
7. Providing training to Agency Implementation Team members on the new system design, the role of the project and Agency teams; and on the tasks that Agency teams will be asked to perform.	Shared	Shared
8. Working with individual Agencies to develop implementation plans for each	Lead	Assist
9. Providing each Agency with a single point of contact for implementation issues and concerns		Lead
10. Developing and conducting training and information sessions for the internal Agency teams and other Agency personnel participating in the implementation	Shared	Shared
11. Assisting Agencies in organizing internal Agency Implementation Teams	Assist	Lead
12. Assist Agencies in performing their conversion and interface design, programming, and testing tasks.	Shared	Shared
13. Assisting Agencies in identifying and resolving project issues	Shared	Shared
14. Providing guidance on how to perform tasks assigned to internal Agency teams as part of their Agency Implementation and Change Management Plans	Shared	Shared
15. Producing status reports for each Agency implementation and change management effort	Shared	Shared

F. Production Schedule

The Contractor shall document the production schedule for each phase and design, create, test, and document jobs and perform needed setup on job schedulers. The Contractor shall complete this set of tasks with sufficient lead time to allow jobs and job streams to be tested in System Test, End-to-End and Recovery testing and again in the User Acceptance Test.

G. Meet all requirements for Implementation Readiness Milestone Go/No-Go Decision

The Contractor shall maintain a list of Milestone requirements (approved by the State Project Executives and State Project Director) that must be met to obtain written approval from State Project Executives and the Governing Board prior to implementing the ERP solution in each phase and each discrete implementation/cutover point for Phase 2. The Contractor shall report progress and issues related to completing the listed requirements and include that information in status and milestone reports. At the State's discretion, the list of milestone requirements may be consolidated with the Implementation Checklist.

H. Production Turnover

Once the system has been approved, in writing, as ready for production, the Contractor must work with State to perform a production turnover procedure (including turnover procedures for each discrete implementation/cutover associated with Phase 2). Among other things, this procedure requires that the Contractor turn over all system components in a systematic fashion into the production environment. The Contractor must ready and organize applicable source code, compiled modules (where required), job streams, other components of the production environment, and documentation for the production turnover. The State will then require the Contractor to demonstrate that all compiled extension and other site specific programs have corresponding source code and validate that all programs are present. The State will also require the Contractor to demonstrate that all components and modules of the production environment can be operated on-line or run to completion as appropriate, and that all modules, job streams (or scripts) are properly documented according to agreed upon standards.

I. Help Desk Plan and Implementation

The Contractor shall provide ERP Help Desk Planning and Implementation Assistance in each phase, including the discrete implementation/cutover points associated with Phase 2. This assistance shall include:

1. Help Desk Organization Design, staffing model, and roles and responsibilities
2. Develop incident and problem management procedures
3. Select an incident reporting and tracking database and tool
4. Document incident triage approach and procedures
5. Design phone, email, and other contact procedures
6. Develop Help Desk materials and communications for ERP users
7. Provide training for State Help Desk Personnel on the ERP application

J. Vendor/Supplier/Customer Outreach Assistance

The Contractor will be responsible for the analysis, planning, and supporting activities associated with outreach to vendors, grant applicants, customers, and other external entities that may be affected by project related re-registration, change in vendor-customer numbering, the implementation and use of new internet self-service portals, or other aspect of the implementation and use of the new system.

Task	Contractor	State
1. Producing a Vendor Outreach Plan that includes: a. creating a Vendor/Supplier/Customer Management Plan for the State's review and approval, by drafting required communications and in carrying out other aspects of planned outreach and coordination	Lead	Assist
2. Drafting of Outreach materials: a. including vendor outreach mailings, training guides, and training sessions	Lead	Assist
3. Vendor Outreach shall: a. include all communication related to the implementation, use, required re-registration, access privileges or procedures, account renumbering, or to any notifications or required actions Documentation of planned replacement of agency specific systems and planned Agency specific interfaces b. address all types of vendors and customers including small business, minority owned, disabled-owned and women-owned businesses, and vendors with varying degrees of technology capabilities	Assist	Lead

K. Local Entity Outreach

The Contractor will be responsible for the analysis, planning, organization, communication, and educational material development activities associated with the implementation of the ERP Procurement functionality for local entities currently using the State's Buy4Michigan software. Responsibilities in this task area shall include the creation of a Local Entity Outreach Plan to be reviewed and approved by the State.

Task 12 Deliverables

Phase 1

1. Implementation Cutover Plan
2. Implementation Checklist
3. Agency Implementation and Change Management Assessment
4. Agency Implementation Guide
5. Agency Implementation and Change Management Plans
6. Approved Production and Production QA Environments
7. Completed and Approved Agency Implementation and Change Management Assistance
8. Production Job Schedule

9. Approved Batch jobs on Job Scheduler
10. Completed Production Turnover
11. Help Desk Plan
12. Help Desk Implementation Assistance

Phase 1.5

1. Implementation Cutover Plan
2. Implementation Checklist
3. Agency Implementation and Change Management Assessment
4. Agency Implementation Guide
5. Agency Implementation and Change Management Plans
6. Approved Production and Production QA Environments
7. Completed and Approved Agency Implementation and Change Management Assistance
8. Production Job Schedule
9. Approved Batch jobs on Job Scheduler
10. Completed Production Turnover
11. Help Desk Plan
12. Help Desk Implementation Assistance

Phase 2

1. Implementation Cutover Plan
2. Implementation Checklist
3. Agency Implementation and Change Management Assessment
4. Agency Implementation Guide
5. Agency Implementation and Change Management Plans
6. Approved Production and Production QA Environments
7. Completed and Approved Agency Implementation and Change Management Assistance
8. Production Job Schedule
9. Approved Batch jobs on Job Scheduler
10. Completed Production Turnover
11. Help Desk Plan Update
12. Help Desk Implementation Update Assistance

Key Stakeholder and Outreach Assistance including:

13. Vendor/Supplier/Customer/Local Outreach Plan
14. Local Entity and Vendor Outreach Assistance

Task 13 Post Implementation Support

The Contractor shall provide production support throughout the Project and post implementation support for a period of 12 months after the Phase 2 implementation. This production support must consist of technical, functional, and operational support and must be provided by skilled Contractor personnel who have become familiar with the State's application and ~~MIDB~~ infoAdvantage design, configuration, and site specific code over the course of the implementation effort.

Contractor post implementation support shall include:

A. 'Break Fix' Support

The Contractor will provide 'break fix' support from the first implementation through a period of 12 months after the last phased implementation occurs. This support shall include returning the ERP solution (including ~~MIDB~~ infoAdvantage) to working order with accurate data after a failure or problem has occurred. Such support will include correction of software and data defects directly related to a software defect in the ERP solution including those related to programming, configuration, scripting, job streams, data conversion or data inaccuracy caused by or allowed by a software or technical configuration defect. It shall also include rectification of any problems that cause ERP components to perform below agreed to standards for availability, online performance, or batch performance. Break fix support shall include investigation, correction, testing, and deployment of software, data or other ‘fixes’. This shall include the application of patches available pursuant to the Proprietary Software Maintenance Agreement to application software, and those related to the DBMS, operating system, or other components required to rectify a production incident. This service will be substantially delivered in coordination with the State Project Director and production support organization(s) and may, at the State’s discretion, be used to support knowledge transfer objectives.

B. Technical Support

With regard to the ERP solution software components, the Contractor shall provide software configuration management support; apply service packs from software vendors; perform any technical upgrades to COTS products comprising the ERP Solution; manage all development and testing environments; and address all application software performance issues. The Contractor shall also take responsibility for management of the production technical environment and related QA environments and will be responsible for performance issues related to hardware and infrastructure. The State and Contractor will jointly perform technical reviews associated with maintaining and deploying releases of any ERP solution component that that has been certified by its vendors for compatibility and eligibility for full support.

C. Application Development

This support will be provided after the Phase 1 implementation by the Contractor for the duration of the project including the 12 months of post implementation support following the implementation of Phase 2. The Contractor will assign a dedicated group of developers approved by the State to provide this service. The developers will report to the State and may be used for minor enhancement or report design, development, testing, documentation, and deployment or to provide information or knowledge transfer, as required.

D. Help Desk

The Contractor shall participate in the operation of the State Help Desk by:

1. Receiving and providing triage, investigation, technical, functional, operations, warranty, and other break fix support via the Help Desk organization using its procedures. Specific areas of responsibility would include:
    a. All ERP solution components (as enhanced and configured for the State)
    b. All ERP interfaces, reports, workflows, and forms
    c. MIDB data, reports, refresh and custom record building routines
2. Provide status reporting to the Help Desk and State Project Director related to ERP or MIDB incidents, pending solutions, completed fixes, and scheduled deployments to implement the fixes.
3. Supporting needed communications with State Agencies related to reported problems, workarounds, choices related to solutions, State and Contractor actions required to implement the solutions, operations impacts of any solutions, and scheduled release dates for fixes and solutions.

Contractor participation will occur at two levels in the planned Help Desk Organization: Initial triage (level 1) and investigation, work around determination, and fix (level 3). The State will be responsible for receiving and logging incidents and resetting passwords (level 1), providing functional explanations to user questions (level 2), closing incidents, and communicating ‘work arounds’ and fix schedules to the broad user community. The Contractor will be responsible for level 3 support related to hardware, infrastructure, and security until such time as these responsibilities are assumed under the Managed Services Agreement.

E. Functional Support

The State will take the lead on providing functional support to the user community. The Contractor shall provide ‘as needed’ support to State personnel in those instances where designer/developer level knowledge is required and as follows:

1. Answer questions concerning how functional needs can be met using the software or related to interpretation of processing outcomes
2. Provide functional ‘workarounds’ where required while defects are being addressed
3. Explain, mitigate, or rectify impact of data conversion on initial ‘to dos’, pending approvals, suspense items, cases, returns, bills, assessments, correspondence, and other aspects of ERP or MIDB usage that may be affected by converted data
4. Assist in the resolution of functional issues faced by ERP users (not requiring ‘break fix’ services)
5. Provide procedural and functional support for the first Year End Close and production of the CAFR

F. Operations Support

The Managed Services provider will take responsibility for ERP operations, but the State will require initial onsite support during the first month of operations after each ‘go live’ and mutually agreed upon ‘as needed’ support thereafter. Specific aspects of this support include the following:

1. Providing onsite support during the first month of operations (or longer if production stabilization issues affecting batch operations persist beyond two weeks)
2. Providing knowledge transfer to the Managed Services operations personnel prior to full transition of responsibilities
3. Supporting State or Managed Services operations personnel once responsibility shifts (on call but not necessarily onsite)
4. Assisting with restore, recovery, and reprocessing (as necessary) when circumstances necessitate such actions
5. Analyzing the upcoming production calendar to determine where the State needs to vary or suspend processing as part of an overall set of corrective actions related to problem resolution, software updates, or deployment of enhancements.

G. Upgrade to Latest Release

The Contractor shall provide that the State has been successfully upgraded to release Advantage 3.11 of the ERP Solution and the contractor support release of other third party application software specific to the ERP release (including all required changes to customized code) prior to the end of the final post implementation period.

Task 13 Deliverables

Phase 1

1. Phase 1 Post Implementation Support

Phase 1.5

1. Phase 1.5 Post Implementation Support

Phase 2

1. Final Post Implementation Support (After Final Implementation)
2. 1st Quarter
3. 2nd Quarter
4. 3rd Quarter
5. 4th Quarter

~~6. Upgrade to latest release~~

Exhibit 2-1: ERP Project Milestone Definitions

The following Milestones are updated to reflect the relaxed entrance criteria for System Test, the addition of End-to-End and Recovery testing as a discrete portion of System Test, the recognition of Phase 1.5 as a discrete implementation point, and other adjustments noted in the preceding sections of this Contract Change Notice.

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
1. Project Strategy and Plan	
General Criteria: To verify that specified: • Planning and organization activities are completed • Required Staff are in place to begin design activities • Monitoring and controlling processes including status reporting, issue tracking and escalation, risk management, and scope management have been documented • Technical environments for user playground, design, and development activities in both Phase 1 and 2 have been established • Knowledge transfer approach and plans have been documented • Initial project team training on the software and the tailored methodology to be used on the project has been completed • ERP and any other application software has been installed • State participants for each requirements validation and design topic have been identified and confirmed • Schedule for all requirements and design meetings needed for phases 1 and 2 has been created and confirmed • Site specific extensions and how enhancements will be performed in order to facilitate future upgrades has been documented • Requirements validation, analysis, and design deliverable formats and content to be used in phase 1 and 2 have been reviewed and approved by the State • Required communications to agencies and other stakeholders have taken place • State roles, responsibilities and staffing needs are properly defined • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been received for required milestone criteria	**Planning Deliverables** • Project Strategy, Plan and Resource Schedule • Risk Identification, Analysis, and Management Plan • Issue Process/Database • Status Reporting Process • Scope Change Control Process • Organizational Change Management Plan • Communications Plan • SUITE Review and Mapping **Technical Services Deliverables** • Project Environment Specification • Completed Software Installation, User Playground, and Software Education Sessions • Complete Development Environment - Phase 1 - Phase 2 **System Analysis and Design Deliverables** • Site Specific Code Retrofitting Approach **Training and Knowledge Transfer Deliverables** • Project Team Training Approach and Plan • Knowledge Transfer Approach and Plan • Project Team Training - ERP - Methodology and Approach **Project Management Deliverables** • Milestone Report 1: Project Strategy and Plan
2. Phase 1 - Budget Preparation Design	
General Criteria To verify that:	**System Analysis and Design Deliverables** • Requirements Validation Document • Budget Preparation Design • Inventory of Transactions, Views, Reports, and

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• A complete design for Budget Preparation has been created, reviewed, understood, and approved • Budget control design and planned usage has been determined and the budget preparation module design is in sync in terms of the following: - elements that will be used in creating budget - extent and nature of agency expense budgeting that may use additional elements - allotment frequency - relationship of fund sources used in budgeting to fund codes - whether changes to budget lines in the production system will be initiated in budget preparation module or simply made in the production system - whether converted data from MAIN will be used as the starting point for budget preparation • Conversion and interface plans are completed and approved • All Phase 1 report, interface, and conversion designs are completed and approved • The overall security architecture and design has been completed and approved • Configuration and development tasks are documented in detail, planned, and assigned • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been received for required milestone criteria	Processes • Internal Control Risk Assessment • Software Configuration Plan • Chart of Accounts Design Assistance - Budget Preparation • Functional Designs • Technical Designs • Requirements Traceability Matrix **Data Conversion Deliverables** • Data Conversion Plan • Data Conversion Program Designs **Report Deliverables** • Budget Prep Report Designs **Interfaces Deliverables** • Interface Plan (covering all phases) • Interface Designs **Technical Services Deliverables** • Security Architecture and Design • Configuration Management Procedures **Project Management Deliverables** • Organizational Change Management Plan Update • Communications Plan Update Milestone Report 2: Budget Preparation Design
3. PHASE 2 - ERP CORE DESIGN	
General Criteria To verify: • A complete design for all Core functions has been created, reviewed, understood, and approved • Planned coding block usage has been finalized and meets needs of all agencies • All key system configuration options have been reviewed and decisions made • A plan to create the needed chart of accounts for all coding block elements has been reviewed and approved • Conversion and interface plans are completed and approved • How the State will meet its requirements for cash, modified accrual, and accrual accounting has been documented and approved • The approach and designs for CAFR reporting are documented and approved • How project, grant, work order, labor distribution, and cost allocation processing will work and has been designed,	**System Analysis and Design Deliverables** • Requirements Validation Document • Core Design Fundamentals Document • Process, and Transaction Mapping Analysis • Requirements Validation Document • Cost Accounting Classification and Reporting Plan • Inventory of Transactions, Views, Reports, and Processes • ~~Internal Control Risk Assessment~~ • FHWA Comprehensive Design • ~~Software Configuration Plan~~ • Chart of Accounts Plan • Chart of Accounts Design Assistance • Functional Designs • Technical Designs • Requirements Traceability Matrix ~~**Reports Deliverables**~~

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
documented and approved • Key State processes that will be implemented using Core functions have been documented, approved, and are reflected in the approved software design • ~~MIDB~~InfoAdvantage designs are completed and approved • Major Integration for ERP and other proposed applications has been designed and approved • Major integration between the ERP/other provided applications and State and external systems has been designed and approved (e.g. with HRMN, Procurement System, DOT systems, etc…) • All Phase 2 report, interface, and conversion designs are completed and approved • An FHWA comprehensive design has been created and approved by both the State and US Federal Department of Transportation representative • The overall security architecture and design for phase 2 has been completed and approved • Configuration and development tasks are documented in detail, planned, and assigned • The new Transparency & Accountability Website design has been completed and approved • The security architecture and plan for Phase 2 has been completed and approved • The technical specifications for the Phase 2 production and production QA environments has been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria	~~• MIDB infoAdvantage Design~~ ~~• MIDB infoAdvantage Report Designs~~ ~~• Report Designs for Production ERP~~ ~~• CAFR Report and Publication Design~~ ~~• Transparency & Accountability Website Design~~ **Data Conversion Deliverables** • Data Conversion Program Designs **Interface Deliverables** • Major Integration Approach Document (covering all phases) • Interface Designs **Technical Services Deliverables** • Completed Production and Production QA Specification **Project Management Deliverables** • Organizational Change Management Plan Update • Communications Plan Update • Milestone Report 3: ERP Core Design
4. PHASE 1 - BUDGET PREPARATION CONFIGURATION AND DEVELOPMENT	
General Criteria To verify that: • Budget prep configuration and development, unit, and integration testing including that for all reports, interfaces, and conversion are complete and approved • The training needs assessment, training plan, and training curriculum for Phase 1 are complete and approved • The system and recovery test environment has been created and is ready for use • The Phase 1 training environment has been created and approved • The production and production QA environment specifications have been completed and approved • The system and recovery test plan and scripts have been	**Configuration and Development Deliverables** • Configuration and Development Inventory • Unit Tested and Documented Configuration • Unit Tested Site Specific Code • Unit Tested and Documented Workflows ~~**Reports Deliverables**~~ ~~• Tested and Approved Budget Preparation Reports~~ **Conversion Deliverables** • Unit Tested Data Conversion Programs **Interfaces Deliverables**

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
completed and approved • The system and recovery test environment has been loaded with data as required for testing • The Security, Vulnerability and Penetration Test Plan has been created and approved • Agency implementation and change management assessments, plans, and the agency implementation guide have been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria	• Interface Tested Programs **Training Deliverables** • End User Training Needs Assessment • End User Training Plan • End User Training Curriculum **Technical Services** • Completed System and Recovery Test Environment • Completed Training Environment • Production and Production QA Environment Specification • Performance Testing and Tuning Plan • Approved Phase 1 Security, Vulnerability and Penetration Test Plan **System and Recovery Testing** • System and Recovery Test Plan • Approved and Loaded System and Recovery Test Environment **Implementation and Agency Change Management Assistance Deliverables** • Agency Implementation and Change Management Assessment • Agency Implementation Guide • Agency Implementation and Change Management Plans **Project Management** • End User Readiness Assessment • Milestone Report 4: Budget Preparation Configuration and Development
5. PHASE 1 - BUDGET PREPARATION UAT - GO/NO GO	
General Criteria To verify that: • Budget prep system and recovery test has been completed and approved • Security, vulnerability, and penetration testing has been completed and approved • Performance testing and tuning has been completed and approved • Conversion programs needed to establish beginning values for budget prep have been completed and tested • Budget prep UAT environment has been created and loaded with data needed for testing • A successful mock conversion and population of the budget prep UAT application has occurred	**Technical Services Deliverables** • Production and Production QA Environments • Completed Phase 1 Performance Testing and System Tuning • Performance Testing and System Tuning Procedures • Completed Security, Vulnerability, and Penetration Test **Conversion Deliverables** • Approved Mock Conversion ~~**Reports Deliverables**~~ ~~• Report Distribution System Installed, Configured, and Ready for implementation~~

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• Budget prep UAT team members have been trained • UAT planning and scripting has been completed • Contractor personnel have been assigned to support the UAT • The report distribution system has been setup for all reports • Training for user acceptance test participants has occurred • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria and for starting the user acceptance test	**System and Recovery Testing Deliverables** • Approved System and Recovery Test Outcomes **User Acceptance Test Deliverables** • User Acceptance Test Training • User Acceptance Test Plan and Scripting Assistance • User Acceptance Test Environment and Data **Documentation Deliverables** • Online Help **Implementation and Agency Change Management Assistance Deliverables** • Completed and Approved Agency Implementation and Change Management Assistance • Implementation Cutover Plan • Implementation Checklist • Production Job Schedule • Approved Batch jobs on Job Scheduler **Project Management Deliverables** • Milestone Report 5: Budget Preparation UAT Go/No Go
6. PHASE 1- BUDGET PREPARATION IMPLEMENTATION 'GO/NO GO'	
General Criteria To verify that: • The user acceptance test has been successfully completed • End user training has been successfully completed • A successful mock conversion has been completed, reviewed, and approved • The production environment is tested, approved, and ready • System performance and throughput has been verified as meeting the required standards • Help Desk planning, setup, staffing, testing, and training is complete and approved. • Implementation checklist items have been confirmed as being completed • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live'	**User Acceptance Test Deliverables** • User Acceptance Test Assistance **Documentation Deliverables** • User Documentation • Technical Documentation • Operations Documentation • System Management Guide • Security Administration Documentation • Workflow Administration Documentation **Training Deliverables** • End User Training Materials • End User Training Environment/Data • Trained State Trainers • End User Training Assistance • Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer • Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators **Implementation and Agency Change Management**

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
	Assistance Deliverables • Approved Production and QA Environments • Completed and Approved Agency Implementation and Change Management Assistance • Help Desk Plan • Help Desk Implementation Assistance **Project Management Deliverables** • Milestone Report 6: Budget Preparation Implementation Go/No Go
6.1 RE-PLANNING	
General Criteria To verify that: • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live'	**Reports Deliverables** • Phase 2 Report Analysis Deliverable **Project Management Deliverables** • Updated Project Strategy, Plan and Resource Schedule - Phase 1.5 and 2 • Organizational Change Management Plan Update – Phase 1.5 and 2 • Communications Plan Update – Phase 1.5 and 2
7. PHASE 1- BUDGET PREPARATION ACCEPTANCE	
General Criteria To verify that: • Ninety (90) days of stable use has completed with no remaining defects or performance problems that have a significant impact on use, productivity, or accuracy. At least 30 consecutive calendar days have occurred without any new or previously discovered significant defect or production issue. • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria • Production support for the Phase 1 implementation has occurred satisfactorily	**Implementation Deliverables** • Completed Production Turnover • Converted Data in Production Environment **Post Implementation Support Deliverables** • Phase 1 Post Implementation Support **Project Management Deliverables** • Milestone Report 7: Budget Preparation Acceptance
8. PHASE 2 - AGENCY IMPLEMENTATION PLANNING AND ORGANIZATION (AND GUIDE)	

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
General Criteria To verify that: • Agency implementation and change management assessments have been completed • Agency implementation and change management plans for all agencies have been completed • Agency implementation guides have been completed • The design and launch of Agency implementation and change management status reporting has been completed • The project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Resource Plan and resourcing has been addressed in a satisfactory manner • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria	**Implementation and Agency Change Management Assistance Deliverables** • Agency Implementation and Change Management Assessment • Agency Implementation and Change Management Plans for All Agencies • Agency Implementation Guide **Project Management Deliverables** • End User Readiness Assessment • Milestone Report 8: Agency Implementation Planning and Organization
9. PHASE 2 - ERP CORE FUNCTION CONFIGURATION AND DEVELOPMENT COMPLETE (SYSTEM TEST ENTRANCE)	
General Criteria As delineated in Task 8, the System Test Plan will be developed with recognition that testing activities will be planned and organized around testing components of the solution as development and configuration is completed and will culminate with a comprehensive End-to-End and Recovery Test (see Milestone 10). To verify that: • All Phase 2 configuration and development, unit, and integration testing including that for all reports, interfaces, and conversion has been completed • The training needs assessment, training plan, and training curriculum for Phase 2 are complete and approved • The system ~~and recovery~~ test environment has been created and is ready for use • The Phase 2 training environment has been created and approved • The production and production QA environment specifications have been completed and approved • The system ~~and recovery~~ test plan and scripts have been completed and approved • The system ~~and recovery~~ test environment has been loaded with data as required for testing • The Security, Vulnerability, and Penetration Test Plan has	**Technical Services Deliverables** • Completed System ~~and Recovery~~ Test Environment • Approved Security, Vulnerability and Penetration Test Plan **Configuration and Development Deliverables** • Vendor/VSS Configuration, Conversion, & Integration Approach • Software Configuration Plan • Configuration and Development Inventory and Plan • Unit Tested and Documented Configuration, as applicable for System Test activities • Unit Tested and Documented Baselined and Site Specific Code, as applicable for System Test activities • Unit Tested and Documented Workflows, as applicable for System Test activities • Internal Control Risk Assessment **Data Conversion Deliverables** • Unit Tested Data Conversion Programs, as applicable for System Test activities **Interfaces Deliverables** • Completed and Tested Transportation System

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
been created and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria • Production support for the Phase 1 implementation continues satisfactorily	Integration • Completed and Tested HRMN Integration ~~• Completed and Tested Procurement Integration~~ • Completed and Tested Disbursement Integration • Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties • Completed and Tested EDI Interfaces • Other Interfaces - Tested Programs • Completed and Tested Punch Out Contract Integration ~~**Reports Deliverables (as defined in Reports Analysis)**~~ ~~• Tested and Approved MIDB infoAdvantage Changes~~ ~~• Tested and Approved MIDB infoAdvantage Reports~~ ~~• Tested and Approved Reports for Production ERP~~ ~~• Tested and Approved CAFR Reports/Publication~~ ~~• Tested and Approved Transparency Website~~ **Report Design Deliverables** • InfoAdvantage Design including CMC and any custom universes, indexes, etc. • Report Designs for InfoAdvantage • Report Designs for Production ERP • CAFR Report and Publication Design • Transparency & Accountability Website Design **System ~~and Recovery~~ Test Deliverables** • System ~~and Recovery~~ Test Plan • Approved and Loaded System ~~and Recovery~~ Test Environment **Training Deliverables** • End User Training Needs Assessment • End User Training Plan • End User Training Curriculum **Project Management Deliverables** • Milestone Report 9: ERP Core Function Configuration and Development Complete
9.1 PHASE 1.5 DESIGN, DEVELOPMENT, AND CONFIGURATION (SYSTEM TEST ENTRANCE CRITERIA)	
General Criteria To verify: • A complete design for all Budget Preparation Design functionality related to Advantage 3.11 and deferred Phase 1 functionality has been created, reviewed, understood, and approved • Planned coding block usage has been finalized and meets	**Configuration and Development Deliverables** • Budget Preparation Design Update for Advantage 3.11, Deferred Phase 1 Functionality, Ongoing Elaboration • Budget Preparation Phase 1.5 Configuration, Training, and Technical updates as identified below: **Reports Deliverables**

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
needs of all agencies • All key system configuration options have been reviewed and decisions made • Key State processes that will be implemented using Budget Preparation functions have been documented, approved, and are reflected in the approved software design • InfoAdvantage designs are completed and approved • Integration between the Budget Preparation and Core Financials has been designed and approved • All Phase 1.5 configuration and development, unit, and integration testing including that for all reports, interfaces, and conversion has been completed • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Governing Board approval has been given for meeting milestone completion criteria	• Phase 1.5 Report Analysis • Budget Prep 1.5 Report Designs **Configuration and Development Deliverables** • Configuration and Development Inventory • Unit Tested and Documented Configuration as applicable for System Test activities • Unit Tested Site Specific Code as applicable for System Test activities • Unit Tested and Documented Workflows as applicable for System Test activities • Internal Control Risk Assessment **Data Conversion Deliverables** • Data Conversion Program Designs • Unit Tested Data Conversion Programs • Approved Mock Conversion • Converted Data in Production Environment **System Test Deliverables** • System Test Plan • Approved and Loaded System Test Environment **Technical Services Deliverables** • Completed Production and Production QA Specification • Completed Development Environment • Completed System Test Environment • Completed Training Environment • Approved Security, Vulnerability and Penetration Test Plan • Performance Testing and Tuning Plan **Implementation and Agency Change Management Assistance Deliverables** • Agency Implementation and Change Management Assessment • Agency Implementation Guide • Agency Implementation and Change Management Plans **Training Deliverables** • End User Training Needs Assessment • End User Training Plan • End User Training Curriculum **Project Management Deliverables** • Milestone Report 9.1: Phase 1.5 Design, Development, and Configuration
9.2 PHASE 1.5 BUDGET PREPARATION UAT GO/NO GO (SYSTEM TEST EXIT CRITERIA)	

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
General Criteria To verify that: • System and Recovery test has been successfully completed • Security testing has been successfully completed • Performance testing and tuning has been successfully completed • All conversion programs needed for Phase 1.5 have been completed and tested • Phase 1.5 UAT environment has been created and data loaded to that environment for testing • A mock conversion and population of the Phase 1.5 UAT application has been completed successfully • Phase 1.5 UAT team members have been trained • Phase 1.5 UAT planning and scripting has been completed • Contractor personnel have been assigned to support the Phase 1.5 UAT • The report distribution system has been setup for all reports • Training for user acceptance testing participants has occurred and has been approved • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been completed and approved • Technical Services updates include analysis of and potential updates to the following Phase 1 Deliverables: o Completed Security, Vulnerability, and Penetration Test Plan o Completed Performance Testing and Tuning Plan • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for starting the user acceptance test	**Technical Services Deliverables** • Completed Security, Vulnerability, and Penetration Test • Completed Performance Testing and Tuning • Performance Testing and System Tuning Procedures • Completed User Acceptance Test Environment • Production and Production QA Environments **Systems and Recovery Test Deliverables** • Approved System and Recovery Test Outcomes **Data Conversion Deliverables** • Approved Mock Conversion **User Acceptance Test Deliverables** • User Acceptance Test Training • User Acceptance Test Plan and Scripting Leadership and Assistance • User Acceptance Test Environment and Data **Documentation Deliverables** • Online Help **Implementation and Agency Change Management Assistance Deliverables** • Implementation Cutover Plan • Implementation Checklist • Production Job Schedule • Approved Batch jobs on Job Scheduler **Project Management Deliverables** • Milestone Report 9.2: Phase 1.5 Budget Preparation UAT Go/No Go
9.3 PHASE 1.5 BUDGET PREPARATION IMPLEMENTATION GO/NO GO (UAT EXIT CRITERIA)	
General Criteria To verify that: • User Acceptance Test has been successfully completed • End user training has been successfully completed • The production environment is tested, approved, and ready • System performance and throughput has been verified as	**User Acceptance Test Deliverables** • User Acceptance Test Leadership and Assistance • Approved User Acceptance Test Outcomes **Documentation Deliverables** • User Documentation • Technical Documentation

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
meeting the required standards • Help Desk planning, setup, staffing, testing, and training is complete and approved • Implementation checklist items have been confirmed as being completed • A successful Dry Run Rehearsal of the implementation cutover process has been completed, reviewed, and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live'	• Operations Documentation • System Management Guide • Security Administration Documentation • Workflow Administration Documentation **Training Deliverables** • End User Training Materials • End User Training Environment/Data • Trained State Trainers • End User Training Assistance • Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation • Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators **Implementation and Agency Change Management Assistance Deliverables** • Approved Production and Production QA Environments • Completed and Approved Agency Implementation and Change Management Assistance • Help Desk Plan • Help Desk Implementation Assistance **Project Management Deliverables** • Milestone Report 9.3: Phase 1.5 Budget Preparation Implementation Go/No Go
9.4 PHASE 1.5 BUDGET PREPARATION ACCEPTANCE	

General Criteria
 	
To verify that:
 	
• System has been in Production for thirty (30) days after go-live without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (25% of total payment)
• System has been in Production for ninety (90) days after go-live without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (50% of total payment)
• The remaining 25% of total payment will be released upon completion of the following:
  o Ninety (90) days of stable use has completed with no remaining defects or performance problems that have a significant impact on use, productivity, or accuracy. At least thirty (30) consecutive calendar days have occurred without any new or previously discovered material defect or production issue
  o The project plan and risk plan have been properly updated
	Implementation and Agency Change Management Assistance Deliverables
	• Completed Production Turnover
	• Converted Data in Production Environment
	
	Post Implementation Support
	• Phase 1.5 Post Implementation Support
	
	Project Management Deliverables
	• Milestone Report 9.4: Phase 1.5 Budget Preparation Acceptance

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
o Status reports have been issued in good form and on a timely basis o Action items are being tracked and are being addressed on a timely basis o Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis o Responses to QA reports have been issued in good form and on a timely basis o Production support for the Phase 1 implementation continued satisfactorily o Production support for the Phase 1.5 implementation has occurred satisfactorily o Governing Board approval has been given for meeting milestone completion criteria and accepting the system	
10. PHASE 2 - ERP CORE FUNCTION END-TO-END AND RECOVERY TEST – 'GO/NO GO' (SYSTEM TEST EXIT CRITERIA)	
General Criteria To verify that: • System ~~and recovery~~ test has been successfully completed • Security testing has ~~been successfully completed~~ begun • Performance testing and tuning has ~~been successfully completed~~ begun • All conversion programs needed to establish beginning values for Phase 2 have been completed and tested • Phase 2 ~~UAT~~ End-to-End and Recovery test environment has been created and data loaded to that environment for testing • A mock conversion and population of the Phase 2 ~~UAT~~ End-to-End application has been completed successfully • Phase 2 ~~UAT~~ End-to-End and Recovery team members have been trained • Phase 2 ~~UAT~~ End-to-End and Recovery planning and scripting has been completed • Contractor personnel have been assigned to support the Phase 2 ~~UAT~~ End-to-End and Recovery Test • The report distribution system has been setup for all reports • Training for ~~user acceptance~~ end-to-end testing participants has occurred and has been approved • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for starting the user	**Technical Services Deliverables** • Completed Security, Vulnerability and Penetration Test Plan • Completed Security, Vulnerability, and Penetration Test • Completed Performance Testing and Tuning Plan • Completed Performance Testing and Tuning • Performance Testing and System Tuning Procedures • Completed End-to-End and Recovery Test Environment • Completed User Acceptance Test Environment • Production and Production QA Environments **Configuration and Development Deliverables** • ~~Unit~~ System Tested and Documented Configuration • ~~Unit~~ System Tested Site Specific Code • ~~Unit~~ System Tested and Documented Workflows **Data Conversion Deliverables** • ~~Unit~~ Tested Data Conversion Programs • Approved Mock Conversion **Interfaces Deliverables** • ~~Completed and~~ System Tested Transportation System Integration • ~~Completed and~~ System Tested HRMN Integration • ~~Completed and Tested Procurement Integration~~ • ~~Completed and~~ System Tested Disbursement Integration • ~~Completed and~~ System Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties • ~~Completed and~~ System Tested EDI Interfaces • System Tested Punchout Contract Integration • Other Interfaces – System Tested Programs

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
acceptance test	~~**Reports Deliverables**~~ ~~• Tested and Approved infoAdvantage Changes~~ ~~• Tested and Approved infoAdvantage Reports~~ ~~• Tested and Approved Reports for Production ERP~~ ~~• Tested and Approved CAFR Reports/Publication~~ ~~• Tested and Approved Transparency Website~~ **System and Recovery Test Deliverables** • End-to-End and Recovery Test Plan • Approved and Loaded End-to-End and Recovery Test Environment • Approved System ~~and Recovery~~ Test Outcomes ~~**User Acceptance Test Deliverables**~~ ~~• User Acceptance Test Training~~ ~~• User Acceptance Test Plan and Scripting Leadership and Assistance~~ ~~• User Acceptance Test Environment and Data~~ **Documentation Deliverables** • Online Help **Implementation and Agency Change Management Assistance Deliverables** • Completed and Approved Agency Implementation and Agency Change Management Assistance including agency configuration, mapping, and readiness assessment to date • Implementation Cutover Plan • Implementation Checklist • Production Job Schedule • Approved Batch jobs on Job Scheduler **Project Management Deliverables** • Milestone Report 10: ERP Core Function UAT Go/No Go
10.1 PHASE 2 - ERP CORE FUNCTION UAT – ‘GO/NO GO’	
General Criteria To verify that: • End-to-End and Recovery test has been successfully completed • Outstanding defects and issues at the conclusion of End-to-End and Recovery testing have been fully documented, scheduled and assigned for resolution, and have been deemed tolerable to carry into UAT by the State Project	~~**Technical Services Deliverables**~~ **Systems and Recovery Test Deliverables** • Approved End-to-End and Recovery Test Outcomes **User Acceptance Test Deliverables** • User Acceptance Test Training

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
Director • Security testing has been successfully completed • Performance testing and tuning has been successfully completed • All conversion programs needed to establish beginning values for Phase 2 have been completed and tested • Phase 2 UAT environment has been created and data loaded to that environment for testing • A mock conversion and population of the Phase 2 UAT application has been completed successfully • Phase 2 UAT team members have been trained • Phase 2 UAT planning and scripting has been completed • Contractor personnel have been assigned to support the Phase 2 UAT • The report distribution system has been setup for all reports • Training for user acceptance testing participants has occurred and has been approved • UAT planning and scripting are complete and approved • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been updated if necessary as a result of End-to-End and Recovery test results and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for starting the user acceptance test	• User Acceptance Test Plan and Scripting Leadership and Assistance • User Acceptance Test Environment and Data **~~Reports Deliverables~~** ~~• Report Distribution System Installed, Configured, and Ready for Implementation~~ **Training Deliverables** • Computer Based Training (CBT) Designs • Unit Tested Computer Based (CBT) Training **Implementation and Agency Change Management Assistance Deliverables** • Completed and Approved Agency Implementation and Agency Change Management Assistance • Refined Implementation Cutover Plan • Refined Implementation Checklist • Updated Production Job Schedule • Approval of Updated Batch jobs on Job Scheduler **Key Stakeholder and Outreach Assistance Deliverables** • Vendor/Supplier/Customer/Local Outreach Plan **Project Management Deliverables** • Milestone Report 10.1: ERP Core Function UAT Go/No Go
11. PHASE 2 - CORE IMPLEMENTATION 'GO/NO GO'	
General Criteria To verify that: • User Acceptance Test has been successfully completed • End user training has been successfully completed • A successful mock conversion has been completed, reviewed, and approved • The production environment is tested, approved, and ready • System performance and throughput has been verified as meeting the required standards • Help Desk planning, setup, staffing, testing, and training is complete and approved • Implementation checklist items have been confirmed as being completed • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely	**User Acceptance Test Deliverables** • User Acceptance Test Leadership and Assistance • Approved User Acceptance Test Outcomes **Documentation Deliverables** • User Documentation • Technical Documentation • Operations Documentation • System Management Guide • Security Administration Documentation • Workflow Administration Documentation **Training Deliverables** • End User Training Materials • End User Training Environment/Data

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live' Note: the State Project Director may establish Go/No Go decision points for each applicable cutover point by adapting the criteria above as required for each cutover	• Trained State Trainers • End User Training Assistance • Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer • Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators **Implementation and Agency Change Management Assistance Deliverables** • Approved Production and QA Environments • Completed and Approved Agency Implementation and Change Management Assistance • Help Desk Plan • Help Desk Implementation Assistance **Key Stakeholder and Outreach Assistance Deliverables** • Local Entity and Vendor Outreach Assistance **Project Management Deliverables** • Milestone Report 11: Core Implementation Go/No Go
12. ~~NOT USED~~ REPORTING	
General Criteria To verify that: • The approach and designs for CAFR reporting are documented and approved • All Phase 2 report designs are completed and approved • Transparency & Accountability website design is completed and approved • All Phase 2 InfoAdvantage modification designs are completed and approved • Budget prep configuration and development, unit, and integration testing for all reports are complete and approved • All Phase 2 configuration and development, unit, and integration testing for all reports has been completed and approved • The report distribution system has been setup for all Budget Preparation reports • The report distribution system has been setup for all Phase 2 reports • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Responses to QA reports have been issued in good form and on a timely basis • Production support for the Phase 1 implementation continues	**Reports Phase 1.5 Deliverables** • InfoAdvantage Design Update • InfoAdvantage Report Design Update • Tested and Approved infoAdvantage Changes • Tested and Approved infoAdvantage Reports **Report Technical Deliverables** • Phase 1.5 Report Distribution System Installed, Configured, and Ready for implementation • Phase 2 Report Distribution System Installed, Configured, and Ready for Implementation **Report Test Deliverables** • Tested and Approved Budget Preparation Reports • Tested and Approved Budget Preparation Reports for Phase 1.5 • Tested and Approved InfoAdvantage Changes • Tested and Approved InfoAdvantage Reports • Tested and Approved Reports for Production ERP • Tested and Approved CAFR Reports/Publication • Tested and Approved Transparency & Accountability Website

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
satisfactory • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live'	
13. PHASE 2 - CORE ACCEPTANCE	
General Criteria To verify that: • System has been in Production for thirty (30) days after go-live and two (2) payroll cycles have been executed without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (25% of total payment) • System has been in Production for ninety (90) days after go-live without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (50% of total payment) • The remaining 25% of total payment will be released upon completion of the following: o Ninety (90) days of stable use has completed with no remaining defects or performance problems that have a significant impact on use, productivity, or accuracy. At least thirty (30) consecutive calendar days have occurred without any new or previously discovered material defect or production issue o The project plan and risk plan have been properly updated o Status reports have been issued in good form and on a timely basis o Action items are being tracked and are being addressed on a timely basis o Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis o Responses to QA reports have been issued in good form and on a timely basis o Production support for the Phase 1 implementation continued satisfactorily o Production support for the Phase 2 implementation has occurred satisfactorily o Governing Board approval has been given for meeting milestone completion criteria and accepting the system	**Implementation and Agency Change Management Assistance Deliverables** • Completed Production Turnover • Converted Data in Production Environment **Post Implementation Support** • Phase 2 Post Implementation Support **Project Management Deliverables** • Milestone Report 13: Core Acceptance

Exhibit 2-2

Deliverable Acceptance Criteria and Procedures

This exhibit describes acceptance criteria for all Contractor Deliverables. The State shall not unreasonably delay or withhold acceptance of a deliverable, including for any issue that does not materially prevent the applicable deliverable from satisfying applicable acceptance criteria established in this exhibit. If after a reasonable number of attempts, Contractor is unable to accomplish acceptance, the State may seek remedies available to it under Article 2 of the Agreement.

1. Written Deliverable Acceptance Criteria

Written deliverables must be reviewed and approved by the State in accordance with Section 2.253. In addition, each written deliverable will be accepted based on its compliance with a Written Deliverable Definition Document that shall be prepared for each written deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Written Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable.

<u>Section 1: Summary</u>

- Deliverable Name/Number:
- Deliverable Submission Date:
- Interim Draft Due Date (if applicable)
- Targeted Review and Approval Times:
  - Initial Deliverable Review Period
  - Initial Deliverable Review Due Date
  - Due Date for Corrections and Revisions
  - Due Date for Second Review
- Format: (e.g. Microsoft Word, PowerPoint, Excel, Visio, ERD, Other)
- Open Issues: (Yes or No, if Yes refer to Section 4)
- Estimated Number of Pages:
- Number of Hard Copies
- Number of Soft Copies

<u>Section 2: Deliverable Description</u>

- Overview of Deliverable Purpose
- Document Structure and Required Content

<u>Section 3: Deliverable Approach</u>

- Overview of How The Deliverable Will Be Created
- Interim Draft Content (if applicable)
- Who is Involved in Creating the Deliverable
  - Contractor
  - State

<u>Section 4: Issues</u>

- Known Issues Related to the Deliverable (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues
- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

Section 5: Specific Acceptance Criteria

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

Section 6: Review and Approval

- State Reviewers (the names of State personnel assigned to review the deliverable)
- State Preliminary Draft Reviewers (if applicable)
- State Approvers (the names of State personnel who may approve the deliverable)

For Phase 1.5 Deliverables, the Deliverable Definition Document will identify whether a unique, newly created Deliverable is required or whether an Addendum to an existing Deliverable will be created.

2. Service or Assistance Deliverable Acceptance Criteria

Acceptance of All Service or Assistance based Deliverables (e.g. User Acceptance Test Assistance or Completed and Approved Agency Implementation and Change Management Assistance) shall be based on a review and approval of the service or assistance provided by the Contractor against the standards documented in a Service or Assistance Deliverable Definition Document that shall prepared for each Service or Assistance deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Service or Assistance Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable. In addition to criteria for acceptance included in the applicable Service and Deliverable Definition Document, the State may also evaluate service quality and timeliness of service provision as additional acceptance criteria if those have not been defined as part of the applicable Deliverable Definition. However, the State shall be obligated to provide feedback on any such intangibles as soon as possible during the provision of related services.

Section 1: Summary

- Deliverable Name/Number
- Service or Assistance Start Date
- Expected Completion Date
- Expected Contractor Staff and Hours Required

Section 2: Deliverable Description

- Overview of Service or Assistance to Be Provided
- Components of Service or Assistance to Be Provided
- Documents or Work Products to be Produced in Association with the Service or Assistance
- Programming Needed to Provide Service or Assistance
- Technical Environments or Technical Environment Work Needed for Service or Assistance
- Tools, Templates, or other Items required to Provide Service or Assistance

Section 3: Deliverable Approach

- Service or Assistance Approach
- Coordination Required
- Who is Involved in Providing or Using the Service or Assistance
  - Contractor
  - State

Section 4: Issues

- Known Issues Related to the Service or Assistance (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues
- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

Section 5: Specific Acceptance Criteria

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

Section 6: Review and Approval

- State Reviewers (the names of State personnel assigned to review the service or assistance provided)
- State Approvers (the names of State personnel who may approve the service or assistance deliverable)

3. Data Conversion Deliverables

Data Conversion deliverables that involve data conversion outcomes (e.g. Successful Mock Conversion or Converted Data in Production Environment) shall be subject to review and approval of the State as a condition of acceptance. The review and approval will be based on compliance with the standards established in a Data Conversion Deliverable Definition Document that shall be prepared for each applicable deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Data Conversion Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable. The Data Conversion Deliverable Definition may refer to sections of an approved Data Conversion Plan where applicable to avoid unnecessary duplication of information.

Section 1: Summary

- Deliverable Name/Number:
- Deliverable Related Start Date:
- Deliverable Due Date:
- Targeted Review and Approval Times
- Expected Contractor Staff and Hours Required:

Section 2: Deliverable Description

- Overview of Data Conversion to Be Performed
- Components of Service or Assistance to Be Provided
- Documents or Work Products to be Produced in Association with the Deliverable
- Programming Needed to Provide Service or Assistance

- Automated Routines to Validate Converted Data Produced by Contractor
  - Data Integrity
  - Record Count
  - Item Balance Checks
  - Overall Financial Balance Checks
  - Open Items Comparison
  - ERP Code and Other Validations
  - Other Automated Checks
- Technical Environments or Technical Environment Work Needed
- Crosswalks and Conversion Tables Needed
- State Input Needed
- Data Needed that Must Be Manually Loaded or Converted
- Known Data Cleanup Required
- Source and Target Data Structures (This may be provided via reference to another document)
- Conversion Time Window Standards
- Other

<u>Section 3: Deliverable Approach</u>

- Analysis To Be Performed
- How Conversion Tables and Crosswalks will be Created
- Mock Conversions
- Review and Correction Process
- Coordination Required
- Plan for Successful Deliverable
- Who is Involved
  - Contractor
  - State

<u>Section 4: Issues</u>

- Known Issues Related to Data Conversion (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues
- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

<u>Section 5: Specific Acceptance Criteria</u>

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

<u>Section 6: Review and Approval</u>

- State Reviewers (the names of State personnel assigned to review the converted data deliverable)
- State Approvers (the names of State personnel who may approve the converted data deliverable deliverable)

4. Software Deliverable Acceptance Criteria

All software deliverables shall be subject to testing and demonstrations of completeness and quality as a condition of acceptance by the State. The purpose of software acceptance testing is to demonstrate to the satisfaction of the State that the software performs and carries out fully and in all respects the business requirements, programmatic functions and processes represented by the Contractor, or agreed to by the State and the Contractor, and that the related documentation is accurate and complete.

Acceptance criteria for interim software deliverables are described in the table below. These criteria apply to deliverables including:

1) ERP or third party COTS application software that must be installed, tested, and verified prior to final license fee payments.

2) Custom software, configured software, software extensions, software modifications, software enhancements, interfaces, reports, forms, and workflows or other development or configured software artifact produced during the project. For these software deliverable types, specific criteria apply to particular life cycle or testing stages (e.g. configured or developed software, system tested software, or performance tested software)

Final acceptance for software that has been implemented shall be based on both completion and approval of a User Acceptance Test and on the criteria for Acceptance described in Attachment 2, Exhibit 2-1, Milestones 7 and 13.

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
Installation Acceptance Testing	Software Installation acceptance shall be based on the Contractor demonstrating to the State that the following criteria have been met: 1. An installation testing plan has been developed and jointly agreed to by the State and the Contractor. 2. The software is installed on the test servers and network access and communications have been established. Software configuration features have been demonstrated to function properly. 3. Software security features have been demonstrated to function properly. 4. Test tables, files and databases for the development and sandbox environments have been established and populated with test data. 5. Server, database, and any client to server communications installation instructions are prepared and are demonstrated to be accurate when followed. 6. System, software application and user documentation exists in soft copy format acceptable to the State, and is shown to be complete and accurate. 7. Database backup and restoration facilities are demonstrated to function properly for test, training and production environments. 8. Software backup and restoration facilities are demonstrated to function properly for test, training and production environments. 9. The Contractor has furnished, at Contractor's expense, cases, scenarios and data sufficient to demonstrate that software units, modules, systems, integration capabilities, interface features and functions are present and operate properly. 10. Online processing client, server, database and client to server communication software is demonstrated to: a) accomplish the business functions represented by the Contractor, b) software units, modules, systems, integration capabilities, interface features and functions operate properly, c) online user aids and help services operate properly, d) processing logic or data errors are detected and accurately reported, e) audit trail capabilities, with respect to online activities exist, are complete and accurately reported, f) The existence of all modules has been documented as having success, failure or deficiencies noted during testing. 11. Batch processing server and database software for test and production environments is demonstrated to: a) accomplish the business functions represented in the Contractor's Proposal b) software units, modules, systems, job control scripts, integration capabilities, interface features and functions operate properly,	The Contractor shall have a period of up to ten (10) calendar days to correct defects discovered during testing and to re-test and demonstrate to the satisfaction of the State that the failures or deficiencies have been in fact corrected. If, after the error correction period has passed, the Contractor is unable to correct the defects, the State may at its sole option extend the time for correction on a day to day basis, or reject the software as unacceptable. The State agrees to participate with the Contractor in re-test activities within five (5) calendar days of written notice by the Contractor. The Contractor shall have a period of fifteen (15) calendar days to correct errors or omissions in the documentation discovered during testing and to submit such corrected documentation for the evaluation of the State. The State agrees to evaluate corrected documents within five (5) days of submittal by the Contractor. Unless otherwise agreed by the parties, upon completion and CGI's initial baseline software installation test, expected to be within 4 weeks of the project start date, the license software will be deemed approved, and the state will execute and provide to contractor an acknowledgement of receipt and acceptance of the ERP Solution Software as required

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	c) processing logic, processing control or data errors are detected and accurately reported, d) audit trail capabilities with respect to batch processing activities exist, are complete and accurately reported for the test and production environments, e) The existence of all modules has been documented as have successes, failures, or deficiencies noted during testing. 12. The state has reviewed and approved the deliverable. The State Project Director may waive criteria 10 and/or 11 in whole or in part or require them after the start of installation acceptance testing if initial test results indicate that a full verification in those areas is required.	pursuant to the Proprietary Software License Agreement.
Custom Software or Configured, Extended, and Modified COTS Software Acceptance	Acceptance for interim deliverables consisting of configured, extended, or modified COTS software shall be based on the Contractor demonstrating to the State that the criteria below have been met. Interim deliverables are deliverables that do not represent the final software deliverable (e.g. configured and unit tested software or developed and unit tested software, or system tested software). **General Criteria (Applies to All Deliverables in this Category)** 1. A software testing plan or plans have been developed for the applicable software by the Contractor and approved by the State. 2. The baseline software is stored separately from the extended or site specific software. (or the modified software if the software vendor has made any changes to the baseline code). 3. A standard procedure has been established and tested for the migration of software from the development, any testing, and production environments. 4. Any required server to server (and any client to server) communications have been established and have been demonstrated to work effectively. 5. Developed and/or configured software has been demonstrated to function properly and in accordance with an approved design. 6. Software security features have been demonstrated to function properly. 7. All validated and applicable state requirements have been demonstrated as met. 8. The software functions properly in concert with the hardware, storage solution, other infrastructure, DBMS, system software, security software, and other technical environment components. 9. Test tables, files and databases were established and populated with test data that was needed to meet test	Same as above. However, it is expected that while all criteria will be met before accepting a deliverable, that State reviews may occur as individual modifications, enhancements, or configuration efforts are completed by the Contractor and are submitted to the State.

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	objectives. 10. System, software application, technical and user documentation exists and is shown to be complete and accurate. 11. Database backup and restoration facilities are demonstrated to function properly. 12. Software and configuration file backup and restoration facilities are demonstrated to function properly. 13. The Contractor has furnished complete test cases, scenarios and data sufficient to demonstrate that software units, modules, systems integration capabilities, interface features and functions operate properly. 14. With respect to online custom software, as well as extensions to and modifications of existing software, the software deliverable has demonstrated that: a) the business functions documented for the software modification or extension are accomplished, b) software units, modules, systems, integration capabilities, interface features and functions operate properly, c) online user aids and help services, as applicable, operate properly, d) processing logic or data errors are detected and accurately reported, e) audit trail capabilities are complete and accurate 15. With respect to batch processing custom software, modifications, enhancements, or extensions, the batch processing server and database software has demonstrated that: a) business functions documented for the software modification or extension are accomplished b) software units, modules, systems, job control scripts, integration capabilities, interface features and functions operate properly, c) processing logic, processing control or data errors are detected and accurately reported, d) audit trail capabilities are complete and accurately reported. 16. The State has reviewed and approved the deliverable. **Configured, Developed, and Unit Tested Stage Criteria** 17. For software development and configured software deliverables, the Contractor has conducted software unit and unit integration testing, corrected any defects discovered, retested to verify that fixes were successful, and provides documentation of such testing. **System and Recovery Tested Stage Criteria (Applies only to System and Recovery Test Deliverables)** 18. For system test deliverables involving tested software. (in contrast to deliverables related to system test plans, scripts,	

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	or the testing environment), The Contractor has conducted system tests according to a system and recovery test plan approved by the State; documented the results; fixed any defects and demonstrated that such fixes were successful via retesting **Performance Tested Stage Criteria (Applies only to Performance Tested Software Deliverables)** 19. For performance tested software deliverables, • the software has been tested in accordance with an approved performance testing and tuning plan approved by the State; • all required software changes and database tuning has been performed; • the software has demonstrated required levels of online response time, external facing web response time, and batch throughput in conditions reasonably simulating peak production volumes and system usage The State Project Director and/or his/her designee may waive demonstration of individual criteria that in his/her view have already been demonstrated 'as met' or that are of minimal relevance or importance in the case of a particular deliverable. The State Project Director and or his/her designees will meet with responsible Contractor personnel during project planning and in association with any test planning to assist the Contractor in developing a streamlined approach for design, development, testing, review, and approval that should allow for the State's software acceptance criteria to be met efficiently and within the project timeframes.	

Exhibit 2-3

Liquidated Damages for Late Implementation

Subject to Section 2.243 and the conditions set forth in this paragraph, the State shall be entitled to liquidated damages for any Contractor caused delays in the implementation of Phase 1, Phase 1.5, and Phase 2 of the ERP Project as specified below:

Phase	Liquidated Damages Amount	Criteria for Incurring Liquidated Damages
1	$200,000 per month	Implementation of Phase 1 software functionality is not achieved by ~~August 7th~~ October 5 and December 1, 2015 (or other date mutually agreed to by the parties) due to Contractor's failure to satisfactorily provide the services and tasks and produce the deliverables and meet the conditions required in Exhibit 2-1 milestones 1, 2, 4, 5, and 6 on a timely basis. The first $200,000 of liquidated damages shall be assessed if the actual implementation date falls after the deadline cited. The second and any subsequent $200,000 liquidated damage amounts shall be assessed for each additional full month that the actual Phase 1 implementation date is delayed
1.5	$200,000 per month	Implementation of Phase 1.5 software functionality is not achieved by August 8, 2016 (or other date mutually agreed to by the parties) due to Contractor's failure to satisfactorily provide the services and tasks and produce the deliverables and meet the conditions required in Exhibit 2-1 milestones 9.1, 9.2, 9.3, and 9.4 on a timely basis. The first $200,000 of liquidated damages shall be assessed if the actual implementation date falls after the deadline cited. The second and any subsequent $200,000 liquidated damage amounts shall be assessed for each additional full month that the actual Phase 1 implementation date is delayed; provided, that the aggregate monthly damage amount (when combined with any continuing monthly damages for failure to meet Phase 1 above), will not exceed $200,000 per month.
2	$500,000 per month	Implementation of Phase 2 Core Financials software functionality is not achieved by October 3rd, ~~2016~~ 2017 (or other date mutually agreed to by the parties including recognition of discrete cut-over points defined in Article 1 Section 1.101, e.g. Time and Leave occurring later than October 3rd, 2017) due to Contractor's failure to

satisfactorily provide the services and tasks and produce the deliverables and meet the conditions required in Exhibit 2-1 milestones 1, 3, 8, 9, 10, and 11 on a timely basis. The first $500,000 of liquidated damages shall be assessed if the actual implementation date falls after the deadline cited. The second and any subsequent $500,000 liquidated damages amounts shall be assessed for each additional full month that the actual Phase 2 implementation date is delayed. A unilateral decision by the State to defer Go-Live to align Go-Live with a State fiscal year (presuming that Contractor has met all milestone criteria and is prepared to Go-Live), will be treated as an action by the State resulting in a Go-Live delay within the meaning of Section 2.243 of the Contract, and the State shall not be permitted to assess liquidated damage for the period of such State-requested deferral. However, Contractor agrees that any mid-year conversion will impose additional costs on the State. Therefore, should the parties agree to a mid-year conversion in the event of a delayed phase 2 implementation, the Contractor will be responsible for all actual and verifiable additional costs incurred by the State for mid-year conversion activities, not including costs associated with hosting of the operational systems.

Attachment 3: Timeline and Scope Clarifications

Attachment 3 is hereby deleted in its entirety and replaced with the following:

3.1 Summary Implementation Project Time Line

The Contractor shall be responsible for implementing the ERP System and providing post implementation and production support for the ERP system based on the phase start, implementation, and end dates listed in Exhibit 3-1 below. State responsibilities associated with the implementation project are described in Article 1, Sections 1.106 Project Governance and Section 1.201 Facilities in Attachment 2 in association with individual task areas.

Exhibit 3-1: ERP Project and Phase Timing

Key Date	Date
Project Start Date	7/1/2014
Phase 1: Budget Preparation Implementation Start Date	7/1/2014
Phase 2: ERP Core Implementation Start Date	7/1/2014
Phase 1 Implementation Date	~~8/1/2015~~ 10/5/2015 & 12/1/2015
Phase 1.5: Budget Preparation Implementation Date	8/1/2016
Phase 2 Implementation Date	~~10/1/2016~~
- Budget Preparation	8/1/2017
- Procurement & VSS Functionality	July/August 2017
- Core Financials	10/1/2017
- Time, Expense, Leave, and Labor Distribution	First full pay period in October 2017*
Start Date for Phase 1 Post Implementation and Production Support	~~8/1/2015~~ 12/1/2015
Start Date for Phase 2 Post Implementation and Production Support	~~10/1/2016~~ 10/1/2017
End of Phase 1 and Phase 2 Production and Post Implementation Support	~~9/30/2017~~ 9/30/2018

* Date to be determined in alignment with detailed HRMN integration and conversion planning.

3.2 Key Timeline Dates

The Contractor will be responsible for implementing the ERP software and completing key activities for which the Contractor is responsible on the schedule provided in Exhibit 3-2: Key Timeline Dates below. Milestones referenced in Exhibit 3-2 are as defined in Exhibit 2-1 in Attachment 2 of this Agreement. The project plan for the ERP project shall be created within the first six weeks of the project in close consultation with the State Project Director and other State designated personnel and shall incorporate the start and end dates listed in Exhibit 3-1 unless specific alternative dates are approved by the State Project Director or his/her designee. State responsibilities are described in Section 1.106, ERP Project Governance, Section 1.201, State Staff, Roles and Responsibilities, and in Attachment 2 in association with individual task areas.

Exhibit 3-2: Key Timeline Dates

Activity	Required Completion Dates (unless specified as Start Date in a given row)
Project Team Training on ERP and Third Party Applications	8/5/2014
Overall Planning	8/12/2014
Coding Block Mapping (overall and for each agency)	12/1/2014
Budget Chart of Accounts (including Agency specific data needs) Development	12/2/2014
All Chart of Accounts Elements (including Agency specific data needs) Development	12/26/2014
Agency Assessment (including the following) • Confirm Systems to Be Replaced and Interfaced • Determine which modules will be used by each agency • Determine whether agency budgeting (beyond appropriation level budgets) will be performed using the new budget preparation software • Determine which, if any, agency legacy systems will require modification to interface with new ERP	8/22/2014
Core Design Fundamentals Deliverable	9/22/2014
Development Start - Phase 1	12/3/2014
Development Complete - Phase 1	2/2/2015
System and Recovery Testing Start - Phase 1	2/3/2015
System and Recovery Testing End - Phase 1	3/31/2015
User Acceptance Test Start - Phase 1 (Test Execution)	4/1/2015
User Acceptance Test End - Phase 1	6/24/2015
End User Training Classroom Delivery Start - Phase 1	7/2/2015
End User Training Classroom Delivery End - Phase 1	7/22/2015
Development Start - Phase 2	4/13/2015
Development Complete - Phase 2	~~10/1/2015~~ 10/1/2016
System and Recovery Testing Start - Phase 2	~~10/2/2015~~ 3/1/2016
System and Recovery Testing End - Phase 2	~~1/4/2016~~ 12/20/2016
End-to-End Testing Start – Phase 2	1/2/2017
User Acceptance Test Start - Phase 2 (Test Execution)	~~1/5/2016~~ 3/1/2017
User Acceptance Test End - Phase 1	~~6/23/2016~~ 6/30/2017
End User Training Classroom Delivery Start - Phase 2	~~7/18/2016~~ 6/1/2017
End User Training Classroom Delivery End - Phase 2	9/22/2016
Post Implementation/Production Support Start	~~8/1/2015~~ 12/1/2015
Post Implementation Production Support End	~~9/30/2017~~ 9/30/2018
Conversion Plan Phase 1	10/29/2014
Conversion Plan Phase 2	2/26/2015

Activity	Required Completion Dates (unless specified as Start Date in a given row)
Interface Plan Phase 1	12/2/2014
Interface Plan Phase 2	2/11/2015
Milestone 1 Completed	8/12/2014
Milestone 2 Completed	12/2/2014
Milestone 3 Completed	~~5/29/2015~~ TBD
Milestone 4 Completed	~~4/28/2015~~ 10/5/2015 and 12/1/2015
Milestone 5 Completed	~~5/27/2015~~ 10/5/2015 and 12/1/2015
Milestone 6 Completed	~~7/27/2015~~ 10/5/2015 and 12/1/2015
Milestone 7 Completed	~~8/1/2015~~ 3/1/2016
Milestone 8 Completed	~~12/3/2015~~ TBD
Milestone 9 Completed	~~10/1/2015~~ TBD
Milestone 9.1 Completed	TBD
Milestone 9.2 Completed	TBD
Milestone 9.3 Completed	TBD
Milestone 9.4 Completed	TBD
Milestone 10 Completed	~~2/17/2016~~ TBD
Milestone 10.1 Completed	TBD
Milestone 11 Completed	~~9/26/2016~~ TBD
Milestone 12 ~~(Not Used)~~ Completed	TBD
Milestone 13 Completed	~~9/30/2017~~ TBD

3.3 Scope of Services Clarifications

This section of the Agreement lists and describes clarifications to Contractors required services. Language in this section shall take precedence if there is any conflict with language in Attachment 2: Implementation Tasks, Services, Deliverables, and Milestones

A. Responsibility for Meeting Requirements Listed as Being Met by ‘Standard Functionality’

The Contractor is obligated to make any enhancements or modifications to the ERP software needed to provide functionality that is incorrectly listed in Attachment 8 or 9 as being met by ‘standard functionality’. The State Project Director or her designee will be solely responsible for making the determination as to whether any requirement listed as being met by ‘standard functionality’ has been so listed incorrectly. The State Project Director or her designee will apply reasonable standards in making any such determination. If the State Project Director or her designee determine that the Contractor had a reasonable alternative understanding of a listed requirement that is consistent with the Contractor’s representation that the requirement could be met with ‘standard functionality’, the State would not hold Contractor responsible for additional development or enhancements as part of the fixed price associated with this Agreement. Met by ‘Standard functionality’ shall mean that the software can meet the listed requirement with configuration but without modification or enhancement.

B. Development Pool of Hours

1. The Contractor obligation for development of ERP system modifications and or enhancements that are not listed in Attachments 8 or 9 to the ERP shall be limited to that which can be accomplished using a an agreed upon allocation of 28,100 Contractor staff hours that are included in the fixed price of this Agreement. This allocation or ‘pool’ of hours may be used for any ERP application enhancement or modification or other required development identified during the project that falls outside of the following list of other Contractor obligations under this Agreement:
    i. Contractor’s obligation to make any enhancements or modifications needed to provide functionality that is incorrectly listed in Attachment 8 or 9 as updated through the Project Requirement validation efforts as of the date of execution of this contract change notice as being met by ‘standard functionality’
    ii. Contractor’s obligation to provide development services for MIDB, interfaces, reports, data conversion or other purposes specified in Attachment 2 or elsewhere in this Agreement.
    iii. Contractor’s obligation to provide development of enhancements, modifications, and configuration needed to meet the State’s requirements and business rules for the Time and Labor module, as specified in section 3.3C of this Attachment.
    iv. Contractor’s obligation to configure the software to meet State requirements as specified in Attachment 2 or as identified during requirements validation and design activities.
    v. Contractor’s obligation to provide requirements analysis, design, testing, and implementation services as specified in Attachment 2.

    The Development Pool of Hours is exhausted based on the scope of enhancements and modifications referenced in Attachment 12 and project activities to-date. Items noted as ‘Post GA’ Drop in Attachment 12 will be delivered in alignment with the System Test Plan. In the event development needs (other than those excluded by B.1.i through B.1.v above) surface during configuration and testing that were not known at the time of executing this contract change notice, the State and the Contractor agree that the State may elect to use hours against the annual discretionary service hours allotted in the Managed Services Agreement, contract number 071B4300137. These hours may be used in advance of the year to which they are allocated. Dependent on the nature of work, the Contractor will ensure appropriately skilled resources are leveraged to conduct the work.

2. Administering the Development Pool of Hours

The Contractor shall be responsible for administering the ‘Development Pool’ of hours described in Section 3.3B of this Attachment, as follows:

i. Maintaining and reporting the number of hours remaining in the ‘pool’ including: a record of any approved development work that used hours from the ‘pool’; the related and pre-agreed to deduction of hours associated with each approved use; and the balance of hours remaining after all approved uses have been deducted.

ii. Providing a binding estimate of the amount of development hours required for any identified potential modification or enhancement. This ‘binding estimate’ of the hours shall be used to decrement the ‘remaining hours available in the pool’ when a modification or enhancement is approved by the State Project Director or her designee. Actual hours required to perform the modification may be higher or lower than the estimate, but will not be considered in calculating ‘remaining hours in the pool’.

iii. Working with the State Project Director or her designee to assign a priority to any potential modification or enhancement. Once a priority has been assigned, pending modifications and enhancements will be performed in priority order, with the higher priorities performed first.

C. Time and Labor

The Contractor shall develop and configure the solution to meet the State’s requirements listed as being met by ‘standard functionality, major modification, minor modification, or ‘next release’ and as needed to incorporate the State’s Time and Labor rules and provide for systematic application of those rules to employee groups as part of the fixed price associated with this Agreement.

3.4 Other Clarifications

A. The Contractor shall provide a Budget Preparation solution that provides the ability to do position and salary/benefits forecasting based budgeting using extracts from the State’ HR/Payroll system, HRMN. The Contractor will provide Phase 1 interfaces as required to implement and use these capabilities as part of the scope of services covered by the fixed price of this Agreement.

B. The Contractor shall perform all design, development, and implementation work required so that the State’s Comprehensive Annual Financial Reports (CAFR) can be produced from the ERP’s ledger tables or from a data warehouse (MIDB or other solution) with a comprehensive systematic and efficient reconciliation method. The State must approve the design solution.

C. The Contractor shall be responsible for obtaining an annual independent Type 2 SSAE-16 (SOC 1) report and an annual independent Type 2 SOC 2 attestation report specific to the State’s ERP application and its operating environment as part of the fixed price of this Agreement. The specific scope and control objectives will be reasonable and must be annually approved by the State prior to commencement of the SOC-related services.

D. The Contractor shall be responsible for implementing an ERP solution which is compliant with the Federal Information Security Management Act (FISMA) and with security policies of the State as listed in Section 1.108 of the RFP as part of the fixed price proposal.

E. The Contractor shall ensure that encryption will be provided at both the disk and database levels for all production and non-production environments including databases, backup disks, tapes and any media where the State's data or files are stored and/or accessed.

F. The Contractor shall provide enhancements to ensure compliance with 1099, 1042, backup withholding, foreign vendor withholding and other regulatory requirements as part of the fixed price of this Agreement.

G. The Contractor acknowledges the State's goal is to complete both the year end close and CAFR production in 80 days after the end of the fiscal year. The Contractor shall be responsible for designing, developing, and implementing CAFR reports and processes needed to meet this goal. In addition, the Contractor will provide knowledge transfer, training, and post implementation services to assist the State in meeting this goal.

H. The Contractor shall be responsible for all design, configuration, development, and implementation services required to implement a Vendor registration/self-service portal. This portal must enable all vendors to submit form W-9, W-8, and/or 8233 registration and to add and maintain EFT information electronically in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

I. In addition to or as part of the Contractor's scope of required services described in Attachment 2, the Contractor shall include the following related to data conversion, cutover and implementation work as part of fixed price associated with this Agreement:

i. Data conversion and cutover activities necessary to load budgetary information in advance of the fiscal year for phase 2
ii. Data conversion and cutover activities necessary to ensure the integrity of time and attendance and labor distribution processes which overlap the pay period including the phase 2 go live of 10/1/2016
iii. Data conversion of time and attendance and labor distribution data to enable prior period adjustments or to provide a pre-cutover adjustment process in the new system
iv. Data conversion needed and cutover activities that ensure that detailed outstanding cash transaction reconciliation items can be reported as required for timely cash reconciliations during Phase 2 conversion.

J. Contractor will ensure that all the State's requirements listed as 'Critical' in Attachment 10 will be met as part of the proposed fixed price of this Agreement.

K. Contractor will ensure that the ERP solution is ADA (Section 508) compliant.

3.5 The Contractor shall provide any required design, development, testing, and implementation services as needed to implement a Vendor registration/self-service portal as part of the fixed price of this Agreement. The related solution must meet State requirements including the following:

A. The Vendor registration/self-service portal must enable all vendors to submit form W-9, W-8, and/or 8233 registration information electronically in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

B. The Vendor registration/self-service portal must enable all vendors to add and maintain EFT information in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

3.6 The Contractor shall provide enhancements and ongoing maintenance to ensure compliance with 1099, 1042, backup withholding, foreign vendor withholding and other regulatory requirements and maintain compliance as regulatory requirements change for the duration of the project.

3.7 The Contractor will baseline ~~80 percent of~~ all modifications or enhancements approved by the State and referenced in Attachment 12 into ~~release~~ Advantage 3.11 of the Advantage ERP software product. Such incorporated or baselined modifications and enhancements shall become part of the Advantage software licensed to future customer and that is supported by under the terms of the applicable software license and maintenance agreement. The specific modifications and enhancements to be included will be mutually agreed to by the Parties and will include all proposed modifications and enhancements to the Advantage Time and Labor Module and the Advantage Labor Distribution Module and any modifications or enhancements listed in Attachment 8 or 10 that are both described as being provided in the 'Next Release' and approved by the State Project Director or her designee for inclusion in the 'Next Release'.

Attachment 4: Deliverables and Payment Schedule

Attachment 4 is hereby deleted in its entirety and replaced with the following:

4.1 Overall Payments by Project Phase

Overall payments to the Contractor under this Agreement shall be limited to the Fixed Price listed in Section 1.601. Payments to Contractor are further limited by Project Phase, as indicated in Exhibit 4-1 below:

Exhibit 4-1

ERP Project Phase	Original Fixed Price	Fixed Price Increase	Revised Fixed Price
Total Phase 1 Implementation Services	$2,483,092	$0	$2,483,092
Total Phase 2 Implementation Services	$34,212,375	$6,134,584	$40,346,959
Total Final Post Implementation Support Services	$3,725,271	$0	$3,725,271
Change Notice #3	$350,000		$350,000
Total Estimated Contract Value	$40,770,738	$6,134,584	$46,905,322

4.2 Deliverables and Payments

The Contractor may invoice and receive payment for a completed and approved Deliverable Group or for approved completion of a project milestone.

1) **Deliverable Group** –Contractor may qualify to invoice for and receive a payment when all Deliverables associated with a specific Payment ID in Exhibit 4-2 below have been completed, submitted, and approved by the State Project Director or her designee. The amount that may be invoiced and paid for those Deliverables associated with a specific Payment ID is listed in the Payment Amount column of Exhibit 4-2. Deliverables associated with Milestone 7: Budget Preparation Acceptance and Milestone 13: Core ERP Acceptance will not qualify for invoicing and payment until the Milestone (and Milestone Report for that Milestone) has been completed and approved by the State Project Director or her designee.

2) **Milestones** – Contractor may qualify to invoice for and receive a Milestone payment by: completing all requirements associated with the particular Milestone listed and described in Attachment 2 Exhibit 2-1 AND submitting and receiving approval for the Milestone Report associated with the completed Milestone. Payment Amounts for each Milestone are listed in the Payment Amount column of Exhibit 4-2 below (in association with Milestone Reports and related Payment IDs).

3) **Progress Payments** - In addition progress payments against Milestone 9 shall be made subject to demonstrated progress measured by status reports, project schedule, and resource schedule all being in good form and resourcing being in alignment with the approved Resource Plan. Progress payments are subject to the approval of the State Project Director. Progress payment amounts will be offset against Milestone 9 Deliverables as follows:

   a. $500,000 – Progress Payment against Milestone 9 Payment 2.3 – scheduled for December 2015
   b. $500,000 – Progress Payment against Milestone 9 Payment 2.3 – scheduled for January 2016

Exhibit 4.2: Payments

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Phase I					
Milestone 1					
Planning Deliverables	**1-Project Management**				
Project Strategy, Plan and Resource Schedule		P01	M1PMT-1		
Risk Identification, Analysis, and Management Plan		P02	M1PMT-1		
Issue Process/Database		P03	M1PMT-1		
Status Reporting Process		P04	M1PMT-1		
Scope Change Control Process		P05	M1PMT-1		
Organizational Change Management Plan		P06	M1PMT-1		
Communications Plan		P07	M1PMT-1	30.00%	$74,492.76
Technical Services Deliverables	**2-Technical Services**				
Project Environment Specification		T01	M1PMT-2		
Completed Software Installation, User Playground, and Software Education Sessions		T02	M1PMT-2		
Complete Development Environment - Phase 1		T03	M1PMT-2		
Complete Development Environment - Phase 2		T04	M1PMT-2		
System Analysis and Design Deliverables					
Site Specific Code Retrofitting Approach	3-Systems Analysis and Design	S01	M1PMT-2	25.00%	$62,077.30
Training and Knowledge Transfer Deliverables	**11-Training and Knowledge Transfer**				
Project Team Training Approach and Plan		TK01	M1PMT-3		
Knowledge Transfer Approach and Plan		TK02	M1PMT-3		
Project Team Training -ERP		TK03	M1PMT-3		
Project Team Training - Methodology and Approach		TK04	M1PMT-3	30.00%	$74,492.76
Project Management Deliverables					
Milestone Report 1: Project Strategy and Plan	Project Mgt	PM01	M1PMT-4	15.00%	$37,246.38
Milestone 1 Total Payments				**100.00%**	**$248,309.20**
Milestone 2 - Budget Preparation Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Not Used		S04			

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Requirements Validation Document		S03	M2PMT-1		
Budget Preparation Design		S04	M2PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S05	M2PMT-1		
Internal Control Risk Assessment		S06	M2PMT-1		
Software Configuration Plan		S07	M2PMT-1		
Chart of Accounts Design Assistance - Budget Preparation		S08	M2PMT-1		
Functional Designs		S09	M2PMT-1	30.00%	$89,391.31
Technical Designs		S10	M2PMT-2		
Requirements Traceability Matrix		S11	M2PMT-2	15.00%	$44,695.66
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Plan		D01	M2PMT-3		
Data Conversion Program Designs		D02	M2PMT-3		
Report Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Budget Prep Report Designs		R01	M2PMT-3	10.00%	$29,797.10
Interfaces Deliverables	7-Interfaces				
Interface Plan (covering all phases)		I01	M2PMT-4		
Interface Designs		I02	M2PMT-4	5.00%	$14,898.55
Technical Services Deliverables	2-Technical Services				
Security Architecture and Design		T05	M2PMT-5		
Configuration Management Procedures		T06	M2PMT-5	15.00%	$44,695.66
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM02	M2PMT-6		
Communications Plan Updates		PM03	M2PMT-6	5.00%	$14,898.55
Milestone Report 2: Budget Preparation Design		PM04	M2PMT-7	20.00%	$59,594.21
Milestone 2 Total Payments				**100.00%**	**$297,971.04**
Milestone 3 ERP Core Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Requirements Validation Document		S11	M3PMT-1		
Core Design Fundamentals Document		S12	M3PMT-1		
Process, and Transaction Mapping Analysis		S13	M3PMT-1		
Requirements Validation Document		S14	M3PMT-1		
Cost Accounting Classification and Reporting Plan		S15	M3PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S16	M3PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
FHWA Comprehensive Design		S18	M3PMT-1		
Chart of Accounts Plan		S20	M3PMT-1		
Chart of Accounts Design Assistance		S21	M3PMT-1		
Functional Designs		S22	M3PMT-1	20.00%	$1,354,162.34
Technical Designs		S23	M3PMT-2		
Requirements Traceability Matrix		S24	M3PMT-2	10.00%	$677,081.17
Implementation Analysis Design (IAD)		S25	M3PMT-7		
Catalog Management Plan		S26	M3PMT-7	20.00%	$1,354,162.34
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Program Designs		D03	M3PMT-4		
Interface Deliverables	7-Interfaces				
Major Integration Approach Document (covering all phases)		I03	M3PMT-4		
Interface Designs		I04	M3PMT-4		
Technical Services Deliverables	2-Technical Services				
Completed Production and Production QA Specification		T07	M3PMT-4	25.00%	$1,692,702.92
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM05	M3PMT-5		
Communications Plan Updates		PM06	M3PMT-5	10.00%	$677,081.17
Milestone Report 3: ERP Core Design		PM07	M3PMT-6	15.00%	$1,015,621.75
Milestone 3 Total Payments				**100.00%**	**$6,770,811.69**
Milestone 4 - Budget Preparation Configuration and Development					
Configuration and Development Deliverables	4-Configuration Management and Development				
Configuration and Development Inventory		CD01	M4PMT-1		
Unit Tested and Documented Configuration		CD02	M4PMT-1		
Unit Tested Site Specific Code		CD03	M4PMT-1		
Unit Tested and Documented Workflows		CD04	M4PMT-1		
Unit Tested and Documented Configuration		CD05	M4PMT-1		
Conversion Deliverables	5-Data Conversion	D00	M4PMT-2		
Unit Tested Data Conversion Programs		D04	M4PMT-2		
Interfaces Deliverables	7-Interfaces				
Interface Tested Programs		I05	M4PMT-2	20.00%	$228,807.97
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK05	M4PMT-3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
End User Training Plan		TK06	M4PMT-3		
End User Training Curriculum		TK07	M4PMT-3	5.63%	$64,403.99
Technical Services	2-Technical Services				
Completed System and Recovery Test Environment		T08	M4PMT-4		
Completed Training Environment		T09	M4PMT-4		
Production and Production QA Environment Specification		T10	M4PMT-4		
Performance Testing and Tuning Plan		T11	M4PMT-4		
Approved Phase 1 Security, Vulnerability and Penetration Test Plan		T12	M4PMT-4		
System and Recovery Testing	8-System and Recovery Testing				
System and Recovery Test Plan		ST01	M4PMT-4		
Approved and Loaded System and Recovery Test Environment		ST02	M4PMT-4	34.37%	$393,211.96
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessments		IM01	M4PMT-5		
Agency Implementation Guide		IM02	M4PMT-5		
Agency Implementation and Change Management Plans		IM03	M4PMT-5		
Project Management	1-Project Management				
End User Readiness Assessment		PM08	M4PMT-5	20.00%	$228,807.97
Milestone Report 4: Budget Preparation Configuration and Development		PM09	M4PMT-6	20.00%	$228,807.97
Milestone 4 Total Payments				**100.00%**	**$1,144,039.86**
Milestone 5: Budget Preparation UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments		T13	M5PMT-1		
Completed Phase 1 Performance Testing and System Tuning		T14	M5PMT-1		
Performance Testing and System Tuning Procedures		T15	M5PMT-1		
Completed Security, Vulnerability, and Penetration Test		T16	M5PMT-1	10.00%	$179,403.99
Conversion Deliverables	5-Data Conversion	D05			
Approved Mock Conversion		D06	M5PMT-2	20.00%	$358,807.97
System and Recovery Testing Deliverables	8-System and Recovery Testing				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Approved System and Recovery Test Outcomes		ST03	M5PMT-3	40.00%	$717,615.95
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U01	M5PMT-4		
User Acceptance Test Plan and Scripting Assistance		U02	M5PMT-4		
User Acceptance Test Environment and Data		U03	M5PMT-4		
Documentation Deliverables	10-Documentation				
Online Help		DC01	M5PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance		IM04	M5PMT-4		
Implementation Cutover Plan		IM05	M5PMT-4		
Implementation Checklist		IM06	M5PMT-4		
Production Job Schedule		IM07	M5PMT-4		
Approved Batch jobs on Job Scheduler		IM08	M5PMT-4	10.00%	$179,403.99
Milestone Report 5: Budget Preparation UAT Go/No Go		PM10	M5PMT-5	20.00%	$358,807.97
Project Management Deliverables	1-Project Management				
Milestone 5 Total Payments				**100.00%**	**$1,794,039.87**
Milestone 6: Budget Preparation Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Assistance		U04	M6PMT-1	30.00%	$311,384.13
Documentation Deliverables	10-Documentation				
User Documentation		DC02	M6PMT-2		
Technical Documentation		DC03	M6PMT-2		
Operations Documentation		DC04	M6PMT-2		
System Management Guide		DC04a	M6PMT-2		
Security Administration Documentation		DC05	M6PMT-2		
Workflow Administration Documentation		DC06	M6PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK08	M6PMT-2		
End User Training Environment/Data		TK09	M6PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Trained State Trainers		TK10	M6PMT-2		
End User Training Assistance		TK11	M6PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK12	M6PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off		TK13	M6PMT-2	20.00%	$207,589.42
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments		IM09	M6PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM10	M6PMT-3		
Help Desk Plan		IM11	M6PMT-3		
Help Desk Implementation Assistance		IM12	M6PMT-3	25.00%	$259,486.78
Project Management Deliverables	1-Project Management				
Milestone Report 6: Budget Preparation Implementation Go/No Go		PM11	M6PMT-4	25.00%	$259,486.78
Internal Control Risk Assessment		S17	M3PMT-1		
Milestone 6 Total Payments				**100.00%**	**$1,037,947.11**
Milestone 6.1: Re-Planning					
Project Management Deliverables	1-Project Management				
Updated Project Strategy, Plan, and Resource Schedule		PM19	M_PMT-6.1		
Updated Change Management Plan & Communications Plan		PM20	M_PMT-6.1		
Updated Communications Plan		PM21	M_PMT-6.1		
Report Deliverables					
Phase 2 Report Analysis Deliverable		R15	M_PMT-6.1	100.00%	$150,000.00
Milestone 6.1: Total Payments				**100.00%**	**$150,000.00**
Milestone 7: Budget Preparation Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM13	M7PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Converted Data in Production Environment		IM14	M7PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1 Post Implementation Support		PS01	M7PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 7: Budget Preparation Acceptance		PM12	M7PMT-1	100.00%	$283,377.54
Milestone 7 Total Payments				100.00%	$283,377.54
Milestone 8: Phase 2 Agency Implementation Planning & Organization					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessment		IM15	M8PMT-1		
Agency Implementation and Change Management Plans for All Agencies		IM16	M8PMT-1	30.00%	$1,019,640.36
Agency Implementation Guide		IM17	M8PMT-2	40.00%	$1,359,520.47
Project Management Deliverables	1-Project Management				
End User Readiness Assessment		PM13	M8PMT-3		
Milestone Report 8: Agency Implementation Planning and Organization		PM14	M8PMT-3	30.00%	$1,019,640.36
Milestone 8 Total Payments				100.00%	$3,398,801.19
Milestone 9: ERP Core Development and Configuration Complete					
Technical Services Deliverables	2-Technical Services				
Completed System and Recovery Test Environment		T17	M9PMT-1		
Approved Security, Vulnerability and Penetration Test Plan		T18	M9PMT-1	11.39%	$1,000,000.00
Data Conversion Deliverables					
Software Configuration Plan		S19	M9PMT-1		
Vendor File/VSS Configuration, Conversion, and Integration Approach		D08.1	M9PMT-2.1	0.80%	$70,000.00
Data Conversion/Mock Conversion Plan Update/Plan		D08.2	M9PMT-2.2	2.85%	$250,000.00
Configuration and Development Deliverables	4-Configuraton Management and Development				
Internal Control Risk Assessment		S17	M9PMT-2.3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Configuration and Development Inventory and Plan		CD06	M9PMT-2.3		
Assistance to DHHS for Cost accounting and Cost Allocation mapping and setup (team lead & 2 to 4 SME's)		IM29	M9PMT-2.3		
Unit Tested and Documented Configuration		CD07	M9PMT-2.3		
Unit Tested Baselined and Site Specific Code		CD08	M9PMT-2.3		
Unit Tested and Documented Workflows		CD09	M9PMT-2.3		
Unit Tested and Documented Configuration		CD10	M9PMT-2.3		
Data Conversion Deliverables	5-Data Conversion				
Unit Tested Data Conversion Programs		D07	M9PMT-2.3	45.56%	$4,000,000.00
Interfaces Deliverables	7-Interfaces				
Completed and Tested State Transportation System Integration		I05	M9PMT-3		
Completed and Tested HRMN Integration		I06	M9PMT-3		
Completed and Tested Procurement Integration including Punch Out contracts		I07	M9PMT-3		
Completed and Tested Disbursement Integration		I08	M9PMT-3		
Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties		I09	M9PMT-3		
Completed and Tested EDI Interfaces		I10	M9PMT-3		
Other Interfaces - Tested Programs		I11	M9PMT-3	11.39%	$1,000,000.00
MIDB Design		R02	M9PMT-4.1	1.14%	$100,000.00
MIDB Report Designs		R03	M9PMT-4.2	1.14%	$100,000.00
Report Designs for Production ERP		R04	M9PMT-4.3	1.14%	$100,000.00
CAFR Report and Publication Design		R05	M9PMT-4.4	1.14%	$100,000.00
Transparency & Accountability Website Design		R06	M9PMT-4.5	1.14%	$100,000.00
System and Recovery Test Deliverables	8-System and Recovery Testing				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
System and Recovery Test Plan (including Phase 1.5 as a discrete component)		ST04.1	M9PMT-5		
Approved and Loaded System and Recovery Test Environment		ST05.1	M9PMT-5		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK14	M9PMT-5		
End User Training Plan		TK15	M9PMT-5		
End User Training Curriculum		TK16	M9PMT-5	7.32%	$642,500.00
Project Management Deliverables	1-Project Management				
Milestone Report 9: ERP Core Function Configuration and Development Complete		PM15	M9PMT-6	15.00%	$1,316,500.00
Milestone 9 Total Payments				**100.00%**	**$8,779,000.00**
Milestone 9.1: Budget Design, Development and Configuration Phase 1.5					
Budget Preparation Phase 1.5 Design Update for 3.11, Deferred Phase 1 Functionality, Ongoing Elaboration		S04.1	M9.1PMT-1		$125,000.00
Budget Preparation Phase 1.5 Configuration, training, technical updates (Specific deliverables listed in the Milestone Acceptance Criteria Section)		S04.2	M9.1PMT-2		$125,000.00
Milestone 9.1 Total Payments				**100.00%**	**$250,000.00**
Milestone 9.2: Budget Preparation Phase 1.5 UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments			M9.2PMT-1		
User Acceptance Test Environment			M9.2PMT-1		
Completed Phase 1.5 Performance Testing and System Tuning			M9.2PMT-1		
Performance Testing and System Tuning Procedures			M9.2PMT-1		
Completed Security, Vulnerability, and Penetration Test			M9.2PMT-1	19.38%	$77,500.00
Conversion Deliverables	5-Data Conversion				
Approved Mock Conversion			M9.2PMT-2	19.38%	$77,500.00
System and Recovery Testing Deliverables	8-System and Recovery Testing		M9.2PMT-3		
Approved System and Recovery Test Outcomes		ST05.2	M9.2PMT-3	31.88%	$127,500.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training			M9.2PMT-4		
User Acceptance Test Plan and Scripting Leadership and Assistance			M9.2PMT-4		
User Acceptance Test Environment and Data			M9.2PMT-4		
Documentation Deliverables	10-Documentation				
Online Help			M9.2PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance			M9.2PMT-4		
Implementation Cutover Plan			M9.2PMT-4		
Implementation Checklist			M9.2PMT-4		
Production Job Schedule			M9.2PMT-4		
Approved Batch jobs on Job Scheduler			M9.2PMT-4	19.38%	$77,500.00
Milestone Report 9.2: Budget Preparation UAT Go/No Go			M9.2PMT-5	10.00%	$40,000.00
Milestone 9.2 Total Payments				**100.00%**	**$400,000.00**
Milestone 9.3: Budget Preparation Phase 1.5 Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
Approved User Acceptance Test Outcomes			M9.3PMT-1		
User Acceptance Test Leadership and Assistance			M9.3PMT-1	28.57%	$100,000.00
Documentation Deliverables	10-Documentation				
User Documentation			M9.3PMT-2		
Technical Documentation			M9.3PMT-2		
Operations Documentation			M9.3PMT-2		
System Management Guide			M9.3PMT-2		
Security Administration Documentation			M9.3PMT-2		
Workflow Administration Documentation			M9.3PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
End User Training Materials			M9.3PMT-2		
End User Training Environment/Data			M9.3PMT-2		
Trained State Trainers			M9.3PMT-2		
End User Training Assistance			M9.3PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off			M9.3PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off			M9.3PMT-2	40.00%	$140,000.00
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments			M9.3PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance			M9.3PMT-3		
Help Desk Plan			M9.3PMT-3		
Help Desk Implementation Assistance			M9.3PMT-3	21.43%	$75,000.00
Project Management Deliverables	1-Project Management				
Milestone Report 9.3: Budget Preparation Implementation Go/No Go			M9.3PMT-4	10.00%	$35,000.00
Milestone 9.3 Total Payments				**100.00%**	**$350,000.00**
Milestone 9.4: Budget Preparation Phase 1.5 Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover			M9.4PMT-1		
Converted Data in Production Environment			M9.4PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1.5 Post Implementation Support			M9.4PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 9.4: Budget Preparation Acceptance			M9.4PMT-1	100.00%	$100,000.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Milestone 9.4 Total Payments				**100.00%**	**$100,000.00**
Milestone 10: End-to-End Test Go/No Go					
Technical Services Deliverables	2-Technical Services				
Completed Security, Vulnerability and Penetration Test Plan		T19	M10PMT-1		
Completed Security, Vulnerability, and Penetration Test		T20	M10PMT-1		
Completed Performance Testing and Tuning Plan		T21	M10PMT-1		
Completed Performance Testing and Tuning		T22	M10PMT-1		
Performance Testing and System Tuning Procedures		T23	M10PMT-1		
Completed User Acceptance Test Environment		T24	M10PMT-1		
Production and Production QA Environments		T25	M10PMT-1		
Configuration and Development Deliverables					
System Tested and Documented Configuration			M10PMT-1		
System Tested and Documented Baselined and Site Specific Code			M10PMT-1		
System Tested and Documented Workflows			M10PMT-1	20.49%	$679,194.30
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST06	M10PMT-2		
Interfaces Deliverables	7-Interfaces				
System Tested State Transportation System Integration			M10PMT-2		
System Tested HRMN Integration			M10PMT-2		
System Tested Procurement Integration including Punch Out contracts			M10PMT-2		
System Tested Disbursement Integration			M10PMT-2		
System Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties			M10PMT-2		
System Tested EDI Interfaces			M10PMT-2		
Other Interfaces - System Tested Programs			M10PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Tested Data Conversion Programs			M10PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Approved Mock Conversion		D08.3	M10PMT-2		
End-to-End Test Deliverables	8-System, End-to-End, and Recovery Testing				
End-to-End Test Plan		ST04.2	M10PMT-2.2		
Approved and Loaded End-to-End Test Environment		ST05.2	M10PMT-2.2	20.52%	$680,000.00
Documentation Deliverables	10-Documentation				
Online Help		DC07	M10PMT-3		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10PMT-3		
Implementation Cutover Plan		IM19	M10PMT-3		
Implementation Checklist		IM20	M10PMT-3		
Production Job Schedule		IM21	M10PMT-3		
Approved Batch jobs on Job Scheduler		IM22	M10PMT-3	33.74%	$1,118,092.40
Project Management Deliverables	1-Project Management				
Milestone Report 10: ERP Core Function UAT Go/No Go		PM16	M10PMT-4	25.25%	$836,694.31
Milestone 10 Total Payments				**100.00%**	**$3,313,981.01**
Milestone 10.1: User Acceptance Test Go/No Go					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10.1PMT-1	13.79%	$450,000.00
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved End-to-End Test Outcomes		ST06.1	M10.1PMT-2	13.79%	$450,000.00
Training Deliverables	11-Training and Knowledge Transfer	TK00	M10PMT-2.1		
Computer Based Training (CBT) Designs		TK17	M10PMT-2.1		
Unit Tested Computer Based (CBT) Training		TK18	M10PMT-2.1		
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U05	M10PMT-2.1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
User Acceptance Test Plan and Scripting Assistance		U06	M10PMT-2.1		
User Acceptance Test Environment and Data		U07	M10PMT-2.1	69.36%	$2,263,981.01
Key Stakeholder and Outreach Assistance Deliverables					
Vendor/Supplier/Customer/Local Outreach Plan		IM30	M10.1PMT-3		
Milestone Report 10.1: User Acceptance Test Go/No Go		PM17	M10.1PMT -3	3.06%	$100,000.00
Milestone 10.1 Total Payments				**100.00%**	**$3,263,981.01**
Milestone 11: Core Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Test Assistance				
User Acceptance Test Leadership & Assistance		U08	M11PMT-1		
Approved User Acceptance Test Outcomes		U08.1	M11PMT-1		
Documentation Deliverables	10-Documentation				
User Documentation		DC08	M11PMT-1		
Technical Documentation		DC09	M11PMT-1		
Operations Documentation		DC10	M11PMT-1		
System Management Guide		DC10a	M11PMT-1		
Security Administration Documentation		DC11	M11PMT-1		
Workflow Administration Documentation		DC12	M11PMT-1	41.00%	$2,185,000.00
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK19	M11PMT-2		
End User Training Environment/Data		TK20	M11PMT-2	7.32%	$390,000.00
Trained State Trainers		TK21	M11PMT-3		
End User Training Assistance		TK22	M11PMT-3		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK23	M11PMT-3		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-Off		TK24	M11PMT-3	14.64%	$780,000.00
Key Stakeholder and Outreach Assistance Deliverables					
Local Entity and Vendor Outreach Assistance		IM31	M11PMT-4		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and QA Environments		IM23	M11PMT-4		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM24	M11PMT-4		
Help Desk Plan		IM25	M11PMT-4		
Help Desk Implementation Assistance		IM26	M11PMT-4	22.05%	$1,175,000.00
Project Management Deliverables	1-Project Management				
Milestone Report 11: Core Implementation Go/No Go		PM17	M11PMT-5	15.00%	$799,350.00
Milestone 11 Total Payments				**100.00%**	**$5,329,350.00**
Milestone 12: Reporting					
MIDB Design		R02	M12PMT-1		
MIDB Report Designs		R03	M12PMT-2		
Report Designs for Production ERP		R04	M12PMT-3		
CAFR Report and Publication Design		R05	M12PMT-4		
Transparency & Accountability Website Design		R06	M12PMT-5		
Tested and Approved Budget Preparation Reports		R07	M12PMT-6	26.67%	$400,000.00
Report Distribution System Installed, Configured, and Ready for implementation		R08	M12PMT-7	26.67%	$400,000.00
Tested and Approved MIDB Changes		R09	M12PMT-8	6.67%	$100,000.00
Tested and Approved MIDB Reports		R10	M12PMT-9	6.67%	$100,000.00
Tested and Approved Reports for Production ERP		R11	M12PMT-10	13.33%	$200,000.00
Tested and Approved CAFR Reports/Publication		R12	M12PMT-11	6.67%	$100,000.00
Tested and Approved Transparency & Accountability Website		R13	M12PMT-12	6.67%	$100,000.00
Report Distribution System Installed, Configured, and Ready for Implementation		R14	M12PMT-13	6.67%	$100,000.00
Milestone 12 Total Payments				**100.00%**	**$1,500,000.00**
Milestone 13: Core Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM27	M13PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Converted Data in Production Environment		IM28	M13PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 13: Core Acceptance		PM18	M13PMT-1	100.00%	$4,418,441.54
Milestone 13 Total Payments				**100.00%**	**$4,418,441.54**
Post Implementation Support Through September 30, 2018					
1st Calendar Quarter Period	13-Post Implementation Support	PS03	PIPMT-1	20.00%	$745,054.15
2nd Calendar Quarter Period		PS04	PIPMT-2	20.00%	$745,054.15
3rd Calendar Quarter Period		PS05	PIPMT-3	20.00%	$745,054.15
4th Calendar Quarter Period		PS06	PIPMT-4	20.00%	$745,054.15
Upgrade to Latest Release		PS07	PIPMT-5	20.00%	$745,054.15
Total Post Implementation Payments				**100.00%**	**$3,725,270.75**
Total Project Payments					**$46,555,321.81**

4.3 Rates for Additional Services in Association with the ERP Implementation Project

Contractor hourly rates for services that would apply to any change orders, task orders, or additional statements of work that may be issued in association with the Agreement are listed in Exhibit 4-3: Hourly Rates for Additional Services below.

The work shall be completed on-site unless the State provides prior approval. The State does not compensate Contractors for premium overtime or holiday pay. The rates shall be firm, fixed for the duration of the Agreement. The rates are inclusive of any travel or other expenses as described in Section 1.400. The State reserves the right to negotiate lower rates and obtain a fixed price for any larger efforts it may wish to undertake using Contractor staff.

Exhibit 4-3: Hourly Rates for Additional Services

Professional Service Category (e.g. Programmer/Analyst)	Hourly Rate
Project Manager	$260
Deputy Project Manager	$235
Subject Matter Expert	$245
Security Lead	$300
Security Specialist	$220
Technical Architect	$245
Technical Lead	$195
Team Lead	$195
Senior BA	$175

BA	$135
Senior PA	$175
PA	$135
Change Management/Communications	$175
Tester	$120
Trainer	$135
System Administrator	$135
Operations Support	$135
Technical Writer	$95
Project Assistant	$70

Attachment 5: Key Personnel

Attachment 5 is hereby deleted in its entirety and replaced with the following:

5.0 Contractor Key Personnel

The personnel specified in Exhibit 5-1 have been designated as Key Personnel and are subject to the provisions of Sections 2.062 and 2.243 covering Key Personnel and Liquidated Damages. For this purpose, Key Personnel may be released from their assigned roles upon satisfactory completion of their duties under this Agreement.

Exhibit 5-1

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Project Manager	~~George Schwartztrauber~~ Bill Hutchinson	~~7/2014~~ 10/05/2015	Y	Y
Phase 2 Implementation Manager	TBD	12/1/2015	Y	Y
Phase 1 Implementation Manager	Mark Johnson	On team at time of contract change	Y	Y
Financial Lead	John Jones	7/2014	Y	Y
Deputy Project Manager	Brenda Limberg	7/2014	Y	Y
Budget Preparation Lead	~~Jon Gingrich~~ Rachelle Wilkins	~~7/2014~~ On team at time of contract change	Y	Y
Phase 2 Design & Configuration Team PM	TBD	12/1/2015	Y	Y
~~Projects, Grants, Cost Allocation,~~ Labor Distribution Lead	~~James Rishell~~ Senthil Bagavathy	~~7/2014~~ On team at time of contract change	Y	Y
Cost Accounting Lead	Allan Mozingo	8/24/2015	Y	Y
Asset Management Lead	~~David Hay~~ Kenneth Cotton	~~7/2014~~ On team at time of contract change	Y	Y
Inventory Management Lead	~~David Hay~~ Kenneth Cotton	~~7/2014~~ On team at time of contract change	Y	Y
Time and Leave/HRMN Integration Lead	~~Tirzah Florentine~~ Daniel Heilman	~~7/2014~~ 8/15/2015	Y	Y
Federal Highway Billing Lead	~~Gary Wang~~ Donna Chapman	~~7/2014~~ On team at time of contract change	Y	Y
Technical Lead – ERP	~~Satish Mokkapati~~ Rejo Thekkudan	~~7/2014~~ On team at time of contract change	Y	Y

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Technical Lead ERP (Technical Services)	~~Satish Mokkapati~~ Rejo Thekkudan	~~7/2014~~ On team at time of contract change	Y	Y
~~MIDB~~ InfoAdvantage and Transparency Lead	~~David Brosh~~ Ron Chaudhari	~~7/2014~~ On team at time of contract change	Y	Y
Interfaces	Wael Amoudi	7/2014	Y	Y
Data Conversion	~~Wael Amoudi~~ Tim Stutes	~~7/2014~~ On team at time of contract change	Y	Y
Development	~~Syed Waseem~~ Tara Lenz	~~7/2014~~ On team at time of contract change	Y	Y
Configuration	~~Syed Waseem~~ Vigna Nalliah	~~7/2014~~ On team at time of contract change	Y	Y
Training Lead	~~Joel Drew~~ ~~Kelley Taylor~~ Jim Thorp	~~5/2015~~ On team at time of contract change	Y	Y
Implementation Services (2)	Andy Kiesewetter (100%) Neal Jones (50%)	7/2014	Y	Y
Agency Implementation Lead (2)	Andy Kiesewetter Neal Jones (50%)	7/2014	Y	Y
Organizational Change Management and Communication	Joan Lillich	7/2014	Y	Y
Testing Lead	~~Sanjay Rodrigues~~ ~~Robert Riley~~ Craig Stevens	~~7/2014~~ ~~N/A~~ 8/24/2015	Y	Y
Post Implementation Support	~~Syed Waseem~~ Vigna Nalliah	~~7/2014~~ On team at time of contract change	Y	Y
On-Site Operations Manager for Hosting	~~Syed Waseem~~ Vigna Nalliah	~~7/2014~~ On team at time of contract change	Y	Y
Delivery Project Executive	Kim Thorn	10/2014	25%	Y
Service Delivery Manager	~~Nick Kimberlin~~ Robert McDaniel	~~10/2014~~ On team at time of contract change	Y	Y
Procurement	David Hay	10/2014	Y	Y
Advantage Application System Administrator	Brooke Purdy	On team at time of contract change	Y	Y

The following Key Personnel represent the minimum staff level required to be full-time, on-site resources for each role identified. The quantities are subject to adjustment based upon project schedule realignment and CGI resource plan. Adjustments require approval of the State Project Director.

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Test Analysts	4 Fulltime, Onsite	01/04/2016	Y	Y
Report Analysts & Developers	6 Fulltime, Onsite	12/01/2015	Y	Y
Interface Developers/SME's	4 Fulltime, Onsite	12/01/2015	Y	Y
Transparency Portal Lead	1 Fulltime, Onsite	03/01/2016	Y	Y
Transparency Portal Developers	2 Fulltime, Onsite	07/05/2016	Y	Y
Agency Liaisons (for key agencies; MDOT, DHHS, DTMB, Treasury)	4 Fulltime, Onsite	12/01/2015	Y	Y

5.1 Use of CGI Product Team

All enhancements and modifications to the Advantage ERP and Budget Preparation Products will be performed by CGI's Product Team using experienced and qualified professionals. Development required for reports, interfaces, data conversion and other purposes will be performed onsite.

- Selected members of the CGI Product Team will also provide services to the State onsite in Lansing, Michigan during the planning, analysis, design, activities on the project. These Product Team members are listed in Exhibit 5-2 below:

3. Exhibit 5-2: CGI Product Team Members

Name, Project Role	Qualifications	
Howard Dryver, Product Support – Cost Accounting	▪ Advantage ERP Director of Product Management ▪ Over 17 years' experience delivering Advantage implementations in State and Local Government ▪ One (1) statewide Advantage implementation, State of Illinois	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed
~~Daniel Bruetting,~~ Ben Jackson Product Support – ~~Time & Leave~~ Payroll Accounting Management Patrick Bannister Product Support – Time & Attendance	▪ Advantage HRM/Payroll Product Manager with extensive product knowledge in Time and Leave and Labor Distribution ▪ Over 15 years' experience delivering Advantage implementations in State and Local Government ▪ One (1) statewide Advantage implementation at Missouri	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed

Name, Project Role	Qualifications	
Dale Kress, Product Support – Inventory	▪ Advantage Procurement, Inventory, & Vendor/Grantor Self Service Product Manager ▪ Over 10 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) state Advantage implementations, in Arizona and Virginia	▪ As needed, onsite ▪ Ongoing as needed
Jeremy Krishnan, Product Support - Financial, MIDB & Transparency, Financial SME	▪ Advantage Business Intelligence Product Manager, Advantage Financial Subject Matter Expert ▪ Over 18 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations at Massachusetts and Maine	▪ 50% allocation during core design fundamentals, a portion of this will be onsite ▪ Ongoing as needed
Trey McClendon, Product Support - Financial	▪ Chief Advantage Solution Architect for General Accounting, Chart of Accounts, Treasury, and Payroll Accounting Management. ▪ Over 14 years' experience delivering Advantage implementations in State and Local Government ▪ Worked on almost every Advantage Implementation since 2002 including Massachusetts and California DOT	▪ 50% allocation for Chart of Accounts and Coding Block Mapping, onsite ▪ Ongoing as needed
Joe Murray, Product Support – Cost Accounting, Financial, Federal Highway Billing, Asset Management	▪ Advantage Financial Product Manager ▪ Over 13 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations including California DOT and Utah ▪ Support multiple large scale Advantage implementations including West Virginia and Arizona	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed ▪ Onsite/available for FHWA Certification processes
Louise Oliver, Product Support – Performance Budgeting	▪ Advantage Budgeting Product Manager ▪ Over 10 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations including Vermont and West Virginia ▪ Project Advisor on multiple Performance Budgeting implementations including Los Angeles County	▪ 50% allocation during Core Design, performance budgeting Fundamentals, onsite ▪ Ongoing as needed
Alden Jamison	▪ Over 12 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations, including Idaho and Wyoming ▪ Over 10 years' experience implementing STARS in the states of California, Maryland, Idaho, Kansas and North Dakota	▪ 50-60% allocation for Cost Accounting and other business and functional support as needed, onsite ▪ Ongoing as needed

Attachment 8: Functional and Technical Requirements Clarifications

Attachment 8 is hereby deleted in its entirety and replaced with the following:

1. Next Release

The current release of CGI Advantage is 3.10, and it was made generally available in June 2013. The Contractor will be performing the initial Envision Phase analysis leveraging the 3.10 release of the software. The State will ultimately go live with the next release, which is CGI Advantage 3.11.

CGI Advantage 3.11 is scheduled to be generally available and delivered to the State in ~~October 2015~~ February 2016. ~~This release date aligns with the State's project delivery code-drop date~~

The Contractor will incorporate the State's baseline enhancements into CGI Advantage ~~release~~ 3.11 so that the State is implementing the latest software. The State-specific baseline enhancements and their associated delivery are referenced in Attachment 12. In addition to the baseline enhancements there will be new functionality included in ~~release~~ Advantage 3.11 that the State can choose to implement at a later date. This additional functionality, unless identified in the requirements checklist, is not included in the initial implementation. In the event that ~~release~~ Advantage 3.11 is not available within the timeframe required by the project plan or ~~release~~ Advantage 3.11 does not contain all required baselined enhancements as specified elsewhere in this Agreement, the Contractor is still required to make any enhancements proposed or agreed to during the project as part of their proposed fixed price.

Status reporting baseline development efforts is required along with all other status reporting as outlined in Attachment 2, Task 1.

The Contractor will make any enhancements needed to meet functional requirements listed as being 'critical' in Attachment 10 as part of their proposed fixed price.

2. Procurement Requirement Clarifications

A. Attachment 11 contains the disposition and clarification comments and notes associated with the procurement requirements. If a modification is ultimately approved by the State Project Director in association with any of the NA (Cannot Meet) or NR (Next Release) requirements, it shall be subject to the limitations specified in attachment 3, section 3.3 B: Development Pool of Hours.

B. The State Project Director shall determine whether Requirements 884948, 885087, 885081, and 885102 will require modification. If a decision is made to modify the software in association with any of these requirements, it shall be subject to the limitations of Attachment 3: Section 3.3 B: Development Pool of Hours. (These were previously not required, except for 884948).

C. The following requirements have been identified as the initial set of requirements requiring a system modification and have also denoted as such within Attachment 11. If a modification is ultimately removed from scope by the State Project Director in association with any of these requirements or replaced by another modification, it shall be subject to the limitations specified in attachment 3, section 3.3 B: Development Pool of Hours.

Enhancement	Description	Requirement
1	Tracking Locality Spend	884951
2	Add New Automated Alerts	884976
4	Work list Enhancements	884979
6	Allow Solicitation Response clarifications in VSS	885012
11	CS138 Processing	885073

		885074
15	Mandatory Evaluation Criteria	885087
16	Tracking Additional Vendors for Solicitation Notifications and Enhanced Solicitation Q&A	885110 885123
22	Support Protest Requests	885174
26	Enhanced Terms and Conditions	885136

Attachment 12: Advantage 3.11Software Baseline Enhancements

(For security purposes – not publically available)

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

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

CHANGE NOTICE NO. 3

to

CONTRACT NO. 071B4300138

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
CGI Technologies and Solutions Inc.	Jon Jasper	Jon.jasper@cgi.com
2651 Coolidge Road	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
East Lansing, MI 48823	(248) 496-4336	-6778

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	SBO	Ruth Schwartz	(517) 284-7585	Schwartzr1@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Jarrod Barron	(517) 284-7045	Barronj1@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: ERP Implementation Services Agreement			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
June 25, 2014	September 30, 2017	Indefinite Number of Periods	September 30, 2017
PAYMENT TERMS	F.O.B.	SHIPPED TO	
Net 45	N/A	N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF EXTENSION/OPTION	EXPIRATION DATE AFTER CHANGE
☒ No ☐ Yes	☐	☐		

CURRENT VALUE	VALUE/COST OF CHANGE NOTICE	ESTIMATED REVISED AGGREGATE CONTRACT VALUE
$40,420,738.00	$350,000.00	$41,070,738.00

DESCRIPTION:
Effective July 7, 2015, this contract is amended to add the services in the attached Statement of Work to be performed by subcontractor Grant Thornton LLP. The contract is increased by $350,000.00. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, DTMB Procurement approval, and State Administrative Board approval on July 7, 2015.

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project

CONTRACT CHANGE REQUEST

This Contract Change Request is submitted by the Department of Technology, Management and Budget ("DTMB" or "State") under the terms of the Contract #071B4300138 ("Contract"), dated June 25, 2014, between DTMB and CGI Technologies and Solutions Inc. ("Contractor" or "Vendor") in accordance with Section 2.024 and Exhibit 2-1 of the Contract.

Project Title:
ERP Implementation Services Agreement

Period of Coverage:
June 25, 2014 – September 30, 2021

Requesting Party:
CGI

Submission Date:
June 11, 2015

Project Manager of Requesting Party:
George Schwartztrauber

Phone: 859-552-9593

Financial Impact: Addition of $350,000 to Total Contract Value

19. OVERVIEW AND BACKGROUND

The State wishes to contract for consulting services and associated deliverables to be provided by Vendor's subcontractor Grant Thornton LLP ("Subcontractor") concerning performance based budgeting. Subcontractor will provide the desired consulting services pursuant to the terms of this Contract Change Request and a subcontract ("Subcontract") between Vendor and Subcontractor.

20. OBJECTIVES OF REQUESTED CHANGES

The objective of the changes specified in this Contract Change Request is to allow Subcontractor to provide the State with consulting services and associated deliverables concerning performance based budgeting.

21. CHANGES IN SCOPE

Consulting services ("Services") and associated deliverables ("Deliverables") specified in this Exhibit A to this Contract Change Request will be added to scope. Exhibit A is incorporated into this Contract Change Request as if fully set forth herein.

22. PROPOSED PROJECT SCHEDULE CHANGES

The additional scope specified in this Contract Change Request is to be performed according to the schedule specified herein and will not impact the overall implementation schedule of the SIGMA implementation project.

23. PROPOSED PROJECT STAFFING CHANGES

The staffing specified in this Contract Change Request will be added to the overall staffing plan of the SIGMA implementation project. The specified staffing are not designated as Contractor Key Personnel under Section 2.062 of the Contract. No other SIGMA implementation project staffing will result from this Contract Change Request.

24. PROPOSED COMPENSATION CHANGES

As a result of this Contract Change Request additional fees will accrue to Vendor in the amount of $350,000, subject to acceptance by the State of the Services and Deliverables specified herein.

25. PROPOSED CHANGES TO OTHER CONTRACT TERMS AND CONDITIONS

The Services and Deliverables specified in the Contract Change Request are additive to and separate and distinct from the SIGMA Project implementation project and will be provided to the State on a purely pass-through basis through the Subcontract. For these reasons, the following changes in the terms and conditions of the Contract will apply exclusively to this Contract Change Request:

1. Section 2.221 (Limitation of Liability) is modified only for purposes of this Contract Change Request such that Vendor's liability for specific services performed under this Contract Change Request is limited to amounts paid under this Contract Change Request. Section 2.221 will remain in full force and effect for all other services provided by Contractor or any subcontractor under the Contract.
2. Section 2.243 (Liquidated Damages) of the Contract is inapplicable to this Contract Change Request. Section 2.243 will remain in full force and effect for all other purposes.
3. At the request of Subcontractor, Section 2.230 (Disclosure of Litigation) is inapplicable to this Contract Change Order.

Exhibit A

Performance Based Budgeting – Making it Work in Michigan

In the current fiscal and political environment, the message is clear – government agencies must be held accountable for the use of public resources and must deliver visible, tangible, even quantifiable results. In these times of unprecedented pressure to justify and manage increasingly limited resources, budgeting based, at least in part on performance, is emerging as a valuable decision management tool that helps budget and program managers make informed funding tradeoffs. Performance informed budgeting allows for balancing cost and performance in declining budget and to demonstrate accountability for funds.

The State of Michigan is at the forefront of efforts to improve performance through data-driven decision making and greater transparency. Efforts to date under the umbrella of Reinventing Michigan, including MISTAT, MiDashboards, MiLAMP, and other accountability and transparency initiatives, represent best practices in state performance management, though additional steps and better integration of initiatives could accelerate improvement on behalf of Michiganders.

The Budget Office has instituted processes to evaluate new funding requirements from the Departments. It is also adopting a new budget system which offers the possibility of greatly enhancing the analytical capacity of the entire budgeting enterprise. For these efforts to be successful, there needs to be an integrated effort from planning through execution with consistent output and outcome measures applied throughout the lifecycle of the programs. Performance informed budgeting does just that and provides a framework to consistently evaluate funding requests and monitor them through execution. Moreover, it readies the State Budget Office for adoption of the new system's performance budgeting capabilities.

In our discussions with the State Budget Team, the following emerged as notable strengths to support a rigorous performance budgeting framework for the State of Michigan:

- Consistent leadership commitment
- Employment of best practices
- Measurement focus
- Data availability

Conversely, the following emerged as potential risks to a successful performance budgeting system:

- Leadership dependency
- Skeptical bureaucracy
- Skeptical or hostile legislature
- Multiple, disparate performance management initiatives
- Lack of leveraging rigorous program evaluations
- Lack of data analysis / inattention to data quality

DRIVERS OF CHANGE

- State of Michigan has a rare opportunity to transform the integration of performance analytics into its budgeting process. With the recent reelection of Governor Rick Snyder, who has dedicated considerable attention and energy to reforming the state's governance, there is an opportunity to make lasting reforms.
- Michigan's dashboards already provide a quick assessment of the state's performance in key areas including: economic strength; health and education; value for money government; quality of life; and public safety.
- The opportunity to enhance and integrate available performance information into the Michigan State budget process has never been greater.

With the implementation of a CGI-based SIGMA budgeting tool underway, the time is ripe for the State Budget Office to establish a new, more consistent and rigorous performance budgeting framework.

Responsibilities (people), data requirements and processes designed for the framework will drive the requirements for v1.5 of the SIGMA tool. The process of designing and piloting a performance budgeting framework will also guide how the Sigma tool should be designed to meet State's current performance and financial analysis needs, Department's readiness to embrace it and long-term sustainability of the process and the tool.

Characteristics of a Good Performance Budgeting Framework

State governments have struggled with integration of performance and budget for decades. The resistance to performance budgeting in any organization is often clouded by perceived complexity in implementing and sustaining it. Simplicity and clear articulation of the benefits is essential in driving the adoption of performance budgeting. Some of the key reasons for the State to implement such a framework include:

- An opportunity to use real data to support decisions, directing investments to initiatives with the most robust, measurable justifications
- Allows the organization to focus on what needs to be accomplished; also focuses on lining up budget execution (not just formulation) to the performance plan
- Demonstrate success to the public
- Create a sense of measurable accomplishment within and across programs
- Track State's accomplishments and costs over time
- Comply with regulations

The design of a performance budgeting framework is driven by several factors including past attempts, organizational change readiness, balancing needs of Budget office, Departments and the Legislature, integration with other ongoing initiatives, data availability, and quality and enabling technology. When designed and implemented correctly, a good PBB framework provides:

- Presentations clearly explaining the relationship of improved performance to the cost of achieving those goals
- Links strategic goals with related long-term and annual performance goals and with the costs of those activities
- Develops a baseline for the resources needed to accomplish the performance goals
- Can be much shorter than traditional budget with the main purpose to show an analysis of linking future performance and expected costs

A strong training, marketing, communication and change management drive is an essential part of performance budgeting design and implementation to drive adoption and long-term sustainability.

"How To" Guide to a successful PBB implementation

While designing and implementing a performance budgeting framework is highly dependent on several environmental factors, there are key steps that organizations starting on this journey must undertake. Currently, the State's budget office and programs are at various stages of maturity in their performance management, especially when it comes to integrating with budgeting. A deeper assessment of current activities would identify opportunities to streamline and enhance the state's performance management and budgeting capabilities. The desired end-state of the performance budgeting journey is represented by:

- Rationalized and aligned performance management initiatives
- A limited set of performance measures (e.g., outcome, output, input, cost) with valid data sources
- Realistic, yet challenging performance targets

- Team of analysts to facilitate data-driven decision making
- Integration of data analysis and decisions into Sigma
- Reenergized stakeholder consultation with agencies, legislature, and general public

Clearly, these outcomes will enhance the performance of Michigan's government by helping the Budget office target resources to those programs shown to have the biggest impact. But it is also essential if analysts are to leverage the capabilities of Sigma.

Pilot Selection

The design of the performance budgeting framework should be based on a series of pilots whose adoption will test and refine the blueprint for a government-wide implementation. The pilots should be representative of the different types of State programs. This is important as the framework needs to function with new/old, complex/simple, small/large, inter/intra department, willing/resistant partners and mature/developing programs. Pilot selection is thus a critical part of the performance budgeting design process as its success will also provide requirements for the optimal design of Sigma v1.5.

Some of the programs that stand out as possible candidates for the pilot are:

- Campus Safety
- Healthy Kids Dental
- Drug Policy
- Pathways (new program with funding challenges)
- Public Health
- Corrections
- Invasive Species (cross-agency program)
- TED
- Healthy Michigan
- 3rd Grade Reading (cross-agency program)
- Public Health (willing partner)

Pilot selection is also guided by factors such as availability and integrity of existing data and measures, current operating budget, existence of previous program evaluations, and other factors.

Discovery & Pilot Selection

Once a group of 10-12 potential pilot program candidates have been identified, the next step is to undertake a discovery process to select 4-6 programs for developing the performance budgeting pilot. The discovery phases will provide a better understanding of the programs needs and situation. Some of the artifacts that should be reviewed in the Discovery phase include:

- Strategic planning documents (e.g., strategic or operational plans, human capital or workforce plans)
- Existing program performance data and measures
- Executive/staff level performance standards/annual performance plans
- Governing statutes, regulations, or policies
- Historical workload information and counts as well as anticipated workload
- Results of any independent evaluations performed on agencies/programs
- Documentation on past performance-based budgeting approaches
- Previous Proposal for Change submissions

The document review process should be complemented by focus groups with select budget office staff and programs to better understand the organization and to discuss the goals and objectives for pilot assessment. These meetings will give key stakeholders the opportunity to provide input on their current performance management efforts, including reporting requirements (e.g., Reinventing Michigan Ten Point Plan, MISTAT, dashboards, and scorecards), data sources, among other discussion topics. These interactions will provide an understanding of:

- Program design and management (e.g., goals, desired outcome/impact on constituents)
- Current strategic and operational planning materials
- Program performance measures
  - Categories of performance measures (e.g., outcome, output, input, cost, quality)
  - Maturity of current program performance management efforts
  - Maturity of data collection, verification and validation efforts
  - Accuracy and frequency of data being collected
- Relevancy and scope of performance being measured
- Reporting procedures and requirements
- Accountability and results reporting

These discussions and document review will help in developing a baseline understanding of current data, process, change-readiness and need to inform the development of the performance-based budgeting framework and selection of the 4-6 pilot programs.

A sound data verification and validation process for the selected pilot programs can assess the current set of goals and measures and identify any gaps, as well as identify process improvements that can enhance data quality. A data verification and validation process for the selected pilot programs will answer and remediate the following:

- Is the organization measuring the right things?
- Are data collection, analysis, and reporting procedures being followed?
- How accurate is the data collected?
- Is measure data current and regularly updated?
- Does measure data describe the entire scope of the performance measure?
- Is measure data reliable enough to inform decisions?

Develop Assessment Framework

The next step in the process is to develop an assessment framework defined by a set of diagnostic questions that provide insights into the extent to which selected programs have:

- Clear goals
- Reliable sources of cost and performance data
- High quality program management
- Rigorous, independent program evaluations

The development of an assessment framework should include establishment of a standard taxonomy, a revised Proposal for Change form and associated guidance and evaluation template to evaluate multiple change requests by the State Budget Analysts using a consistent approach.

Establishment of a standard taxonomy serves multiple purposes – education of departmental and state budget analysts, improving quality of information collected in the proposal for change process, enabling consistent evaluation across multiple change requests at the Department and State levels. Standard taxonomy is an important tool in the training, communication and change management component of the performance based budgeting roll-out. The standard taxonomy also inform the requirements for Sigma v1.5.

While the State Budget Office has a well-defined Proposal for Change template, the information requested and guidance provided are not sufficient to drive data driven decisions. As part of this phase, the Proposal Change form should be revised to be structured around a set of questions to collect pertinent cost, performance and justification information for the requested changed. A robust proposal for change from should include questions that probe the need, impact and data analysis related to the funding request. Similar initiatives or assessment tools have been adopted by governments to enhance the integration of performance into the budgeting process. One such initiative was the Federal Government's Program Assessment Rating Tool.[1] The Program Assessment Rating Tool and tools like it are designed to collect evidence on the degree to which a program or proposal has the adequate building blocks and evidence to ensure the continuous assessment and improvement of performance. The questions that made up the Program Assessment Rating Tool were based on commonly understood factors that determined the maturity of a program or proposal's performance management.[2] Detailed guidance that described the intent of the questions and the evidence required for each accompanied the tool.[3]

The tool created for Michigan will be unlike the Program Assessment Rating Tool and designed for the unique needs of its budget analysts. However, there are commonly understood principles that should guide a performance budgeting initiative. So, the questions that make up the ultimate assessment tool would most likely be developed under the following broad categories:

- **Program Purpose & Design**: Does the requested funds address specific and existing problem, interest or need?
- **Strategic Planning**: What measures and targets are associated with the funding request?
- **Program Management**: What measurement and reporting framework is in place to evaluate the program performance during execution?
- **Program Results/Accountability**: Is the change request supported by independent evaluations and history of improvements (efficiency and effectiveness)?

The development of a standard set of questions should also be accompanied by robust guidance to promote consistency in response. The response needs to be brought into a standardized template (eventually to be housed in Sigma) for evaluating the request side by side to make tradeoff decisions.

Finally, the framework should include consistent evaluation criteria and response protocols to enable a self-improving data collection and evaluation process.

Deploy Assessment Framework for Selected Pilot Programs

In collaboration with the selected pilot programs or agencies, the performance assessment framework should be piloted in the FY 2016 budget process. Prior to the deployment, it is imperative that the involved

[1] More information on the Program Assessment Rating Tool can be found here: www.whitehouse.gov/sites/default/files/omb/assets/OMB/expectmore/part.html.
[2] Sample Program Assessment Rating Tool questions can be found here: www.whitehouse.gov/sites/default/files/omb/assets/OMB/expectmore/partquestions.html.
[3] A sample of Program Assessment Rating Tool guidance can be found here: www.whitehouse.gov/sites/default/files/omb/part/fy2007/2007_guidance_final.pdf.

personnel are adequately trained on the overall objective of the performance budgeting initiative and their role in the piloting phase. Using standardized templates, the participants will go through a set of standard questions on cost, performance, measures and desired outcomes to help budget analyst evaluate funding requests and compare and contrast it with other requests to make trade-off decisions. The focus of the initial deployment is to gather feedback on:

- Clarity of instructions
- Understanding of common performance budgeting taxonomy
- Quality of responses
- Ability to provide desired output and outcome in funding request
- How to streamline or enhance the process leveraging the capabilities of Sigma

Results collected from the pilot deployment will be presented to pilot participants, and their feedback will be solicited to ensure all responses are reflected accurately.

Feedback received from the pilot deployment and input from external entities should be reviewed and incorporated into the final assessment framework and draft budget guidance, as appropriate.

Incorporating Best Practices

To ensure that the performance budgeting framework is consistent with best performance management practices, it is recommended that the Budget Office engage in communications and marketing efforts with external organizations including:

- National Association of State Budget Officers (NASBO)
- National Association of State Auditors, Comptrollers and Treasurers (NASACT)
- Association of Government Accountants (AGA)
    - National Academy of Public Administration (NAPA)
    - National Governors Association (NGA)

In addition to ensuring Michigan's initiative incorporates desired elements of other successful performance driven resource allocation initiatives, endorsement by these organizations can reinforce Michigan's position as a leader in government reform, including performance budgeting.

Communication and Training

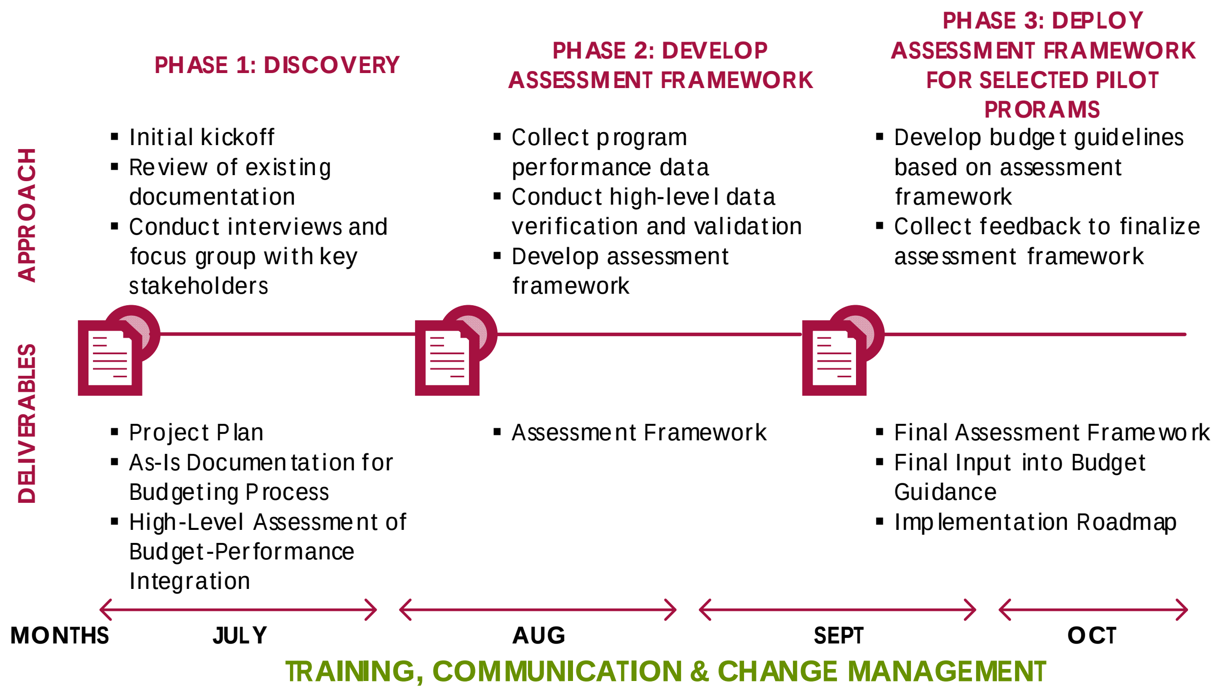
To ensure successful implementation and incorporation of the final assessment framework into the performance management culture in the State of Michigan, it is necessary to train budget analysis, program managers, and other staff on the use and impact of the final assessment framework on program performance management and budgeting. Training material can include:

- In-person training sessions
- Desk guides and reference sheets
- Frequently Asked Questions (FAQ)

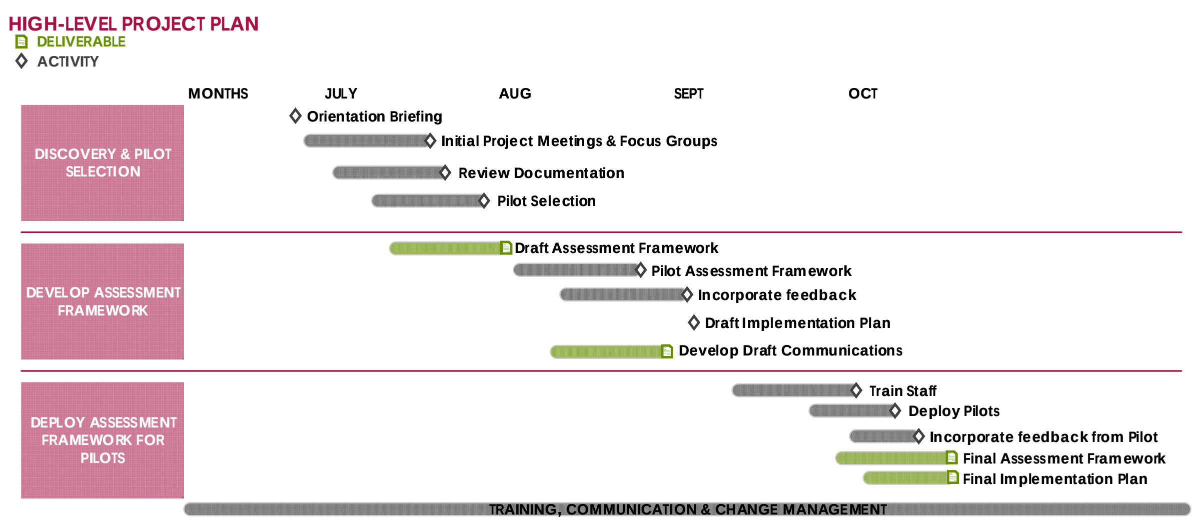
To ensure educated participation it is important that communication and training efforts start from day one of kicking of this initiative. It is also important that the right stakeholders are brought into the conversation at the right time. A detailed communication, training and change management plan needs to be established early on in the process. These are live documents that will evolve form Discovery to Implementation.

Implementation Roadmap

Time is short and the window for successful design and adoption of a performance budgeting framework is closing. Success will depend on adherence to a strict implementation timeline such as the one that follows:



The detailed project plan should be one of the first deliverables produced in consultation with the State Budget Office and the Departments to ensure availability of the right resources at the right time. The project plan should also consider other related initiatives (such as testing for SIGMA Budget Phase 1, development of 2017 budget guidance and requirements gathering for SIGMA Budget Phase 1.5) to ensure efficiency in stakeholder interaction. A notional timeline, highlighting key activities across the various phases is shown below. Activities, deliverables, sequencing and timeline may vary as details emerge.



Performance Management and Quality Plan

Grant Thornton is committed to implementing high-quality solutions that exceed our clients' expectations. Thus, Grant Thornton considers quality control to be an integral part of supporting and managing our engagements. Our engagement management model contains multiple quality mechanisms that allow our project team to maintain open communication with project leadership, monitor work as it progresses, and identify risks that arise.

For each deliverable, our team will conduct a defined and scheduled quality assurance review. These reviews will make sure work products are complete, correct, clearly communicated, timely, and useful. In addition, we will evaluate each project task for full performance and acceptability of work. As shown below, we adhere to our quality processes and procedures throughout deliverable development.

DELIVERABLE	ACCEPTANCE CRITERIA	METHOD OF DELIVERY	POTENTIAL MITIGATION
PHASE 1: PROJECT PLAN Confirm deliverables, activities, and schedules	Timeliness – Project Plan completed within 5 business days of award Quality – Project Plan validated and agreed to by client and project team	Electronic & Hardcopy	Draft Review
PHASE 1: AS-IS DOCUMENTATION FOR BUDGETING PROCESS Develop baseline understanding of current data, process, change-readiness, and need to inform the development of the performance-based budgeting framework and selection of pilot programs. Detail key themes and findings.	Timeliness – As-Is Documentation Review completed within 20 business days of award Quality – Key themes and findings are validated and agreed to by client and project team	Electronic & Hardcopy	Draft Review
PHASE 1: HIGH-LEVEL ASSESSMENT OF BUDGET-PERFORMANCE INTEGRATION Identify current capabilities and challenges and gain a deeper understanding of how the state currently measures performance, reports on key performance indicators, and conducts program evaluations.	Timeliness – High Level Assessment of Budget Performance Integration completed within 30 business days of award Quality – Findings include current maturity of budget-performance integration at program level, and recommendations address opportunities from improvement	Electronic & Hardcopy	Draft Review
PHASE 2 & 3: DRAFT ASSESSMENT FRAMEWORK & FINAL ASSESSMENT FRAMEWORK Matrix for evaluating performance measure criteria and current program performance.	Timeliness – Assessment Framework completed within 50 business days of award Quality – Assessment Framework validated and agreed to by client and project team	Electronic & Hardcopy	Draft Review
PHASE 3: IMPLEMENTATION ROADMAP Summary of findings, recommended improvements, and timeline for application of assessment programs beyond pilot programs.	Timeliness – Implementation Roadmap completed within 70 business days of award Quality – Implementation Roadmap validated and agreed to by client and project team	Electronic & Hardcopy	Draft Review

Deliverable and Payment Schedule

DELIVERABLE	DELIVERABLE NUMBER	PAYMENT ID	PERCENT OF TOTAL MILESTONE PAYMENTS	PAYMENT AMOUNT
PROJECT PLAN	D01	PMT1	5%	$ 17,500.00
AS-IS DOCUMENTATION FOR BUDGETING PROCESS	D02	PMT2	20%	$ 70,000.00
HIGH-LEVEL ASSESSMENT OF BUDGET-PERFORMANCE INTEGRATION	D03	PMT3	20%	$ 70,000.00
ASSESSMENT FRAMEWORK	D04	PMT4	40%	$ 140,000.00
IMPLEMENTATION ROADMAP	D05	PMT5	15%	$ 52,500.00
TOTAL				$ 350,000.00

Staffing Plan

To execute based on the proposed methodology, we have selected a team of qualified and experienced resources who will be able to work collaboratively with stakeholders to develop a best-practice assessment framework and well defined implementation plan.

The project team leadership is headed by **Mr. Robert Shea**, a Principal within Grant Thornton's Global Public Sector practice. Mr. Shea has over 20 years' of cost, budget, and performance management experience. At Grant Thornton, he has led numbers performance management engagements for a diverse set of clients. Previously, Mr. Shea served in U.S. Office of Management and Budget as Associate Director for Administration and Government Performance. In addition to managing OMB's internal operations, he led the President's Performance Improvement Initiative and administered the Program Assessment Rating Tool. Before joining OMB, he served as Counsel to the U.S. Senate Committee on Governmental Affairs where, in addition to general oversight of Executive Branch management, he advised Committee leadership on the status of implementation of the statutory framework for performance-based government, including the Government Performance and Results Act (GPRA) and the Chief Financial Officers Act.

Mr. Shiva Verma, a Principal within Grant Thornton's Global Public Sector practice, brings over 16 years of extensive cost and performance management experience, including implementation of integrated cost, budget and performance management solution to support fee setting, operational decision-making, performance based budgeting, performance management and financial statements. Mr. Verma led implementation of the cost and performance management initiative at the US Patent and Trademark Office (USPTO) which was deemed a Federal best practice per an independent review. Mr. Verma is also helping shared services at the State & Local level to develop robust, performance-based budgeting processes. He is Project Management Institute certified Project Management Professional and American Society for Quality Certified Lean Six Sigma Black Belt.

Mr. Marc Hebert, a Director within Grant Thornton's Global Public Sector practice, has spent the last 12 years leading performance management efforts with our clients. His support has included the integration of cost and performance data in budget submissions, having recently helped the Federal Protective Service with the Department of Homeland Security with their FY2017-2021 submission. Mr. Hebert has also lead major strategy and transformation efforts including at the Financial Management Directorate at the Washington Headquarters Service; Office of the Special Trustee for American Indians; Food Safety and Inspection

Service, National Endowment for the Arts, and the Federal Election Commission. In each of those engagements, Mr. Hebert developed performance frameworks to define their goals and strategies and the measures used to demonstrate progress. In addition as the sub-service lead in performance management within Grant Thornton's Performance Transformation Service Line, Mr. Hebert facilitates the identification and transfer of best practices across engagements.

With over 17 years of functional, technical and management experience, **Mr. Tom Davis** is an experienced professional with extensive working knowledge across the Budget and Performance Management areas. He has provided leadership in the development and deployment of Performance Budget and Programming, Activity-Based Costing/Management, Business Process Reengineering, Business Intelligence and various performance management projects. Mr. Davis has led budget-related projects at Defense Security Cooperation Agency (DSCA) and Federal Bureau of Investigation (FBI) clients defining, documenting and improving the performance budget formulation and execution processes, as well as developing the framework and implementation of the technical solution. Mr. Davis holds a current TS/ SSBI security clearance and is a certified Project Management Professional (PMP) and Certified Government Financial Manager (CGFM).

Ms. Amber Garib is a Certified Public Accountant (VA) and a Manager in the Global Public Sector, based in Alexandria, VA. She has eight years of experience in cost and performance management, including strategic planning, activity based costing, performance measure development, budget-performance integration, organizational improvement, staffing analysis, and program analytics. Ms. Garib has provided performance management support to multiple organizations within the Department of the Interior (DOI). Specifically, she led the Comprehensive Assessment of the DOI's Trust Administration System (TAS). Due to the complex nature of TAS (including both monetary and non-monetary assets) and as a result of the Cobell litigation, DOI required a thorough and comprehensive evaluation of the existing management and administration of TAS to support a reasoned and factually-based set of options for potential management improvements. It also required a review of the management of the trust administration system, e.g. performance audits, programmatic reviews, and external audits. The recommendations needed to include necessary policy, legislative or regulatory changes to permanently implement such improvements and review of effectiveness of past management reforms.

Staff Assignment:

Grant Thornton leadership will be involved throughout the execution of the engagement with both Robert Shea and Shiva Verma committing 10% of their time to this engagement. Robert and Shiva will be onsite at least once a month for key milestones and meetings. We propose a full time (4 days/week) senior resource (Tom Davis) to be on site through the deployment of the pilots. The full time resource will be supplemented by the Project Manager, Marc Hebert, who will devote up to 40% of his time to this engagement. Marc will be onsite twice a month. Amber Garib will focus on the communication, change management and training components of the engagement. Amber will commit 25% of her time to the engagement.

Please note that the team will be flexible to accommodate changes in the execution plan and the staffing will be updated, as needed.

In Summary

The degree to which a State can achieve these benefits of performance-based budgeting depends largely on the implementation strategy. While design considerations such as scale and level of detail are important, they do not ensure the long term sustainment of the performance budgeting capability. Simply providing tools and templates to budget and program managers will not result in practices taking hold or be sustained. Management processes and accountability structures need to change to incorporate these new practices into key formal decision-making processes. To do so, the agency will require appropriate incentives (and disincentives) and management motivation (and vigilance) to promote the use of the performance budgeting framework in trade-off decisions. Absence of a well-orchestrated cultural adoption and sustainment strategy will result in the organization joining the list of public sector and commercial entities where good performance budgeting infrastructures failed to yield due results despite the often elegant nature of the models developed.

Budgeting informed by performance is no panacea, but if implemented correctly provides a sound platform to promote transparency and accountability and help management achieve optimum balance of performance and cost in the delivery of mission programs.

For more information, please contact:
Robert Shea
Principal, Grant Thornton LLP
robert.shea@us.gt.com

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

CHANGE NOTICE NO. 2
to
CONTRACT NO. 071B4300138
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
CGI Technologies and Solutions Inc. 2651 Coolidge Road East Lansing, MI 48823	Jon Jasper	Jon.jasper@cgi.com
	TELEPHONE	**CONTRACTOR #, MAIL CODE**
	(248) 496-4336	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	SBO	Ruth Schwartz	517-284-7585	Schwartzr1@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	Zukerw@michigan.gov

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DESCRIPTION: ERP Implementation Services Agreement			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW**
June 25, 2014	September 30, 2017	Indefinite Number of Periods	September 30, 2017
PAYMENT TERMS	**F.O.B**	**SHIPPED**	**SHIPPED FROM**
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			**AVAILABLE TO MiDEAL PARTICIPANTS**
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	**EXERCISE CONTRACT OPTION YEAR(S)**	**EXTENSION BEYOND CONTRACT OPTION YEARS**	**LENGTH OF OPTION/EXTENSION**	**EXPIRATION DATE AFTER CHANGE**
☒ No ☐ Yes	☐	☐		Sept. 30, 2017
VALUE/COST OF CHANGE NOTICE:		**ESTIMATED REVISED AGGREGATE CONTRACT VALUE:**		
$0.00		$40,420,738.00		

Effective March 11, 2015, this contract is hereby amended to include the attached Statement of Work for the realignment of the Payment Schedule.

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

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project

CONTRACT CHANGE REQUEST

This Contract Change Request is submitted by the Department of Technology, Management and Budget ("DTMB" or "State") under the terms of the Contract #071B4300138 ("Contract") dated June 25, 2014, between DTMB and CGI Technologies and Solutions, Inc. ("Contractor" or "Vendor") in accordance with Section 2.024 and Exhibit 2-1 of the Contract.

Contract: ERP Implementation Services Agreement Contract No. 071B4300138	**Period of Coverage:** June 25, 2014 – September 30, 2017
Requesting Party: CGI	**Submission Date:** March 11, 2015
Project Manager of Requesting Party: George Schwartztrauber	**Phone:** 859-552-9593

Financial Impact: $0

26. BACKGROUND

This Contract Change Request is to make the following high-level changes:

a) Realignment of the payment schedule.

27. OBJECTIVES OF REQUESTED CHANGES

The purpose of the changes proposed in this CCR is to realign the payment schedule detailed in ISA Exhibit 4.2 with the revised project schedule.

28. CHANGES IN SCOPE - CLARIFICATIONS TO PROJECT SCOPE OF WORK, SCHEDULE and STAFFING

None

Attachment 4: Deliverables and Payment Schedule

Attachment 4, Section 4.2, is hereby amended and replaced in its entirety, as follows:

4.2 Deliverables and Payments

The Contractor may invoice and receive payment for a completed and approved Deliverable Group or for approved completion of a project milestone.

4) **Deliverable Group** –Contractor may qualify to invoice for and receive a payment when all Deliverables associated with a specific Payment ID in Exhibit 4-2 below have been completed, submitted, and approved by the State Project Director or her designee. The amount that may be invoiced and paid for those Deliverables associated with a specific Payment ID is listed in the Payment Amount column of Exhibit 4-2. Deliverables associated with Milestone 7: Budget Preparation Acceptance and Milestone 13: Core ERP Acceptance will not qualify for invoicing and payment until the Milestone (and Milestone Report for that Milestone) has been completed and approved by the State Project Director or her designee.

5) **Milestones** – Contractor may qualify to invoice for and receive a Milestone payment by: completing all requirements associated with the particular Milestone listed and described in Attachment 2 Exhibit 2-1 AND submitting and receiving approval for the Milestone Report associated with the completed Milestone. Payment Amounts for each Milestone are listed in the Payment Amount column of Exhibit 4-2 below (in association with Milestone Reports and related Payment IDs).

Exhibit 4.2: Payments

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Phase I					
Milestone 1					
Planning Deliverables	**1-Project Management**				
Project Strategy, Plan and Resource Schedule		P01	M1PMT-1		
Risk Identification, Analysis, and Management Plan		P02	M1PMT-1		
Issue Process/Database		P03	M1PMT-1		
Status Reporting Process		P04	M1PMT-1		
Scope Change Control Process		P05	M1PMT-1		
Organizational Change Management Plan		P06	M1PMT-1		
Communications Plan		P07	M1PMT-1	30.00%	$74,492.76
Technical Services Deliverables	**2-Technical Services**				
Project Environment Specification		T01	M1PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed Software Installation, User Playground, and Software Education Sessions		T02	M1PMT-2		
Complete Development Environment - Phase 1		T03	M1PMT-2		
Complete Development Environment - Phase 2		T04	M1PMT-2		
System Analysis and Design Deliverables					
Site Specific Code Retrofitting Approach	3-Systems Analysis and Design	S01	M1PMT-2	25.00%	$62,077.30
Training and Knowledge Transfer Deliverables	**11-Training and Knowledge Transfer**				
Project Team Training Approach and Plan		TK01	M1PMT-3		
Knowledge Transfer Approach and Plan		TK02	M1PMT-3		
Project Team Training - ERP		TK03	M1PMT-3		
Project Team Training - Methodology and Approach		TK04	M1PMT-3	30.00%	$74,492.76
Project Management Deliverables					
Milestone Report 1: Project Strategy and Plan	Project Mgt	PM01	M1PMT-4	15.00%	$37,246.38
Milestone 1 Total Payments				**100.00%**	**$248,309.20**
Milestone 2 - Budget Preparation Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Not Used		S04			
Requirements Validation Document		S03	M2PMT-1		
Budget Preparation Design		S04	M2PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S05	M2PMT-1		
Internal Control Risk Assessment		S06	M2PMT-1		
Software Configuration Plan		S07	M2PMT-1		
Chart of Accounts Design Assistance - Budget		S08	M2PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Preparation					
Functional Designs		S09	M2PMT-1	30.00%	$89,391.31
Technical Designs		S10	M2PMT-2		
Requirements Traceability Matrix		S11	M2PMT-2	15.00%	$44,695.66
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Plan		D01	M2PMT-3		
Data Conversion Program Designs		D02	M2PMT-3		
Report Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Budget Prep Report Designs		R01	M2PMT-3	10.00%	$29,797.10
Interfaces Deliverables	7-Interfaces				
Interface Plan (covering all phases)		I01	M2PMT-4		
Interface Designs		I02	M2PMT-4	5.00%	$14,898.55
Technical Services Deliverables	2-Technical Services				
Security Architecture and Design		T05	M2PMT-5		
Configuration Management Procedures		T06	M2PMT-5	15.00%	$44,695.66
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM02	M2PMT-6		
Communications Plan Updates		PM03	M2PMT-6	5.00%	$14,898.55
Milestone Report 2: Budget Preparation Design		PM04	M2PMT-7	20.00%	$59,594.21
Milestone 2 Total Payments				**100.00%**	**$297,971.04**
Milestone 3 ERP Core Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Requirements Validation Document		S11	M3PMT-1		
Core Design Fundamentals Document		S12	M3PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Process, and Transaction Mapping Analysis		S13	M3PMT-1		
Requirements Validation Document		S14	M3PMT-1		
Cost Accounting Classification and Reporting Plan		S15	M3PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S16	M3PMT-1		
Internal Control Risk Assessment		S17	M3PMT-1		
FHWA Comprehensive Design		S18	M3PMT-1		
Software Configuration Plan		S19	M3PMT-1		
Chart of Accounts Plan		S20	M3PMT-1		
Chart of Accounts Design Assistance		S21	M3PMT-1		
Functional Designs		S22	M3PMT-1	20.00%	$1,354,162.34
Technical Designs		S23	M3PMT-2		
Requirements Traceability Matrix		S24	M3PMT-2	10.00%	$677,081.17
Implementation Analysis Design (IAD)		S25	M3PMT-7		
Catalog Management Plan		S26	M3PMT-7	20.00%	$1,354,162.34
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
MIDB Design	moved to M12	R02	M3PMT-3		
MIDB Report Designs	moved to M12	R03	M3PMT-3		
Report Designs for Production ERP	moved to M12	R04	M3PMT-3		
CAFR Report and Publication Design	moved to M12	R05	M3PMT-3		
Transparency & Accountability Website Design	moved to M12	R06	M3PMT-3		$0.00
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Program Designs		D03	M3PMT-4		
Interface Deliverables	7-Interfaces				
Major Integration Approach Document (covering all phases)		I03	M3PMT-4		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Interface Designs		I04	M3PMT-4		
Technical Services Deliverables	2-Technical Services				
Completed Production and Production QA Specification		T07	M3PMT-4	25.00%	$1,692,702.92
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM05	M3PMT-5		
Communications Plan Updates		PM06	M3PMT-5	10.00%	$677,081.17
Milestone Report 3: ERP Core Design		PM07	M3PMT-6	15.00%	$1,015,621.75
Milestone 3 Total Payments				**100.00%**	**$6,770,811.68**
Milestone 4 - Budget Preparation Configuration and Development					
Configuration and Development Deliverables	4-Configuration Management and Development				
Configuration and Development Inventory		CD01	M4PMT-1		
Unit Tested and Documented Configuration		CD02	M4PMT-1		
Unit Tested Site Specific Code		CD03	M4PMT-1		
Unit Tested and Documented Workflows		CD04	M4PMT-1		
Unit Tested and Documented Configuration		CD05	M4PMT-1		
Reports Deliverables	6-MIDB,Reporting and Transparency & Accountability Website				
Tested and Approved Budget Preparation Reports	moved to M12	R07	M4PMT-1	0.00%	$0.00
Conversion Deliverables	5-Data Conversion	D00	M4PMT-2		
Unit Tested Data Conversion Programs		D04	M4PMT-2		
Interfaces Deliverables	7-Interfaces				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Interface Tested Programs		I05	M4PMT-2	20.00%	$228,807.97
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK05	M4PMT-3		
End User Training Plan		TK06	M4PMT-3		
End User Training Curriculum		TK07	M4PMT-3	5.63%	$64,403.99
Technical Services	2-Technical Services				
Completed System and Recovery Test Environment		T08	M4PMT-4		
Completed Training Environment		T09	M4PMT-4		
Production and Production QA Environment Specification		T10	M4PMT-4		
Performance Testing and Tuning Plan		T11	M4PMT-4		
Approved Phase 1 Security, Vulnerability and Penetration Test Plan		T12	M4PMT-4		
System and Recovery Testing	8-System and Recovery Testing				
System and Recovery Test Plan		ST01	M4PMT-4		
Approved and Loaded System and Recovery Test Environment		ST02	M4PMT-4	34.37%	$393,211.96
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessments		IM01	M4PMT-5		
Agency Implementation Guide		IM02	M4PMT-5		
Agency Implementation and Change Management Plans		IM03	M4PMT-5		
Project Management	1-Project Management				
End User Readiness Assessment		PM08	M4PMT-5	20.00%	$228,807.97
Milestone Report 4: Budget Preparation		PM09	M4PMT-6	20.00%	$228,807.97

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Configuration and Development					
Milestone 4 Total Payments				**100.00%**	**$1,144,039.87**
Milestone 5: Budget Preparation UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments		T13	M5PMT-1		
Completed Phase 1 Performance Testing and System Tuning		T14	M5PMT-1		
Performance Testing and System Tuning Procedures		T15	M5PMT-1		
Completed Security, Vulnerability, and Penetration Test		T16	M5PMT-1	10.00%	$179,403.99
Conversion Deliverables	5-Data Conversion	D05			
Approved Mock Conversion		D06	M5PMT-2	20.00%	$358,807.97
Reports Deliverables	6-MIDB,Reporting, and Transparency and Accountability Website				
Report Distribution System Installed, Configured, and Ready for implementation	moved to M12	R08	M5PMT-3		
System and Recovery Testing Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST03	M5PMT-3	40.00%	$717,615.95
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U01	M5PMT-4		
User Acceptance Test Plan and Scripting Assistance		U02	M5PMT-4		
User Acceptance Test Environment and Data		U03	M5PMT-4		
Documentation Deliverables	10-Documentation				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Online Help		DC01	M5PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance		IM04	M5PMT-4		
Implementation Cutover Plan		IM05	M5PMT-4		
Implementation Checklist		IM06	M5PMT-4		
Production Job Schedule		IM07	M5PMT-4		
Approved Batch jobs on Job Scheduler		IM08	M5PMT-4	10.00%	$179,403.99
Project Management Deliverables	1-Project Management				
Milestone Report 5: Budget Preparation UAT Go/No Go		PM10	M5PMT-5	20.00%	$358,807.97
Milestone 5 Total Payments				**100.00%**	**$1,794,039.87**
Milestone 6: Budget Preparation Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Assistance		U04	M6PMT-1	30.00%	$311,384.13
Documentation Deliverables	10-Documentation				
User Documentation		DC02	M6PMT-2		
Technical Documentation		DC03	M6PMT-2		
Operations Documentation		DC04	M6PMT-2		
System Management Guide		DC04a	M6PMT-2		
Security Administration Documentation		DC05	M6PMT-2		
Workflow Administration Documentation		DC06	M6PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK08	M6PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
End User Training Environment/Data		TK09	M6PMT-2		
Trained State Trainers		TK10	M6PMT-2		
End User Training Assistance		TK11	M6PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK12	M6PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off		TK13	M6PMT-2	20.00%	$207,589.42
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments		IM09	M6PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM10	M6PMT-3		
Help Desk Plan		IM11	M6PMT-3		
Help Desk Implementation Assistance		IM12	M6PMT-3	25.00%	$259,486.78
Project Management Deliverables	1-Project Management				
Milestone Report 6: Budget Preparation Implementation Go/No Go		PM11	M6PMT-4	25.00%	$259,486.78
Milestone 6 Total Payments				**100.00%**	**$1,037,947.11**
Milestone 7: Budget Preparation Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM13	M7PMT-1		
Converted Data in		IM14	M7PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Production Environment					
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1 Post Implementation Support		PS01	M7PMT-1		
Project Management Deliverables	1-Project Mangement				
Milestone Report 7: Budget Preparation Acceptance		PM12	M7PMT-1	100.00%	$283,377.54
Milestone 7 Total Payments				**100.00%**	**$283,377.54**
Milestone 8: Phase 2 Agency Implementation Planning & Organization					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessment		IM15	M8PMT-1		
Agency Implementation and Change Management Plans for All Agencies		IM16	M8PMT-1	30.00%	$1,019,640.36
Agency Implementation Guide		IM17	M8PMT-2	40.00%	$1,359,520.47
Project Management Deliverables	1-Project Management				
End User Readiness Assessment		PM13	M8PMT-3		
Milestone Report 8: Agency Implementation Planning and Organization		PM14	M8PMT-3	30.00%	$1,019,640.36
Milestone 8 Total Payments				**100.00%**	**$3,398,801.19**
Milestone 9: ERP Core Development and Configuration Complete					
Technical Services Deliverables	2-Technical Services				
Completed System and Recovery Test Environment		T17	M9PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Approved Security, Vulnerability and Penetration Test Plan		T18	M9PMT-1	15.00%	$1,034,370.62
Configuration and Development Deliverables	4-Configuraton Management and Development				
Configuration and Development Inventory		CD06	M9PMT-2		
Unit Tested and Documented Configuration		CD07	M9PMT-2		
Unit Tested Site Specific Code		CD08	M9PMT-2		
Unit Tested and Documented Workflows		CD09	M9PMT-2		
Unit Tested and Documented Configuration		CD10	M9PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Unit Tested Data Conversion Programs		D07	M9PMT-2	45.00%	$3,103,111.87
Interfaces Deliverables	7-Interfaces				
Completed and Tested State Transportation System Integration		I05	M9PMT-3		
Completed and Tested HRMN Integration		I06	M9PMT-3		
Completed and Tested Procurement Integration		I07	M9PMT-3		
Completed and Tested Disbursement Integration		I08	M9PMT-3		
Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties		I09	M9PMT-3		
Completed and Tested EDI Interfaces		I10	M9PMT-3		
Other Interfaces - Tested Programs		I11	M9PMT-3	15.00%	$1,034,370.62
Reports Deliverables	6-MIDB,Reporting, and Transparency & Accountability Website				
Tested and Approved MIDB Changes	moved to M12	R09	M9PMT-4		
Tested and Approved MIDB Reports	moved to M12	R10	M9PMT-4		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Tested and Approved Reports for Production ERP	moved to M12	R11	M9PMT-4		
Tested and Approved CAFR Reports/Publication	moved to M12	R12	M9PMT-4		
Tested and Approved Transparency & Accountability Website	moved to M12	R13	M9PMT-4	0.00%	$0.00
System and Recovery Test Deliverables	8-System and Recovery Testing				
System and Recovery Test Plan		ST04	M9PMT-5		
Approved and Loaded System and Recovery Test Environment		ST05	M9PMT-5		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK14	M9PMT-5		
End User Training Plan		TK15	M9PMT-5		
End User Training Curriculum		TK16	M9PMT-5	10.00%	$689,580.42
Project Management Deliverables	1-Project Management				
Milestone Report 9: ERP Core Function Configuration and Development Complete		PM15	M9PMT-6	15.00%	$1,034,370.62
Milestone 9 Total Payments				**100.00%**	**$6,895,804.16**
Milestone 10: ERP Core Function UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Completed Security, Vulnerability and Penetration Test Plan		T19	M10PMT-1		
Completed Security, Vulnerability, and Penetration Test		T20	M10PMT-1		
Completed Performance Testing and Tuning Plan		T21	M10PMT-1		
Completed Performance Testing and Tuning		T22	M10PMT-1		
Performance Testing and System Tuning Procedures		T23	M10PMT-1		
Completed User		T24	M10PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Acceptance Test Environment					
Production and Production QA Environments		T25	M10PMT-1	15.00%	$679,194.30
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST06	M10PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Approved Mock Conversion		D08	M10PMT-2		
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U05	M10PMT-2		
User Acceptance Test Plan and Scripting Assistance		U06	M10PMT-2		
User Acceptance Test Environment and Data		U07	M10PMT-2	50.00%	$2,263,981.01
Documentation Deliverables	10-Documentation				
Online Help		DC07	M10PMT-3		
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Report Distribution System Installed, Configured, and Ready for Implementation	moved to M12	R14	M10PMT-3		
Training Deliverables	11-Training and Knowledge Transfer	TK00	M10PMT-3		
Computer Based Training (CBT) Designs		TK17	M10PMT-3		
Unit Tested Computer Based (CBT) Training		TK18	M10PMT-3		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10PMT-3		
Implementation Cutover Plan		IM19	M10PMT-3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Implementation Checklist		IM20	M10PMT-3		
Production Job Schedule		IM21	M10PMT-3		
Approved Batch jobs on Job Scheduler		IM22	M10PMT-3	20.00%	$905,592.40
Project Management Deliverables	1-Project Management				
Milestone Report 10: ERP Core Function UAT Go/No Go		PM16	M10PMT-4	15.00%	$679,194.30
Milestone 10 Total Payments				**100.00%**	**$4,527,962.02**
Milestone 11: Core Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Test Assistance				
User Acceptance Test Assistance		U08	M11PMT-1		
Documentation Deliverables	10-Documentation				
User Documentation		DC08	M11PMT-1		
Technical Documentation		DC09	M11PMT-1		
Operations Documentation		DC10	M11PMT-1		
System Management Guide		DC10a	M11PMT-1		
Security Administration Documentation		DC11	M11PMT-1		
Workflow Administration Documentation		DC12	M11PMT-1	20.00%	$775,592.40
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK19	M11PMT-2		
End User Training Environment/Data		TK20	M11PMT-2	10.00%	$387,796.20
Trained State Trainers		TK21	M11PMT-3		
End User Training Assistance		TK22	M11PMT-3		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK23	M11PMT-3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-Off		TK24	M11PMT-3	20.00%	$775,592.40
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and QA Environments		IM23	M11PMT-4		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM24	M11PMT-4		
Help Desk Plan		IM25	M11PMT-4		
Help Desk Implementation Assistance		IM26	M11PMT-4	30.00%	$1,163,388.61
Project Management Deliverables	1-Project Management				
Milestone Report 11: Core Implementation Go/No Go		PM17	M11PMT-5	20.00%	$775,592.40
Milestone 11 Total Payments				**100.00%**	**$3,877,962.02**
Milestone 12: Reporting					
MIDB Design		R02	M12PMT-1	5.00%	$100,000.00
MIDB Report Designs		R03	M12PMT-2	5.00%	$100,000.00
Report Designs for Production ERP		R04	M12PMT-3	5.00%	$100,000.00
CAFR Report and Publication Design		R05	M12PMT-4	5.00%	$100,000.00
Transparency & Accountability Website Design		R06	M12PMT-5	5.00%	$100,000.00
Tested and Approved Budget Preparation Reports		R07	M12PMT-6	20.00%	$400,000.00
Report Distribution System Installed, Configured, and Ready for implementation		R08	M12PMT-7	20.00%	$400,000.00
Tested and Approved MIDB Changes		R09	M12PMT-8	5.00%	$100,000.00
Tested and Approved		R10	M12PMT-9	5.00%	$100,000.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
MIDB Reports					
Tested and Approved Reports for Production ERP		R11	M12PMT-10	10.00%	$200,000.00
Tested and Approved CAFR Reports/Publication		R12	M12PMT-11	5.00%	$100,000.00
Tested and Approved Transparency & Accountability Website		R13	M12PMT-12	5.00%	$100,000.00
Report Distribution System Installed, Configured, and Ready for Implementation		R14	M12PMT-13	5.00%	$100,000.00
Milestone 12 Total Payments				**100.00%**	**$2,000,000.00**
Milestone 13: Core Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM27	M13PMT-1		
Converted Data in Production Environment		IM28	M13PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 13: Core Acceptance		PM18	M13PMT-1	100.00%	$4,418,441.54
Milestone 13 Total Payments				**100.00%**	**$4,418,441.54**
Post Implementation Support Through September 30, 2017					
1st Calendar Quarter Period	13-Post Implementation Support	PS03	PIPMT-1	20.00%	$745,054.15
2nd Calendar Quarter Period		PS04	PIPMT-2	20.00%	$745,054.15
3rd Calendar Quarter Period		PS05	PIPMT-3	20.00%	$745,054.15
4th Calendar Quarter Period		PS06	PIPMT-4	20.00%	$745,054.15
Upgrade to Latest Release		PS07	PIPMT-5	20.00%	$745,054.15

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Total Post Implementation Payments				**100.00%**	**$3,725,270.77**
Total Project Payments					**$40,420,738.00**

Form No. DTMB-3521 (Rev. 4/2012)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

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

CHANGE NOTICE NO. 1
to
CONTRACT NO. 071B4300138
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
CGI Technologies and Solutions Inc.	Jon Jasper	Jon.jasper@cgi.com
2651 Coolidge Road	**TELEPHONE**	**CONTRACTOR #, MAIL CODE**
East Lansing, MI 48823	(248) 496-4336	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	SBO	Ruth Schwartz	517-284-7585	Schwartzr1@michigan.gov
BUYER	DTMB	Whitnie Zuker	517-284-7030	Zukerw@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: ERP Implementation Services Agreement			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW**
June 25, 2014	September 30, 2017	Indefinite Number of Periods	September 30, 2017
PAYMENT TERMS	**F.O.B**	**SHIPPED**	**SHIPPED FROM**
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			**AVAILABLE TO MiDEAL PARTICIPANTS**
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	**EXERCISE CONTRACT OPTION YEAR(S)**	**EXTENSION BEYOND CONTRACT OPTION YEARS**	**LENGTH OF OPTION/EXTENSION**	**EXPIRATION DATE AFTER CHANGE**
☒ No ☐ Yes	☐	☐		Sept. 30, 2017
VALUE/COST OF CHANGE NOTICE:		**ESTIMATED REVISED AGGREGATE CONTRACT VALUE:**		
$1,586,810.00		$40,420,738.00		
Effective December 16, 2014, this contract is hereby increased by $1,586,810.00 to include the attached Statement of Work.				

All other terms, conditions, pricing and specifications remain the same. Per vendor and agency agreement, the approval of DTMB Procurement and the approval of the State Administrative Board on December 16, 2014 in the amount of $1,586,810.00

MICHIGAN DEPARTMENT OF TECHNOLOGY,

MANAGEMENT AND BUDGET

IT SERVICES

for

SIGMA Project

CONTRACT CHANGE REQUEST

This Contract Change Request is submitted by the Department of Technology, Management and Budget ("DTMB" or "State") under the terms of the Contract #071B4300138 ("Contract") dated June 25, 2014, between DTMB and CGI Technologies and Solutions, Inc. ("Contractor" or "Vendor") in accordance with Section 2.024 and Exhibit 2-1 of the Contract.

Contract:	**Period of Coverage:**
ERP Implementation Services Agreement Contract No. 071B4300138	June 25, 2014 – September 30, 2017
Requesting Party:	**Submission Date:**
CGI	November 24, 2014
Project Manager of Requesting Party:	**Phone:**
George Schwartztrauber	859-552-9593

Financial Impact: $1,586,810

29. BACKGROUND

This Contract Change Request is to make the following high-level changes:

b) Add implementation of the procurement functionality using CGI Advantage Procurement and Vendor Self Service and related services to the scope of the Contract

c) Remove covered services related to interfacing and integrating the Advantage ERP product with Buy4Michigan

d) Update required deliverables and services to include those needed for the implementation of the procurement functionality

e) Update the fixed price and payments to include those agreed to in association with the implementation of the procurement functionality.

f) Add the requirements to Attachment 11 of the Agreement to include those related to procurement functionality; to incorporate CGI RFP responses to those requirements; and to incorporate clarifications as to which requirements would or might require modifications to the software in Attachment 8.

30. OBJECTIVES OF REQUESTED CHANGES

The purpose of the changes proposed in this CCR is to add implementation of the procurement functionality to the scope of the ERP Project.

Throughout this Contract Change Request, proposed language changes are denoted as follows: language additions are underscored, language deletions are struck through.

31. CHANGES IN SCOPE - CLARIFICATIONS TO PROJECT SCOPE OF WORK, SCHEDULE and STAFFING

Article 1, Sections 1.101, 1.102, and 1.107 are replaced in their entirety as provided below:

1.100 Scope of Work and Deliverables

1.101 SCOPE

As part of the State's ERP Project, Contractor will implement the following software functions for the executive, legislative, and judicial branches of the State using CGI's Advantage Release 3.11, and CGI Advantage Toolkit Bundle Release 3.11 (hereinafter collectively referred to as ERP or ERP Software):

- Accounts Payable and Disbursements (including EFT and some electronic vendor invoices)
- Accounts Receivable and Billing
- Asset Management
- Budget Control
- Budget Preparation (Advantage 3.10 will be implemented for Phase 1 with a subsequent upgrade to Advantage 3.11 prior to the completion of Phase 2)
- Cash Reconciliation
- Cost Allocation
- Employee Time and Attendance
- Employee Travel and Expense Reimbursement
- Expenditure Tracking Against Debt Issues for IRS Reporting
- Federal Highway (FHWA) Billing
- General Ledger and Financial Reporting
- Grants Management (Grantee Side)
- Grants Management (Grantor Side)
- Inventory
- Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds
- Labor (and Equipment Cost) Distribution
- Positive Pay Banking (subject to a determination of feasibility)
- Procurement
- Project Accounting
- Transparency & Accountability Portal
- Vendor Accounts Payable Web Inquiry
- Vendor Payment and EFT Web Registration
- Vendor Procurement Registration and Procurement Self Service
- Vendor Tax Reporting (1099 & 1042) and Backup Withholding

Selected functions of the CGI Advantage Procurement and Vendor Self Service modules will also be implemented for local entity use. These include those needed to 1) issue bids, receive responses to the bids, and tabulate and/or evaluate bids 2) view state contracts. Implementation of procurement functionality for local entities will not include: requisitions, purchase orders, receiving, vendor invoice processing, or any budgeting, accounting, inventory, or asset functions. Nor will it include any services related to integration or interfacing with local entity systems.

M. Implementation Services and Schedule

The Contractor will provide services necessary to conduct the State's ERP Implementation Project (ERP Project) and to design, configure, extend, modify, and implement the ERP software and to update MIDB, the State's existing administrative data warehouse, or implement CGI infoAdvantage as an alternative to updates to MIDB. This supersedes any reference to MIDB found elsewhere in this Implementation Services Agreement. Such services are further elaborated in:

- Attachment 2: Implementation Services, Tasks, Deliverables, and Milestones
- Attachment 3: Timeline and Scope Clarifications
- Attachment 6: Interfaces
- Attachment 7: Systems to Be Replaced
- Attachment 8: Functional and Technical Requirements Clarifications
- Attachment 9: Severity Level Definitions
- Attachment 10: Functional and Technical Requirements
- Attachment 11: Procurement Functional and Technical Requirements

The ERP Project phasing, implementation, and final post implementation support schedule is as follows:

	Date
Project Start Date:	July 1, 2014
Phase I Budget Preparation Implementation ▪ Begin production use of new Budget Preparation Module on August 1, 2015 ▪ To prepare the budget for the 2016-17 fiscal year which begins October 1, 2016	August 1, 2015
Phase 2 Core Financial Implementation ▪ Phase 2 is expected to start at the beginning of the project and run concurrently with Phase 1 ▪ Begin production use of Core Financials October 1, 2016	October 1, 2016 (first day of new State fiscal year)
▪ Accounts Payable and Disbursements (including EFT and some electronic vendor invoices) ▪ Accounts Receivable and Billing ▪ Asset Management ▪ Budget Control ▪ Cash Reconciliation ▪ Cost Allocation ▪ Employee Time and Attendance (Including Web Portal) ▪ Employee Travel and Expense Reimbursement ▪ Expenditure Tracking Against Debt Issues for IRS Reporting ▪ FHWA Billing ▪ General Ledger and Financial Reporting ▪ Grants Management (Grantee Side) ▪ Grants Management (Grantor Side) ▪ Inventory ▪ Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds ▪ Labor (and Equipment Cost) Distribution ▪ MIDB (for all Phase 1 and 2 ERP Data) ▪ Positive Pay Banking (if feasible) ▪ Procurement ▪ Project Accounting ▪ Transparency & Accountability Portal ▪ Vendor Accounts Payable Web Inquiry ▪ Vendor Payment and EFT Web Registration ▪ Vendor Procurement Registration and Procurement Self Service ▪ Vendor Tax Reporting (1099 & 1042) and Backup Withholding	
Post Implementation Support • From the Phase 1 implementation and continuing until 12 months after the final implementation	Through September 30, 2017

N. Procurement Scope Parameters

General

10. Vendor Self Service (VSS) will be rolled out on 10/1/2016 in conjunction with the ERP Project, but select VSS functions (for example, reverse auctions) will be rolled out post 10/1/2016 following a phased pilot approach to be defined as part of the design phase.
11. Supplier enablement/Vendor 'punch out' will be rolled out on 10/1/2016 in conjunction with the ERP Project for up to 5 selected suppliers. Contractor will support the state in adding additional suppliers following go-live through post-implementation support services.
12. The baseline Advantage 3.11 Procurement software will be implemented, i.e., no Michigan specific system customizations or modifications will be made to Advantage Procurement except to the extent that modifications:

    a. To support Vendor Self Service

    b. To support grantor or other functional area requirements that leverage Advantage Procurement features,

    c. Those that may be necessary to the Vendor Customer master file for it to accommodate the consolidation of procurement vendors, payables vendors, internal payees, internal customers, grant applicants, grant recipients, or to effect file synchronization with interfacing systems.

    d. Those proposed by CGI in Attachment 11 that are not explicitly removed from scope in Attachment 8.

    e. As otherwise determined during design as mutually agreed to by the State Project Director and CGI Project Manager.

    CGI's overall contract obligation to modify the software remains limited to the total amount of hours to be devoted to modifications specified in section 3.3b of Attachment 3 "Development Pool of Hours"

13. Commodity codes will be setup using NIGP codes with vendor/commodity association at the 5 to 7-digit level (i.e., registration, notification, etc.). The exception to this will be where longer commodity codes are needed in association with punch out contracts, inventoried items, or where the State is already using longer codes. These exceptions will adhere to the project objectives of standardization.
14. Michigan will provide subject matter experts with functional and technical knowledge, including, but not limited to current system table setups, document usage, and modifications, and familiarization with existing procurement procedures.
15. Project governance will include the appropriate decision makers who are empowered to make design and implementation decisions in support of the procurement implementation.
16. Vendor maintenance post go-live will occur (including new vendors) in Advantage. Vendors can be entered by having them register using VSS, can be entered into Advantage by State staff, or will be maintained through interface with applicable systems.
17. It is assumed all the State agencies will operate Advantage Procurement using the same standardized processes and procedures. However, each agency may have its own security and workflow rules, including decentralized purchasing authority where allowed and authorized.
18. No Deliverable Definition Documents (DDD) will be created for the Implementation Analysis Design (IAD) and Deliverable Amendments. However, CGI will consult with the State Project Director and assigned State personnel to determine specifics associated with the approach, design content, involved state personnel, and other deliverable particulars and requirements.

Data Conversion and Interfaces

Addition details regarding data conversion and interfaces will be determined during the conversion and interface planning efforts and as mutually agreed to by the State Project Director and CGI Project Manager.

5. Data conversion includes all required table setup. Open items converted will be limited to encumbrance/order transactions that have open balances, and active master agreements and contracts. The encumbrance/order conversion will include both the open amount and a summarized prior closed amount where applicable, as well as commodity details. Historical procurement detailed information will not be converted.

6. ADPICS/ITRAC requisitions and non-accounting transactions other than master agreements/contracts will not be converted into Advantage. The conversion cutover plan will provide the cutoff timeline.

7. CGI and the State will work jointly during design and conversion planning activities to develop a plan to close out purchase orders in ADPICS with the goal to minimize the number of transactions to be converted. Efforts to reduce the count could include: an open items blackout period (where data is saved for direct entry in Advantage), resolving open items in ADPICS/MAIN after implementation, and/or clean-up of old open items in ADPICS/MAIN prior to 'going live'.

8. 3-way matching documents (Invoice and Receipt) will be addressed as part of the conversion cutover plan. Typically these documents are not converted rather there is a scheduled cutoff time to have them entered and processed within the legacy system.

1.102 OUT OF SCOPE

The following items are not included in the scope of the ERP project at this time. However, scope could be added through Section 2.024:

- Provision of Hardware, system software, and infrastructure for MIDB
- Hosting, IT maintenance, operations, or disaster recovery for MIDB
- Implementation Services for the following modules:
  - ~~Procurement~~
  - Personnel Administration
  - Benefits Administration
  - Employee and Manager Self-Service
  - Recruiting
  - Payroll
  - Facilities Management
  - Real Estate Management
  - Fleet Management

1.107 TARGETED IMPROVEMENTS

In addition to replacing functionality in systems slated for replacement as part of the ERP Project, the State has identified a number of areas in which significant improvements are expected. These are listed and described below:

Objective	Description
Automate and	The State's current budget process is largely manual and uses Excel Spreadsheets to collect budget requests which must be

Objective	Description
Streamline Budget Preparation	compiled via a combination of macros and manual work. The ERP system project scope includes automation and streamlining of the budget preparation and budget book creation process. Key requirements for the system include: • Automated loading of prior year budget/'actuals' information to provide a starting point for new year budgeting • Automated tools to increment or decrement budget lines • Automated 'What if' analysis • Ability to create and save scenarios and alternative scenarios • Electronic submission of agency requests • Tracking of budget, appropriation level, and detailed expense budget level budgets • Ability to set, control, and manage budget phases (e.g. Guidelines, Agency Requests, Legislative, Final) • Automated loading of ERP with approved budget at the appropriation, agency budget, and allotment levels • Ability to integrate text, graphics, and budget lines to assist in budget book creation. • Automated publication of Executive Budget and Final Budget • Ability to associate statistical targets and actuals with separately budgeted line items • Ability to support full performance budgeting at a future time. • Ability to upload legislative budget information in the initial implementation but allow for full use of automated budget preparation features by the legislature in the future.
Streamline and Improve State Procurement and Related Processing	Michigan intends a number of important improvements related to purchasing. These include: • Consolidating procurement activity now spread across ADPICS and Buy4Michigan onto a single application • Improved classification of purchasing expenditures for improved accounting, reporting, analysis, and transparency. • Capturing all state purchasing expenditures in a single repository to facilitate analysis and reporting • Establishing 'punch out' contracts to improve purchasing process efficiency, ease of use, and detail capture of purchasing classifications • Fully integrating purchasing with accounts payable, disbursements, inventory and asset management • Deployment of a consolidated vendor self-service portal that combines registration, procurement, and payables functions • The adoption of a single vendor numbering scheme and file

Objective	Description
	structure for all purchasing and payables vendors • Provide end to end reporting and monitoring of the requisition to check process.
Chart of Accounts Reform/Uniform Coding Block Usage	Michigan has clear objectives for improving both its reporting and the level of transparency in its accounting and financial reporting. The ERP Project will provide the State with an opportunity to: • Standardize use of coding block/ chart of accounts elements used in budgeting • Simplify and streamline fund accounting • Standardize expenditure classifications used across agencies • Reduce or eliminate the use of ARFs (Administrative Revolving Funds) and the need to reclassify expenditures in a separate step. • Coordinate legacy interface design and development to provide and post detailed transactions that are consistent with the elimination of ARFS and as needed to provide detail for the new Transparency & Accountability Website.
Transparency & Accountability Portal	The State plans to replace its existing Transparency & Accountability Portal and streamline the process to provide the public with an increased level of information regarding the operation and management of government; demonstrate efficient use of taxpayers' money and to hold agencies accountable for the services that Michigan provides.
Support for Debt Reporting	The Michigan Treasury is responsible for managing and accounting for the State's debt. Part of that responsibility involves tracking expenditures involving debt proceeds for IRS reporting purposes. The ERP project is targeting improvements that will allow expenditures to be automatically identified with the debt issuance to improve this reporting.
Support for Investment Accounting	The Michigan Treasury invests available cash for all agencies in a common investment pool and periodically apportions earnings to participating funds. The ERP project seeks to automate accounting for this process. Note that individual investments will continue to be tracked outside the system.
Management Information Database (MIDB) Data Currency and Reporting	The MIDB is the State's administrative data warehouse and combines data from MAIN (RSTARS and ADPICS), DCDS, and HRMN. MAIN and DCDS updates to MIDB are made once a week (bi-weekly for payroll data) and data within MIDB is made available for reporting in application data formats (with appended descriptions to eliminate some table lookups for those performing ad hoc queries). Going forward, there are three opportunities for improving MIDB as part of the ERP Project:

Objective	Description
	• Increasing the data refresh rate. This will allow ad hoc reporting to use more current data • Data synchronization should improve as MAIN and DCDS are replaced with a single, integrated ERP application using a single database • Chart of accounts improvements and coding block standardization should allow for better reporting particularly when cross agency and statewide level reports are needed.
Project and Grant Reporting/Budgeting/ Processing	The new ERP system is expected to provide improved project and grant budgeting, accounting, billing, and reporting. In combination with improved cost allocation capabilities, this should allow for replacement of many agency systems now devoted to these functions. The ERP system will also consolidate grantor processing for the State.
Cost Allocation	The MAIN cost allocation function was never implemented. As such, cost allocations occur outside of MAIN. Implementation of the new ERP cost allocation function will allow for a greater degree of automation as well as more streamlined reporting and billing using allocated account distributions.
Bank Reconciliation	The Michigan Treasury currently does not have automated bank reconciliation functionality available to it in MAIN. The new ERP system is intended to provide this functionality. With Treasury managing approximately 60 bank accounts, this new functionality is expected to provide significant time savings.
Reduction in the Number of Applications Supported and Interfaced	Currently, Michigan administrative processing is fragmented across several systems including RSTARS, DCDS, ADPICS, and numerous agency systems. A number of problems are evident: • Few of these systems are vendor supported or upgradeable • Posting lags and timing synchronization issues occur due to batch interfaces • Data cannot be efficiently aggregated for reporting across the various data stores • IT resources cannot be efficiently deployed across the application set due to technology differences and the need for specialized skill sets. The new ERP system will be vendor supported, upgradeable, and will consolidate processing onto a single platform and database. While there will still be administrative applications running on different platforms after the ERP system is implemented (e.g. E-Procurement and HRMN), substantial consolidation will

Objective	Description
	nevertheless have been achieved.
Move to Vendor Supported, Upgradeable COTS Solution	Implementation of the new ERP will allow the State to shift much of its critical processing from internally supported applications based on aging technology to vendor supported and upgradeable software that is protected against technological obsolescence and updated based on ongoing vendor research and development.
Automate BAI Interfaces with Banks	The state currently receives a number of Bank Administration Institute (BAI) files from its banks that contain information on warrant clearing, debit and credit advices, NSF checks, and other information. Currently, this information must be heavily manipulated before it can be captured in MAIN. Going forward the plan is to automate BAI based interfaces for capture and processing in the ERP.
Warrant Writing	The new ERP will absorb the warrant writing function currently provided by Treasury's Warrant Writing System operating on the UNISYS platform. Inclusion of this function in the ERP will consolidate and simplify interfaces that post warrant requests. Going forward, there will be one set of interfaces for warrants, EFTS, and accounting entries from each feeding system. In the past these required separate interfaces.
Implementation of Positive Pay Banking	The Treasury Department currently uses the 'Reverse Positive Pay' method which requires state personnel to verify each cleared warrant to ensure it matches with the recorded disbursement amount. The State intends to explore the feasibility of implementing 'Positive Pay' Banking. If determined feasible, the State would implement this approach wherein Banks would receive disbursement files from the State and take responsibility for matching recorded disbursements against the warrants presented for payment.
Automate Vendor File Synchronization	**The plan is to automate the vendor file synchronization with interfaced systems when the ERP system is implemented.** ~~**The current plan for the E-Procurement (Buy4Michigan) project calls for independently maintained procurement and accounts payable vendor files. The plan is to include automated synchronization of these files when the ERP system is implemented.**~~

Objective	Description
Automate and Streamline CAFR Production	The State currently has a substantially manual process for Comprehensive Annual Financial Report (CAFR) production that uses a combination of mainframe reports, Excel Spreadsheets, Microsoft Word, and PDF files to create and publish its CAFR reports. The State intends to automate and streamline the CAFR process as part of the ERP project. The intent is to perform all elimination and reclassification entries within the ERP, and to then produce camera ready CAFR reports directly from the new system or from a CAFR tool that imports data from the ERP.
Increase Accounting Detail Posted From Agency Systems	Currently, many agency systems post summarized accounting information in the State's financial system via automated interface. Going forward, the intent is to capture detailed postings to improve reporting and level of detail available to the public on the Transparency & Accountability Website.

Attachment 2: Implementation Tasks, Services, Deliverables, and Milestones

Task 1 - Project Management

Attachment 2, Task 1, Item C is replaced in its entirety by the following:

O. Providing Plan Updates and Status Reports

The Contractor shall provide status reports to the State Project Director on a weekly basis. In addition, the Contractor must routinely update the Project Plan (at least bi-weekly) to reflect changes in the nature and timing of project activities or assignments. In addition, the Contractor shall routinely update the project organization chart as the project proceeds. Written and electronic status reports are due to the State Project Director at least 24 hours before each meeting. The Contractor's proposed format and level of detail for the status report will be subject to State approval.

Status reports must contain, at a minimum, descriptions of the following, for all work, both on-site and off-site:

12. The issues encountered and their current disposition
13. Whether deadlines were met
14. The issues that need to be addressed before proceeding to the next task
15. Any new risks facing the project and suggested mitigation strategies
16. Any new and pending change requests that impact scope, schedule, or budget
17. Anticipated tasks to be completed in the next week
18. Tasks timely completed, tasks not timely completed, and tasks where delays are expected
19. Updated Project Plan
20. Status of open issues
21. Progress against established milestones.

The Contractor shall provide monthly status reports for the Project Executives, Governing Board, and Quality Assurance Firm. The Contractor will work with the State Project Director on the content of the Monthly Status Report prior to its submission. The primary focus of the monthly status report will be progress against milestones as well as any issues or risks that may be facing the project, and any issues or decisions being escalated to the Project Executives or Governing Board. The monthly status report and any accompanying presentation must be reviewed and approved by the State Project Director and Executives prior to submission or delivery to the Governing Board.

To the extent that subsidiary task plans are used, the full detail of the plans will be available to the State and will be used as the basis for status reporting.

The Contractor shall work jointly with the State to create a Scope and Focus communication document outlining the planned functionality to be implemented, interfaces to be built, key deliverables, and milestones, and to provide an overview of the design approach to be used for the procurement module. The intent of this communication is to announce the addition of the procurement module and the intended functionality and the approach and timeline for procurement related design activities.

The Contractor shall complete updates to the project schedule within 5 days of signature with the corresponding Procurement related items associated with the Procurement Contract Change Request. In addition, the following deliverables and amendments will be produced to support the implementation of CGI Advantage Procurement and delivered per the updated project schedule and will adhere to the PMP procedures as defined by project management:

Attachment 2, Task 1, Section M is hereby added:

- A Procurement Implementation Analysis Document (IAD) will be created and submitted as a project deliverable for State review and approval that describes:
  - the procurement transactions targeted for implementation (inquiries, batch processes, ledgers, and transactions) including an appendix of all procurement tables and transactions
  - key design and implementation tasks
  - identification of Remedy, ITAM and AART as the three new interfaces to be built
  - major integrations that are no longer needed (Buy4Michigan)
  - key policy and foundational decisions related to procurement implementation
  - the list of functions to be fully or partially deferred for later implementation
  - the State will identify the list of 'punch out' contracts to be evaluated for implementation for up to 5 selected vendors procurement related risks and mitigation approaches or mitigation due dates
  - the expansion of the training audience and impact on the training window, needed instructors, and other aspects of training
  - all procurement module configuration decisions
  - a simplified mapping of processes and transactions
  - a list of tables with a description of which transactions update them (where applicable)
  - documents and reports
  - a crosswalk of ADPICS transactions and functions to those in SIGMA
  - functional and technical designs for any modifications that may be required
- Creation of addenda to approved deliverables that require content related to procurement as identified below. These Addenda and any updates to other deliverables will submitted to the State for review and approval and will allow for the inclusion of procurement related content without changing the content of the underlying Deliverable or triggering the review and approval of the underlying and already approved Deliverable.

Deliverable ID	**Deliverable**	**Deliverable Updates Required**	**Procurement Related Deliverable Addendum – Y/N or New**	**Scope of Addendum or Deliverable**
P01	Project Schedule	Y	N	• Add tasks, resources, dependencies, durations to support the development, review and approval of the Deliverable Addenda and new Deliverables and all other Procurement related tasks
P02, P03, P04, P05, P06	PMP	Y	N	• Update Section 10 Governance Plan to include: o Revised Project Management Structure to support Procurement

Deliverable ID	Deliverable	Deliverable Updates Required	Procurement Related Deliverable Addendum – Y/N or New	Scope of Addendum or Deliverable
				o Updated Roles and Responsibilities associated with Procurement
S03 and S14	Requirements Validation	N	Y	• To include validation of the additional ***268*** Procurement Requirements
TK01	Project Team Training Approach and Plan	N	Y	• Update Section 3.1 Wave 1 – Core Functional Project Team Training to include Procurement Courses
TK02	Knowledge Transfer Approach and Plan	N	Y	• Update Exhibit 3-2 Knowledge Transfer Roles to include Functional Team Procurement SME Roles
S25	Implementation Analysis Design	New	New	Create Implementation Analysis Design (IAD) based on above criteria
S26	Catalog Management Plan	New	New	See Task 3, Item N
PM19	Key Stakeholder and Outreach Assistance	New	New	See Task 12, Item J
PM20	Local Entity and Vendor Outreach Assistance	New	New	See Task 12, Item K
IM01, IM15	Agency Implementation and Change Management Assessments	N	Y	The AROC Deployment Team will produce an additional Agency Implementation and Change Management Assessment focusing on procurement for each agency that includes: * Documentation of planned agency usage of modules, transactions, processes, and functions * Documentation of planned replacement of agency specific systems and planned agency-specific interfaces * Creation of an Old/New Transaction Crosswalk for use by agency implementation teams, trainers, and other purposes * Any need for agency legacy

Deliverable ID	Deliverable	Deliverable Updates Required	Procurement Related Deliverable Addendum – Y/N or New	Scope of Addendum or Deliverable
				system modification * Any need for federal, state, or other externally mandated reports (at the report level) * Agency specific data conversion issues and tasks to be performed * Identification of agency ERP system users * Agency preparation for testing activities * Agency-specific planning and scheduling * Other relevant factors (e.g. the agency has a geographically disbursed workforce; the agency must coordinate ERP procurement implementation with other initiatives, presence of significant issues, etc.)

- Provide key Stakeholder and outreach assistance (see Task 12 Section J):
  - An initial set of communications to key Stakeholders (including local entities) regarding the discontinuation of the Buy4Michigan project and the expansion of ERP Project Scope
  - Vendor and Local Entity outreach and engagement required and planned
- As of the date of this change request, the following ERP Deliverable Definition Documents (DDDs) have been approved by the State. It is assumed that these deliverable definition documents and their corresponding deliverables will include procurement related content stemming from this contract change (i.e. Advantage Procurement, Advantage Vendor Procurement Registration and Procurement Self Service, and the removal of Buy4Michigan Integration) to the extent the State Project Director and CGI Project Manager determine necessary based upon the Scope and Focus Communication Document.

Deliverable ID	Deliverable Description
IM04/IM10/IM18/IM24	Completed and Approved Agency Implementation and Change Management Assistance
I03	Major Integration Approach Document
D01-2	Date Conversion Plan – Phase 2
IM02/IM17	Agency Implementation Guide
I01-2	Interface Plan – Phase 2
TK03	Project Team Training – ERP
TK04	Project Team Training – Methodology and Approach
TK05/TK14	End User Training Needs Assessment

Deliverable ID	Deliverable Description
S11/S24	Requirements Traceability Matrix
S05/S16/S07/S19	Inventory of Transactions; Views; Reports and Processes and Software Configuration Plan
S13	Process and Transaction Mapping Analysis
S06/S17	Internal Control Risk Assessment
I03	Major Integration Approach Document

Task 3 - Systems Analysis and Design

Attachment 2, Task 3 is hereby replaced in its entirety, as follows:

The Contractor will perform analysis and design activities as follows:

J. Validate and Update RFP Requirements

The Contractor shall organize and conduct sessions with key State Subject Matter Experts and Managers to review, validate, update and format the RFP requirements for use in guiding design, configuration, and testing activities on the Project. The Contractor will then document the updated requirements, annotate each with a brief description of how the validated requirement will be met, and submit and revise the documentation as required to obtain State approval. The Contractor shall use the updated requirements as the base of the SUITE Requirements Traceability Matrix (RTM) or Contractor's comparable document. This document will be updated throughout the project.

K. Budget Preparation Design

The Contractor will work with the State Project Director, designated State subject matter experts, managers, and IT professionals to document the planned budget preparation process and create comprehensive functional and technical designs for Budget Preparation. As part of this effort, the Contractor will assist the State in determining how improvements to the State's Budget Preparation Process may be made in conjunction with the design and deployment of Budget Preparation software, this design document will include:

17. Budget forms and other inputs
18. All required budget preparation outputs
19. 'End-to-end' budget preparation process
20. Structure, controls, capabilities, reporting, and security associated with each of the State's budget preparation phases
21. Scenario based analytical and 'what if' capabilities
22. Operating and capital budget preparation capabilities
23. Text and graphics capture and reporting capabilities
24. 'Budget Book' publication
25. Automated loading of budget preparation module with previous years actuals and budget to use as a starting point
26. Automated loading of finalized budget to ERP to establish budget controls and reporting for each year
27. Other capabilities as needed to meet the state's requirements
28. Documentation of how the budget preparation module design will be realized via standard features, configuration, interfaces, site specific coding, reports, extracts, and modifications (if any)
29. How the prepared budget synchronizes with budget control approach and functionality to be used in ERP design
30. How initial loading of budget preparation will occur using converted legacy data
31. Chart of accounts elements that must be developed prior to implementation of the Budget Preparation Module
32. Functional and Technical designs for any required programming

L. Produce Core Design Fundamentals Document

Within 12 weeks of the project start date, the Contractor shall complete an ERP Core Design Fundamentals Document that describes how the new ERP solution will be implemented to meet key core financial requirements associated with Phase 2 of the project. The effort to produce this document will include 3 components of analysis and documentation:

1. A thorough review and analysis of the State's current processing associated with:

   g. R-STARS coding block and ledger usage; budget controls, agency usage, and reporting; transaction set; fund structures; data entry reduction capabilities; accounting practices; and inbound/outbound interfaces

   h. DCDS transactions, capabilities, and usage including time and attendance, employee travel and expense reimbursements, and labor and employee expense distribution functionality

   i. Contract and Payment Express functionality

   j. Electronic Transaction Processing system's functionality

   k. Warrant Writing and EFT Processing

   l. DOT Federal Highway Billing

2. An overview of the planned ERP functionality, its relation to current capabilities, and how key project or processing needs will be met. The following will be included:

   m. A listing of the ERP solution modules to be used by the State and the functionality that each will provide

   n. A full list of the ERP solution transactions to be implemented

   o. Detail of how the new ERP coding block will be used and a cross walk to the State's current MAIN coding block usage (including all agency variations in use of the coding block)

   p. Detail of the approach, system options, and elements to be used to establish budget control and reporting

   q. Data entry reduction strategies to be used in the ERP

   r. The fund types proposed for implementation, the accounting model associated with each, and a comparison with fund types currently used by the State

   s. A description of the approach, ledgers, and key elements used to meet the state's requirements for full accrual, modified accrual, and cash basis accounting

   t. A listing and description of the key reporting tables and ledgers that will be used for budget, project, grant, and other key reporting needs

   u. A listing and explanation of key system structural, processing, and configuration options and recommendations as to how those options should be set for the State

   v. Details of how the new ERP will replace DCDS functionality

   w. Details of how the new ERP will replace Contract and Payment Express functionality

   x. An overview of planned integration between the ERP solution and the following:

   - The State's procurement software
   - Banking and electronic commerce institution software
   - Department of Transportation Systems
   - Treasury systems including those related to debt management, investment management, and offsets
   - State systems making warrant and EFT requests via automated interface
   - The State's HR-Payroll solution (HRMN)

3. An overview specifying how key ERP objectives of the State will be realized during the project. These objectives include:

t. Automate and streamline budget preparation and Budget Book publication

u. Chart of accounts reform/uniform coding block usage

v. Replacement and improvement of the state's transparency & accountability portal

w. Replacement and improvement of the state's vendor web self-service portal (C&PE)

x. Support for debt reporting

y. Support for investment accounting

z. Vendor tax reporting (1099 and 1042), b-notices, and backup withholding

aa. MIDB data currency and reporting

bb. Project and grant reporting/budgeting/ processing

cc. Automating of cost allocation

dd. Automating bank reconciliation

ee. Reduction in the number of applications supported and interfaced

ff. Automate BAI interfaces with banks

gg. Migrate warrant writing from UNISYS mainframe to ERP

hh. Implementation of 'Positive Pay Banking', if feasible

ii. Automate vendor file synchronization with the State's procurement system, 'Buy4Michigan'

jj. Automate and streamline CAFR production and publication

kk. Increase accounting and other detail posted from agency systems

ll. Other key objectives that may be identified during project planning

The Contractor shall work with the State Project Director to determine the sequence in which key components of the Core Design Fundamentals Document are produced, reviewed, and approved.

M. Process and Transaction Mapping Analysis

In order to configure redesigned processes to work with the new system, ensure appropriate change management efforts, document new procedures, and produce training materials which relate new transactions to old, the Contractor shall prepare a Process and Transaction Mapping Analysis which details the following:

4. A crosswalk and comparison between transactions in systems to be replaced and the new system transactions
5. New process designs for all statewide processes to be implemented as part of the ERP Project.
6. A crosswalk between MAIN coding block elements and values inferred by Index and PCA codes and the equivalent coding block elements/values associated with those to be used when the new ERP system is implemented.

N. Prepare Plan for Accounting Reform and the new ERP Chart of Accounts

The Contractor shall work with the State Project Director, designated State executives, managers, and accountants to prepare an Accounting Reform and New Chart of Accounts Development Plan that specifies a detailed approach as to how the following objectives shall be accomplished. That Plan should include the following:

13. Standardizing use of the coding block across agencies to facilitate consistent reporting for transparency, consistent use of budget elements, consistent use of statistical targets and 'actuals' in budgeting and reporting, and streamlined financial and operational reporting
14. Consolidating and standardizing objects of expenditure and other chart elements (which currently vary substantially across agencies)

15. Transition from the current practice of recording summary level transactions to administrative revolving funds (ARFs) with later detail reclassification to one where detail (particularly by funding source) is recorded on the initial transaction. The plan should include the needed assessment and coordination steps required given the expected impact of eliminating ARFS on legacy system interfacing and possible modifications to such legacy systems.
16. Establishing new fund, program, function, account and other codes (including objects of expenditure, revenue sources, and balance sheet accounts)
17. Designing all chart, element, and other codes needed for budget preparation
18. Designing all chart elements and rollup codes needed to classify and summarize transactions for accounting and reporting
19. Meet CAFR reporting requirements with the new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
20. Meet Federal and State reporting requirements with new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
21. Meet tax reporting requirements
22. Ensure that each fund is designated as being a particular type (e.g. governmental, proprietary, expendable trust, etc.) and that the accounting treatments appropriate for that fund type are applied
23. Ensure that each fund is accounted for on the appropriate basis given State policy (i.e. full accrual, modified accrual, or cash basis)
24. Ensure that agency defined chart elements are identified and that a plan for developing chart values for those elements is created that dovetails with the schedule on which such elements will be needed for data conversion, interfaces, and other project activities

O. Create Cost Accounting Classification and Reporting Plan

The Contractor shall be required to prepare a comprehensive document which describes how the State shall design and setup its grants, projects, work orders, and cost allocation algorithms to accomplish the following and take advantage of system functionality:

10. Record grant awards and associated information
11. Record and track budget and actual grant related revenues and expenditures
12. Recording employee time and expense reimbursements to Time and Leave Module and obtaining ‘costed’ labor charges via Labor Distribution Module
13. Track draws against grants
14. Report specific expenditures to support grant draws and required federal reports
15. Meet CMIA (Cash Management Improvement Act) requirements
16. Record and track project budget and actual expenditures
17. Charge projects and grants for non-accounting events (e.g., computer or other equipment usage)
18. Statewide and Agency allocation of costs to grants, projects, and work orders to support billing and reporting objectives via cost allocation module

P. Inventory of Transactions, Views, Reports, and Processes

For each implementation phase, the Contractor shall produce a document listing and describing the transactions, views, reports, input or output forms, generated bills, correspondences, notices, work lists and workflows, batch processes, interfaces, and other functional capabilities or components that will be delivered for implementation in that phase. For each component or capability listed and described, the document will indicate whether the component is 'available out of the box', requires configuration, or requires site specific programming and how the State will review and approve the component. The document will also describe how system features, configuration, and extensions will be used to meet the Objectives of the State for the ERP project. The State will use the document in conjunction with other Contractor deliverables to verify the completeness of the Contractor's design and as a basis for determining whether the State's stated objectives for the project are being met via the design. The State is open to other approaches and deliverables that allow the State to meet its review objectives. Accordingly, the Contractor and the State Project Director may agree on an alternative deliverable subject to the written approval of State Project Executives.

Q. Provide Chart of Accounts Design Assistance

The Contractor shall assign one or more full time resources to assist State personnel in creating a comprehensive chart of accounts including new element values for all coding block elements and related rollup codes that may be used for accounting, budgeting, and reporting. This assistance will be provided in association with Phase 1 and Phase 2 of the ERP Project.

R. Prepare a Site Specific Code Retrofitting Approach

The Contractor shall produce a Site Specific Code Retrofitting Approach document which outlines the strategy and approach that will be used to isolate and document site specific extensions and any modifications so that they may be re-introduced when the State upgrades to new releases of the application software.

S. Prepare a Software Configuration Plan

The Contractor shall produce a Software Configuration Plan for each project phase that describes configuration required for each major functional area and the ERP solution transactions, views, data structures, and other functionality that will be achieved via configuration. This document may be consolidated with the Inventory of Transactions, Views, Reports, and Processes documentation at State discretion.

T. Prepare Site Specific Functional and Technical Designs

Once configurations, extensions, enhancements, or modifications have been approved by the State, the Contractor shall produce functional designs for review and approval. Once approved, the Contractor shall then produce the detail technical designs necessary to guide programmers in creating and testing site specific code.

U. Prepare FHWA Comprehensive Design that meets DOT and US Federal requirements

The Contractor will work with designated Department of Transportation subject matter experts, managers, and IT professionals to document the planned Federal Highway Billing (FHWA), Federal Aviation Administration, and other DOT processes that bill the US Federal Government and create comprehensive functional and technical designs for FHWA Billing. As part of this effort, the Contractor will assist the State in determining how improvements to the FHWA and other Federal Billing Processes can be made as part of the effort. The Contractor shall also work with any assigned Federal Department of Transportation and any other Federal Representatives and with State Department of Transportation representatives to ensure that the new FHWA and other Federal Billing Design fully meets applicable Federal requirements.

V. Internal Control Risk Assessment and Update Related Designs

The Contractor will work with designated State personnel to perform a risk and internal control review for the processes and functions to be implemented as part of the ERP Project. The Contractor will document the results of that review and will include a description of the internal controls, key software features, and other information needed to address the identified risks selected designs and process design deliverables and work products related to those identified risks. The standards for accepting other process and design deliverables will include adequate treatment of risks and needed controls for those areas and topics identified in the Internal Control Risk Assessment.

W. Catalog Management

The Contractor shall develop a catalog management plan for approval by the State. The State intends to include both catalogs maintained within the State's internal network ("inside the firewall") and the ability to dynamically link ('punch out') to a supplier's Web site and bring items back to the purchasing requisition document. For catalogs maintained within the State's internal network, the Contractor will be required to:

- Compile an inventory of all State catalogs to be converted or setup in the ERP Procurement module

- Identify how the catalog will be setup or automatically converted for use in the new system
- Identify any issues related to the setup of terms, discounts, volume requirements, commodity details, prices, textual content or other aspect of the catalog
- Provide assistance to the State to automate as much of the catalog conversion and setup as is feasible
- Coordinate with 'punch out' contract vendors, as required during implementation of the selected and approved 'punch out' contracts
- Enable the system to receive and load electronic files
- Document procedures, steps, and approaches required to add or update catalogs once the system has been implemented.
- Document the procedures, steps, and approaches required to add new 'punch out' contracts once the system has been implemented or to update those 'punch out' contracts that were included in the implementation.

Task 3 Deliverables

Phase 1

1. Requirements Validation Document
2. Budget Preparation Design
3. Inventory of Transactions, Views, Reports, and Processes
4. Software Configuration Plan
5. Chart of Accounts Design Assistance - Budget Preparation
6. Internal Control Risk Assessment
7. Functional Designs
8. Technical Designs
9. Site Specific Code Retrofitting Approach *
10. Requirements Traceability Matrix

Phase 2

1. Requirements Validation Document
2. Core Design Fundamentals Document
3. Process, and Transaction Mapping Analysis
4. Inventory of Transactions, Views, Reports, and Processes
5. Cost Accounting Classification and Reporting Plan
6. FHWA Comprehensive Design
7. Internal Control Risk Assessment
8. Software Configuration Plan
9. Chart of Accounts Plan
10. Chart of Accounts Design Assistance
11. Functional Designs
12. Technical Designs
13. Requirements Traceability Matrix
14. Implementation Analysis Design (IAD)
15. Catalog Management Plan

* Site Specific Code Retrofitting Approach applies to Phase 2 as well

Task 5 Data Conversion

Attachment 2, Task 5 is hereby replaced in its entirety by the following:

The Contractor shall be responsible for the following data conversion tasks, activities, and deliverables:

E. Data Conversion Plan

The Contractor shall produce a comprehensive Data Conversion Plan including identification of State's responsibilities that will be subject to the approval of the State Project Director. This plan shall cover:

17. All aspects of creating the production database necessary to take the system "live"
18. Data transfers during the period when the old and new system are both operating (during year-end close processing or during implementation phasing)
19. Conversion of required data from legacy systems scheduled for replacement as part of the ERP Project (See Attachment 7: Systems to Be Replaced)
20. The establishment of beginning balances when the fiscal year ending 9/30/2016 is closed in the old system
21. Contingency planning requirements for alternate conversion timeframes
22. The conversion of any detailed master data, history, or open items necessary to support, reporting, auditing, or processing objectives including, but not limited to, project, grant, multi-year appropriations. The plan shall also include but not be limited to: all inventories of assets and supplies
23. The plan shall also include all inventories of FHWA billing.
24. Some historical data will be addressed through providing access to the operational data store via the infoAdvantage Warehouse. These historical data structures will be supported by BusinessObjects or by an ODBC connection.
25. Initial loading needed for budget preparation implementation
26. Loading sequence
27. MIDB loading for each applicable phase (no MIDB loading is required as of the Phase 1 implementation date. However, phase 1 data from the implemented Budget Preparation Software will need to be loaded as of the Phase 2 implementation date along with data associated with functions implemented in Phase 2)
28. Conversions needed for project activities including testing and training
29. Automated tools or routines to assist the state in validating and verifying converted and loaded data both to the application and to MIDB
30. Plan for conducting and reviewing Mock Conversions
31. A specific approach for consolidating multiple source files related to vendors, customers, grantees, employees, internal vendors, internal customers, and grant applicants into a single vendor-customer master file.
32. An analysis and specific approach for converting contracts, purchase agreements, catalogs, purchase orders, and other procurement related open items and standardizing as required, with converted inventory files.

This plan shall describe:

- All files or tables to be built in the new system
- Data sources for those files
- Expected data volumes
- Conversions where automated programming can be used to significantly reduce data conversion labor
- Summary of data (type, period of time, summary or detail) to be converted
- Roles and responsibilities and timing requirements for the conversion effort

- ~~A specific approach for consolidating multiple source files related to vendors, customers, grantees, employees, internal vendors, internal customers, and grant applicants into a single vendor-customer master file~~.
- ~~An analysis and specific approach for converting contracts, purchase agreements, catalogs, purchase orders, and other procurement related open items and synchronizing, as required, with converted inventory files.~~

Segments of this plan may be delivered serially to incorporate the results of analysis of assigned activities that occur as the project progresses. Updates to the plan will be made, as required, based on the learning and circumstances encountered during the mock conversions.

The Data Conversion Plan shall include the strategy and plan for loading budget data as well as reference, open items, and historical financial, cost accounting, asset, inventory, labor distribution, timesheet, and employee expense reimbursement data.

F. Data Conversion Programs

Based on the Data Conversion Plan, the Contractor shall be responsible for creating and testing automated conversion programs to support the commencement of live operations. This deliverable shall include:

4. Data Conversion Program Designs
5. Developing programming specifications
6. Coding and unit and integration testing for the conversion programs

The State shall be responsible for developing test scenarios and conducting the acceptance testing with the assistance of the Contractor. As part of this effort the Contractor shall build any crosswalk file structures required to complete this task. The State will assist the Contractor in populating the crosswalk tables and will be responsible for any legacy data cleanup required.

G. Mock Conversions

The Contractor shall be responsible for running mock conversions in a project technical environment to test the conversion and to verify that data is being converted successfully, accurately, and completely. The Contractor will provide automated tools or programs that assist the state in determining that the converted totals match source file totals, that record counts are accurate, that converted data passes all ERP validations, and that conversions occur within the window of time available during planned cutover and implementation activities. A successful mock conversion approved by the State will be required before the State agrees to commence User Acceptance Testing in each phase. Other mock conversions will be performed to allow as needed for testing, review of converted data, and to compare the time required for conversion within the time available in the implementation plan. Mock Conversion will be repeated as required to get to a successful mock conversion where data conversion was validated to be accurate and completed within the time available in the implementation plan.

H. Converting Data

The Contractor shall be responsible for running the conversion programs and assisting the State with the verification of the converted data in the production environment. Based on the Data Conversion Plan, the State will take responsibility for legacy data cleanup, loading data that is not practical to convert and load automatically, and for certifying the production database as being accurate.

The following table summarizes the responsibilities of the Contractor and State related to data conversion activities and tasks.

Activities	**Contractor**	**State**
32. Manage Conversion Activities	**33.** Lead	**34.** Assist

Activities	Contractor	State
35. Create a Data Conversion Plan for migrating data between legacy systems and ERP Solution	**36.** Lead	**37.** Assist
38. Design and document Data Mappings	**39.** Lead	**40.** Assist
41. Extract data from legacy systems	**42.** Assist	**43.** Lead
44. Provide Subject Matter Expertise for legacy system data	**45.** Assist	**46.** Lead
47. Transform and import extracted data into ERP Solution including creation and population of crosswalk structures	**48.** Lead	**49.** Assist
50. Perform Data Cleansing	**51.** Assist	**52.** Lead
Provide guidance to the State on performing required data clean-up efforts identified through the mock data conversion process	**53.** Lead	**54.** Assist
55. Execute test run conversions and production conversion automated processes (Mock Conversions)	**56.** Lead	**57.** Assist
58. Present test conversion results to Project Governance	**59.** Assist	**60.** Lead
61. Validate quality and accuracy of converted data for mock conversions and production conversion	**62.** Assist	**63.** Lead
64. Perform manual conversion of data (including non-electronic data)	**65.** Assist	**66.** Lead

Task 5 Deliverables

General

2. Data Conversion Plan

Phase 1

5. Data Conversion Program Designs
6. Unit Tested Data Conversion Programs
7. Approved Mock Conversion
8. Converted Data in Production Environment

Phase 2

7. Data Conversion Program Designs
8. Unit Tested Data Conversion Programs
9. Approved Mock Conversion
10. Converted Data in Production Environment

Task 7 Interfaces

Attachment 2, Task 7 is hereby replaced in its entirety by the following:

The Contractor will design, develop, and implement interfaces listed and described in Attachment 6: Interfaces (excluding the interface to/from Buy4Michigan and in addition ITAM, AART and Remedy that will now be needed on the ERP project). These interfaces will be needed to support existing processes and external systems that currently interface with MAIN or other systems slated for replacement as part of the ERP Project. In order to reduce the development and maintenance effort associated with these interfaces, the State requires that all inbound and outbound system interfaces be funneled through standardized interfaces for each identified interface type. This software shall be fully documented to allow DTMB and other State agencies to properly structure current and future interface projects and to facilitate maintenance of interfaces once the system has been implemented. The Contractor will also be responsible for designing, developing, and testing any temporary interfaces that may be required during implementation phasing following the same responsibilities as outlined below in E, Roles and Responsibilities.

The Contractor's responsibilities shall include the following tasks, activities, and deliverables.

F. Create Major Integration Approach Document

The Contractor shall create and submit a document to the State describing key integration between the ERP and the following internal and external systems:

10. State's Transportation legacy systems
11. ~~**State's procurement software (from Periscope)**~~
12. State's human resource and payroll software (from Infor)
13. State systems that transmit warrant and EFT requests for Disbursement
14. State systems that transmit Payment Vouchers for processing that require vendor file synchronization
15. Banks, credit card processors, and other financial institutions
16. Vendor systems that submit EDI based vendor invoices
17. Integration/Interfaces between the ERP software and any third party or custom applications provided for the project as required to meet specific requirements.
18. State's IT Portfolio and Resource management software (Changepoint)

The Contractor shall work with designated state personnel from DTMB, Treasury, and other State Agencies, as well as representatives from external entities to document requirements, design approaches, key details, legacy system modification needed, and any issues associated with the listed integration/interface areas. The document shall also describe how each of the complex integration/interfaces will be tested including those involving external entities.

G. Major Interface/Integration

The Contractor shall be responsible for all design, programming, extracts, translations, loads, interface tool configuration and extension, job creation, and unit and integration testing for the following major integration efforts:

~~1.~~ Vendor file synchronization with interfacing systems

~~Integration between the ERP solution and the State's Procurement System including:~~

~~a. Vendor file synchronization~~

~~b. Validation of Procurement system transactions against coding block and budgets stored in the ERP system~~

~~c. Creation and processing of ERP encumbrance transactions based on Purchase orders created in the Procurement System~~

~~d. Creation and processing of ERP Payment Voucher transactions based on match processing that takes place in the Procurement System~~

~~e. Creation and processing of encumbrance adjustment, liquidation, or cancellation transactions based on change, cancellation, or other Procurement System Transactions~~

~~f. Posting of payment scheduling, warrant date and numbers, and other remittance information from the ERP back to the Procurement System to support reporting and queries~~

~~g. Posting of transactions to the ERP system in association with lapsing and reestablishment of purchase orders at year end~~

Task 7 Deliverables

General

3. Major Integration Approach Document (covering all phases)
4. Interface Plan (covering all phases)

Phase 1

3. Interface Designs
4. Interface Tested Programs

Phase 2

11. Interface/Integration Designs
12. Completed and Tested Transportation System Integration
13. Completed and Tested HRMN Integration
14. ~~Completed and Tested Procurement Integration~~
15. Completed and Tested Disbursement Integration
16. Completed and Tested Banking, Credit Card Processors, and Other Financial Interfaces with External Parties
17. Completed and Tested EDI
18. Other Interface - Tested Programs
19. Completed and Tested Treasury Offset Integration

Task 11 Training and Knowledge Transfer

Attachment 2, Task 11 is hereby replaced in its entirety with the following:

The Contractor shall provide four categories of training/knowledge transfer:

- Project Team Training;
- User Training to support implementation and ongoing needs;
- Technical and operations personnel training to support implementation; and
- Deeper knowledge transfer to a core group of functional, administrative, programming, and other technical and operations personnel to support independent capabilities consistent with the State's post implementation role when the Contractor departs.

Pursuant to the Managed Services Agreement the Contractor may limit technical knowledge transfer to those areas associated with the State's post implementation roles. The State will provide training facilities, as required.

The following shall be included as part of Contractor services:

K. Project Team Training

At minimum, the Contractor shall provide training to the project team as follows:

2. In the first weeks of the Project, training shall be provided using the installed baseline software. This training shall cover:

    i. System architecture, navigation and functionality

    j. The Contractor's basic strategy for establishing a scheme of classification for the State

    k. The Contractor's proposed means of meeting the State's budget needs

    l. On-line and batch operations

    m. Security, system options available

    n. Implementation methodology

    o. Project team roles and responsibilities

    p. Other topics useful in orienting the Project team to the software

The Contractor shall also explain how State Project team members may gain continued access to the "User Playground" environment to better understand system functionality and to try various business scenarios.

As the Project Strategy, Plan, and Resource Schedule become finalized, the Contractor shall provide education sessions to Project team members and key stakeholders on the approved strategy and plan. Key State executives, the State Project Executives, and the State Project Director will also participate in explaining the path to be taken.

As the Project progresses, the Contractor shall provide focused sessions with supporting materials on how State Project responsibilities can be met. Such topics shall include: developing desk procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing and operating a help desk, and other relevant topics helpful to Project team members in planning, organizing, and executing their assigned Project roles.

Additional project team training sessions (not included in those initially delivered) will be held within a timeframe mutually agreed upon by project management to familiarize project team members and a limited number stakeholders selected by the State on Advantage procurement and purchasing functionality including a full walk through of the vendor self-service function and an overview of the key configuration options that are available with the delivered package.

L. Project Team Training

At minimum, the Contractor shall provide training to the project team as follows:

3. In the first weeks of the Project, training shall be provided using the installed baseline software. This training shall cover:

    q. System architecture, navigation and functionality

    r. The Contractor’s basic strategy for establishing a scheme of classification for the State

    s. The Contractor’s proposed means of meeting the State’s budget needs

    t. On-line and batch operations

    u. Security, system options available

    v. Implementation methodology

    w. Project team roles and responsibilities

    x. Other topics useful in orienting the Project team to the software

The Contractor shall also explain how State Project team members may gain continued access to the “User Playground” environment to better understand system functionality and to try various business scenarios.

As the Project Strategy, Plan, and Resource Schedule become finalized, the Contractor shall provide education sessions to Project team members and key stakeholders on the approved strategy and plan. Key State executives, the State Project Executives, and the State Project Director will also participate in explaining the path to be taken.

As the Project progresses, the Contractor shall provide focused sessions with supporting materials on how State Project responsibilities can be met. Such topics shall include: developing desk procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing and operating a help desk, and other relevant topics helpful to Project team members in planning, organizing, and executing their assigned Project roles.

M. Training Needs Assessment

The Contractor shall perform and document a training needs assessment for all pertinent State users, management, executive, technical, administrative, and operations personnel. The assessment will identify who needs training and what training is needed. It will also include an assessment of the extent of change necessary and where activities, materials, or supplemental help may be needed for State personnel to be adequately prepared to perform their ERP related duties and responsibilities once the ERP solution is implemented.

N. Training Plan

The Contractor must provide a detailed training plan for the design, development, implementation and evaluation of a comprehensive training program for the ERP System. The Training Plan will serve all levels of the ERP Project including the project team, system users, trainers and technical staff. It will be updated, as required, to reflect any evolution in planned content, delivery, and scheduling as the project proceeds.

The Training Plan will be based on the 'training needs assessment' conducted by the Contractor and must also describe the types of training to be employed to meet identified needs. The Plan must focus on the initial implementation of functionality to replace the existing systems/procedures, as well as immediate training for State users.

O. Training Curriculum

The Contractor will identify and document the training curriculum that will be used to educate and train State staff on functional use of the system, reports, ad hoc reporting, how to perform administrative functions, and on technical and operations topics that will be required by State personnel to operate, support, and maintain the ERP System.

P. Training Materials

The Contractor must design and develop all training materials including training guides, speaker notes, syllabi, user materials, user exercises, examples, and course curricula (including training objectives and outcomes). The Contractor must provide all electronic source documents and graphics used in the development and presentation of training. The State will provide specialized examples to incorporate in the training materials for particular agencies that may make different use of the same system features or transactions. In addition to computer based training, the Contractor must create material for high level demos/live sessions that can be conducted with various target audiences, for example, the time and leave audience, via auditorium and web-ex sessions.

Q. Computer Based, Web-ex, and Auditorium Training for Time and Attendance and Employee Travel and Expense Reimbursement

The State's approximately 47,000 employees must be trained on the time and attendance functionality, as well as the employee travel and expense reimbursement functionality. The Contractor shall design, develop, test, and deploy computer based training (CBT) (preferably available over the Web) to all applicable State employees. The Contractor must pilot the high level demos/live sessions with the time and attendance audience via auditorium and web-ex sessions and train State staff to conduct additional sessions. This training must be comprehensive enough to allow end users to begin using the new time and attendance and employee travel and expense reimbursement functions upon implementation without any classroom training or one-on-one assistance. Because of the differences in time-keeping data entry across the State's workforce, specialized training examples will be needed for some groups (e.g. some MDOT employees, Corrections Officers, legislative and judicial agencies, etc.). The Contractor will be required to make the CBT modules available during Acceptance Test to verify its effectiveness and readiness for use by the State's employees and (with the State's assistance) deploy the software for use in training end users. The Contractor must leave all required tools to modify and deploy the CBT modules with the State for future use

Help desk staff will require more direct training. This group can be used as a pilot for the effectiveness of the CBT.

R. End User Training to Support Implementation

A train-the-trainer classroom approach will be pursued by the Contractor to assist State in training employees who will be using the ERP System for functions other than Time and Attendance and Employee Travel and Expense Reimbursement. The main goal will be the effective training of approximately 4,000 users in a compressed timeframe as part of Phase 2. As part of this effort the Contractor must provide:

7. Classroom materials to support the classroom training effort. These materials may then be customized further by State personnel, with the Contractor's assistance, to include desk procedure content, organization context information, and comparisons with previous procedures.

8. Training for State trainer candidates in:

    c. The system functionality on which they will be performing training; and

d. How to customize the training materials and set up specific reference data in the training environment.

9. A stable, tested training environment pre-loaded with representative converted reference and historical data that can become a starting point for creating training materials (including screen prints showing user actions and processing outcomes). Note: For training purposes the State will take responsibility for entering representative reference data that is impractical or impossible to convert automatically.

10. Assistance to the trainer candidates as they customize training materials and enter required data to support their future training exercise.

11. Assistance creating and reloading the training database. This assistance will include: back up, restore, refresh, and troubleshooting assistance in the training environment as materials are prepared and customized and as end user training proceeds. Assistance related to the training database shall include creation, loading, and reloading the training database created using training specific data and an extract from the successful and approved mock conversion. It will also include setting the system clock and calendar as required to support training scenarios and repetition of particular training courses for different and subsequent user groups.

12. Assistance developing Executive End User desk guides for casual use and inquiry / reporting within the ERP solution.

S. Technical and Operations Personnel Training

The Contractor must provide hands-on training to State personnel in the necessary skills to provide needed operations and maintenance of the ERP system after implementation, starting with the first phase implementation. Such training will be based on the State's role in directly performing operations and maintenance services and in monitoring and overseeing related Contractor services that will be provided as part Managed Services The Hosting/Managed Services Contract may limit such training to the State to that required for the operations, maintenance, and oversight role designated for the State under the Managed Services Agreement. The Contractor shall work with the State during the planning process to document the role the State will play in system operations and software maintenance and will create and deliver technical and operations personnel training after first obtaining State approval for the training plan.

T. Knowledge Transfer

The State requires a more complete knowledge transfer approach that supplements training with carefully selected hands-on experience during the project. During the planning phase of the Project, the Contractor shall document a knowledge transfer approach to provide the State has a “critical mass” of knowledgeable users (experts), system administrators, programmers and other technical personnel sufficient to execute State responsibilities after implementation occurs.

The Contractor shall then incorporate the needed knowledge transfer activities, sessions, and tasks into the project plan and execute its responsibilities as called for in the approved Knowledge Transfer Plan.

Task 11 Deliverables

General

3. Project Team Training Approach and Plan
4. Knowledge Transfer Approach and Plan
4. Project Team Training
   - ERP
   - Methodology and Approach

Phase 1

10. End User Training Needs Assessment
11. End User Training Plan

12. End User Training Curriculum
13. End User Training Materials
14. End User Training Environment/Data
15. Trained State Trainers
16. End User Training Assistance
17. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
18. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Phase 2

12. End User Training Needs Assessment
13. End User Training Plan
14. End User Training Curriculum
15. End User Training Materials
16. End User Training Environment/Data
17. Trained State Trainers
18. End User Training Assistance
19. CBT Designs
20. Completed, Tested and Approved CBT Courses
21. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
22. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Task 12 Implementation and Agency Change Management Assistance

Attachment 2, Task 12 is hereby replaced in its entirety with the following:

Implementation and Agency Change Management for the ERP Solution will be a shared responsibility of the Contractor and the State. Contractor responsibilities shall include the following:

L. Implementation Cutover Plan

The Contractor shall produce a detailed Implementation Cutover Plan for each project phase that includes all project activities needed for deployment of the ERP System into the production environment including specific cut-over tasks, planned dates for tasks to be started and completed, task responsibilities and assignments, task dependencies, estimated work effort required to complete each task, and the State sign-off required for each task completed.

The plan shall detail the approach for coordinating the following:

1. Data conversion activities;
2. Technical preparation and system changeover activities;
3. Development of a cutover activities checklist including activities that need to occur on the existing systems being replaced and interfaced;
4. Staffing requirements, by role and responsibilities, for both Contractor and State staff for all deployment / cut-over activities;
5. Deployment schedule; and
6. A contingency plan for identifying, communicating, resolving risks and maintaining then current production capability if the deployment is delayed.

The Contractor shall track progress against the plan and include this information in status and milestone reports submitted to the State.

M. Implementation Checklist

The Contractor shall prepare and maintain an Implementation Cutover Checklist for each phase that lists, describes, and tracks each activity required to ascertain that the ERP System and the State are ready for deployment and that related milestone criteria have been achieved. This checklist must be reviewed with the State Project Director and team leaders/managers with increasing frequency as the Go-Live date approaches to confirm in accordance with this Implementation Agreement:

13. User Acceptance and Performance Testing and Tuning have been successfully completed
14. Staff have completed staff and management training
15. Data has been converted, cleaned and accepted by the user
16. Interfaces are functioning as required
17. Reports are functioning as required
18. Site preparation requirements have been met
19. A full production schedule has been developed and approved
20. Full setup, testing, and certification of batch and print jobs on job scheduler and report distribution software have occurred
21. Effective knowledge transfer to applicable State Hosting/Managed Services personnel has occurred related to technical and administrative support for hardware, network and other infrastructure, server software, technical environments, security, and application of patches and software vendor updates
22. The Help Desk organization has been established and Help Desk personnel have been trained on the ERP and for their Help Desk roles
23. User and system supports are in place
24. Other outcomes or standards that may be identified and mutually agreed upon during implementation analysis and planning

The Contractor will track progress against the items included on the checklist and include that information in the status and milestone reports submitted to the State.

N. Agency Implementation and Change Management Planning

The Contractor shall work with designated Agency personnel and the State Project Director to prepare implementation and change management plans for each Agency that specify:

7. Implementation of the functions and modules that will be used by the Agency
8. Agency specific system replacement (if applicable)
9. Agency specific interfaces
10. Data preparation and conversion that must be performed by the Agency
11. Policies and procedure revisions needed by the Agency
12. Participation in Training Needs Assessment
13. Role Definitions needed to establish security profiles for Agency personnel
14. Development and delivery of Agency specific training content to be included in end user training
15. Hardware, software, and network readiness tasks (as applicable to that Agency)
16. Any Agency specific legacy system modifications that the Agency needs to perform
17. Security and workflow
18. Due dates and time frames
19. Key Change Management Issues and Required Actions
20. Other agency tasks, as required

O. Agency Implementation Guide

The Contractor shall prepare an Agency Implementation Guide that will provide a comprehensive overview of the system as configured for the State; information on forming and organizing Agency teams; producing Agency implementation and change management plans; instructions for internal Agency Implementation Teams to follow as they perform Agency tasks associated with the ERP implementation; Agency team status reporting; an overview of project tasks where Agency involvement will be required and the participation that will be needed; Agency cutover schedules and related Agency checklist items; and other pertinent information. The primary audience for this document will be the Agency Implementation Teams. In addition to information and guidance, the guide will include templates that the agencies will be able to use to support their implementation efforts.

The Agency Implementation Guide will be modular in design to allow for sections to be released as completed and as appropriate given the project timeline. The Contractor will work closely with the State Project Director to determine the contents of the Agency Implementation Guide during initial planning activities on the project.

P. Provide Agency Implementation and Change Management Assistance

The Contractor shall organize, provide staff members, and take the lead on preparing all required documents for a Central Agency Support Team that will be staffed by both Contractor and State personnel. The Central Agency Support Team will be responsible for the following:

Task	Contractor	State
16. Producing an Agency Implementation and Change Management Assessment for each Agency prior to producing the Agency Implementation and Change Management Plan that includes: j. Documentation of planned agency usage of new system modules, transactions, processes, and functions k. Documentation of planned replacement of agency specific systems and planned Agency specific interfaces l. Creation of an Old/New Transaction Crosswalk for use by agency implementation teams, trainers, and other purposes m. Planned Agency coding block usage and chart of accounts development responsibilities n. Any need for Agency legacy system modification o. Any need for federal, state, or other externally mandated reports (at the report level) p. Agency specific data conversion issues and tasks to be performed q. Identification of Agency ERP system users r. Other relevant factors (e.g. the Agency has a geographically disbursed workforce; the agency must coordinate ERP implementation with other initiatives, presence of significant issues, etc.)	Lead	Assist
17. Coordinating Agency specific interfaces and conversion activity with the Interfaces and Conversion Teams to schedule appropriate analysis, design, development, and testing	Shared	Shared
18. Establishing and maintaining centralized Agency issue database and escalating issues (as required) for resolution	Shared	Shared
19. Coordinating the allocation of project resources to support various Agency implementation and change management assistance efforts	Shared	Shared
20. Providing training to Agency Implementation Team members on the new system design, the role of the project and Agency teams; and on the tasks that Agency teams will be asked to perform.	Shared	Shared
21. Working with individual Agencies to develop implementation plans for each	Lead	Assist
22. Providing each Agency with a single point of contact for implementation issues and concerns		Lead
23. Developing and conducting training and information sessions for the internal Agency teams and other Agency personnel participating in the implementation	Shared	Shared

Task	Contractor	State
24. Assisting Agencies in organizing internal Agency Implementation Teams	Assist	Lead
25. Assist Agencies in performing their conversion and interface design, programming, and testing tasks.	Shared	Shared
26. Assisting Agencies in identifying and resolving project issues	Shared	Shared
27. Providing guidance on how to perform tasks assigned to internal Agency teams as part of their Agency Implementation and Change Management Plans	Shared	Shared
28. Producing status reports for each Agency implementation and change management effort	Shared	Shared

Q. Production Schedule

The Contractor shall document the production schedule for each phase and design, create, test, and document jobs and perform needed setup on job schedulers. The Contractor shall complete this set of tasks with sufficient lead time to allow jobs and job streams to be tested in the User Acceptance Test.

R. Meet all requirements for Implementation Readiness Milestone Go/No-Go Decision

The Contractor shall maintain a list of Milestone requirements (approved by the State Project Executives and State Project Director) that must be met to obtain written approval from State Project Executives and the Governing Board prior to implementing the ERP solution in each phase. The Contractor shall report progress and issues related to completing the listed requirements and include that information in status and milestone reports. At the State's discretion, the list of milestone requirements may be consolidated with the Implementation Checklist.

S. Production Turnover

Once the system has been approved, in writing, as ready for production, the Contractor must work with State to perform a production turnover procedure. Among other things, this procedure requires that the Contractor turn over all system components in a systematic fashion into the production environment. The Contractor must ready and organize applicable source code, compiled modules (where required), job streams, other components of the production environment, and documentation for the production turnover. The State will then require the Contractor to demonstrate that all compiled extension and other site specific programs have corresponding source code and validate that all programs are present. The State will also require the Contractor to demonstrate that all components and modules of the production environment can be operated on-line or run to completion as appropriate, and that all modules, job streams (or scripts) are properly documented according to agreed upon standards.

T. Help Desk Plan and Implementation

The Contractor shall provide ERP Help Desk Planning and Implementation Assistance in each phase. This assistance shall include:

8. Help Desk Organization Design, staffing model, and roles and responsibilities
9. Develop incident and problem management procedures
10. Select an incident reporting and tracking database and tool
11. Document incident triage approach and procedures
12. Design phone, email, and other contact procedures
13. Develop Help Desk materials and communications for ERP users
14. Provide training for State Help Desk Personnel on the ERP application

U. Vendor/Supplier/Customer Outreach Assistance

The Contractor will be responsible for the analysis, planning, and supporting activities associated with outreach to vendors, grant applicants, customers, and other external entities that may be affected by project related re-registration, change in vendor-customer numbering, the implementation and use of new internet self-service portals, or other aspect of the implementation and use of the new system.

Task	Contractor	State
4. Producing a Vendor Outreach Plan that includes: a. creating a Vendor/Supplier/Customer Management Plan for the State's review and approval, by drafting required communications and in carrying out other aspects of planned outreach and coordination	Lead	Assist
5. Drafting of Outreach materials: a. including vendor outreach mailings, training guides, and training sessions	Lead	Assist
6. Vendor Outreach shall: a. include all communication related to the implementation, use, required re-registration, access privileges or procedures, account renumbering, or to any notifications or required actions Documentation of planned replacement of agency specific systems and planned Agency specific interfaces b. address all types of vendors and customers including small business, minority owned, disabled-owned and women-owned businesses, and vendors with varying degrees of technology capabilities	Assist	Lead

V. Local Entity Outreach

The Contractor will be responsible for the analysis, planning, organization, communication, and educational material development activities associated with the implementation of the ERP Procurement functionality for local entities currently using the State's Buy4Michigan software. Responsibilities in this task area shall include the creation of a Local Entity Outreach Plan to be reviewed and approved by the State.

Task 12 Deliverables

Phase 1

13. Implementation Cutover Plan
14. Implementation Checklist
15. Agency Implementation and Change Management Assessment
16. Agency Implementation Guide
17. Agency Implementation and Change Management Plans
18. Approved Production and Production QA Environments
19. Completed and Approved Agency Implementation and Change Management Assistance
20. Production Job Schedule
21. Approved Batch jobs on Job Scheduler
22. Completed Production Turnover
23. Help Desk Plan
24. Help Desk Implementation Assistance

Phase 2

15. Implementation Cutover Plan
16. Implementation Checklist
17. Agency Implementation and Change Management Assessment
18. Agency Implementation Guide
19. Agency Implementation and Change Management Plans
20. Approved Production and Production QA Environments
21. Completed and Approved Agency Implementation and Change Management Assistance
22. Production Job Schedule
23. Approved Batch jobs on Job Scheduler
24. Completed Production Turnover
25. Help Desk Plan Update
26. Help Desk Implementation Update Assistance

Key Stakeholder and Outreach Assistance including:

27. <u>Vendor/Supplier/Customer/Local Outreach Plan</u>
28. <u>Local Entity and Vendor Outreach Assistance</u>

Attachment 5: Key Personnel

5.0 Contractor Key Personnel

The following additions and deletions have been made in CGI staff designated as Key Personnel.

67. Key or Module Lead Position	68. Name	69. Start Date	70. Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	71. Key Personnel 72. 'Y' or 'N'
Asset Management Lead	Kenneth Cotton ~~David Hay~~	7/2014 ~~10/2014~~	Y	Y
Inventory Management Lead	Kenneth Cotton ~~David Hay~~	7/2014 ~~10/2014~~	Y	Y
Procurement	David Hay	10/2014	Y	Y

Attachment 3: Timeline and Scope Clarifications

Attachment 3, Section 3.3 B is amended and replaced in its entirety, as follows:

B. Development Pool of Hours

1. The Contractor obligation for development of ERP system modifications and or enhancements that are not listed in Attachments 8 or 9 to the ERP shall be limited to that which can be accomplished using a an agreed upon allocation of ~~28,100~~ 29,660 Contractor staff hours that are included in the fixed price of this Agreement. This allocation or 'pool' of hours may be used for any ERP application enhancement or modification or other required development identified during the project that falls outside of the following list of other Contractor obligations under this Agreement:

i. Contractor's obligation to make any enhancements or modifications needed to provide functionality that is incorrectly listed in Attachment 8 or 9 as being met by 'standard functionality'

ii. Contractor's obligation to provide development services for MIDB, interfaces, reports, data conversion or other purposes specified in Attachment 2 or elsewhere in this Agreement.

iii. Contractor's obligation to provide development of enhancements, modifications, and configuration needed to meet the State's requirements and business rules for the Time and Labor module, as specified in section 3.3.3 of this Attachment.

iv. Contractor's obligation to configure the software to meet State requirements as specified in Attachment 2 or as identified during requirements validation and design activities.

v. Contractor's obligation to provide requirements analysis, design, testing, and implementation services as specified in Attachment 2.

vi. Contractor's obligation to provide baseline modifications related to the procurement function.

Attachment 4: Deliverables and Payment Schedule

Attachment 4 is hereby amended and replaced in its entirety, as follows:

4.1 Overall Payments by Project Phase

Overall payments to the Contractor under this Agreement shall be limited to the Fixed Price listed in Article 1, Section 1.401. Payments to Contractor are further limited by Project Phase, as indicated in Exhibit 4-1 below

Exhibit 4-1

ERP Project Phase	Original Fixed Price	Fixed Price Increase	Revised Fixed Price
Total Phase 1 Implementation Services	$2,483,092	$0	$2,483,092
Total Phase 2 Implementation Services	$32,760,146	$1,452,229	$34,212,375
Total Final Post Implementation Support Services	$3,590,690	$134,581	$3,725,271
Total Estimated Contract Value	$38,833,928	$1,586,810	$40,420,738

4.3 Deliverables and Payments

The Contractor may invoice and receive payment for a completed and approved Deliverable Group or for approved completion of a project milestone.

6) **Deliverable Group** –Contractor may qualify to invoice for and receive a payment when all Deliverables associated with a specific Payment ID in Exhibit 4-2 below have been completed, submitted, and approved by the State Project Director or her designee. The amount that may be invoiced and paid for those Deliverables associated with a specific Payment ID is listed in the Payment Amount column of Exhibit 4-2. Deliverables associated with Milestone 7: Budget Preparation Acceptance and Milestone 13: Core ERP Acceptance will not qualify for invoicing and payment until the Milestone (and Milestone Report for that Milestone) has been completed and approved by the State Project Director or her designee.

7) **Milestones** – Contractor may qualify to invoice for and receive a Milestone payment by: completing all requirements associated with the particular Milestone listed and described in Attachment 2 Exhibit 2-1 AND submitting and receiving approval for the Milestone Report associated with the completed Milestone. Payment Amounts for each Milestone are listed in the Payment Amount column of Exhibit 4-2 below (in association with Milestone Reports and related Payment IDs).

Exhibit 4.2: Payments

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Phase I					
Milestone 1					
Planning Deliverables	**1-Project Management**				
Project Strategy, Plan and Resource Schedule		P01	M1PMT-1		
Risk Identification, Analysis, and Management Plan		P02	M1PMT-1		
Issue Process/Database		P03	M1PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Status Reporting Process		P04	M1PMT-1		
Scope Change Control Process		P05	M1PMT-1		
Organizational Change Management Plan		P06	M1PMT-1		
Communications Plan		P07	M1PMT-1	30.00%	$74,492.76
Technical Services Deliverables	**2-Technical Services**				
Project Environment Specification		T01	M1PMT-2		
Completed Software Installation, User Playground, and Software Education Sessions		T02	M1PMT-2		
Complete Development Environment - Phase 1		T03	M1PMT-2		
Complete Development Environment - Phase 2		T04	M1PMT-2		
System Analysis and Design Deliverables					
Site Specific Code Retrofitting Approach	3-Systems Analysis and Design	S01	M1PMT-2	25.00%	$62,077.30
Training and Knowledge Transfer Deliverables	**11-Training and Knowledge Transfer**				
Project Team Training Approach and Plan		TK01	M1PMT-3		
Knowledge Transfer Approach and Plan		TK02	M1PMT-3		
Project Team Training -ERP		TK03	M1PMT-3		
Project Team Training - Methodology and Approach		TK04	M1PMT-3	30.00%	$74,492.76
Project Management Deliverables					
Milestone Report 1: Project Strategy and Plan	Project Mgt	PM01	M1PMT-4	15.00%	$37,246.38
Milestone 1 Total Payments				**100.00%**	**$248,309.20**
Milestone 2 - Budget Preparation Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Not Used		S04			
Requirements Validation Document		S03	M2PMT-1		
Budget Preparation Design		S04	M2PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S05	M2PMT-1		
Internal Control Risk Assessment		S06	M2PMT-1		
Software Configuration Plan		S07	M2PMT-1		
Chart of Accounts Design Assistance - Budget Preparation		S08	M2PMT-1		
Functional Designs		S09	M2PMT-1	30.00%	$89,391.31
Technical Designs		S10	M2PMT-2		
Requirements Traceability		S11	M2PMT-2	15.00%	$44,695.66

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Matrix					
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Plan		D01	M2PMT-3		
Data Conversion Program Designs		D02	M2PMT-3		
Report Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Budget Prep Report Designs		R01	M2PMT-3	10.00%	$29,797.10
Interfaces Deliverables	7-Interfaces				
Interface Plan (covering all phases)		I01	M2PMT-4		
Interface Designs		I02	M2PMT-4	5.00%	$14,898.55
Technical Services Deliverables	2-Technical Services				
Security Architecture and Design		T05	M2PMT-5		
Configuration Management Procedures		T06	M2PMT-5	15.00%	$44,695.66
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM02	M2PMT-6		
Communications Plan Updates		PM03	M2PMT-6	5.00%	$14,898.55
Milestone Report 2: Budget Preparation Design		PM04	M2PMT-7	20.00%	$59,594.21
Milestone 2 Total Payments				**100.00%**	**$297,971.04**
Milestone 3 ERP Core Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Requirements Validation Document		S11	M3PMT-1		
Core Design Fundamentals Document		S12	M3PMT-1		
Process, and Transaction Mapping Analysis		S13	M3PMT-1		
Requirements Validation Document		S14	M3PMT-1		
Cost Accounting Classification and Reporting Plan		S15	M3PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S16	M3PMT-1		
Internal Control Risk Assessment		S17	M3PMT-1		
FHWA Comprehensive Design		S18	M3PMT-1		
Software Configuration Plan		S19	M3PMT-1		
Chart of Accounts Plan		S20	M3PMT-1		
Chart of Accounts Design Assistance		S21	M3PMT-1		
Functional Designs		S22	M3PMT-1	35.00%	$917,284.09
Technical Designs		S23	M3PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Requirements Traceability Matrix		S24	M3PMT-2	20.00%	$524,162.34
Implementation Analysis Design (IAD)		S25	M3PMT-7		
Catalog Management Plan		S26	M3PMT-7	na	$250,000.00
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
MIDB Design		R02	M3PMT-3		
MIDB Report Designs		R03	M3PMT-3		
Report Designs for Production ERP		R04	M3PMT-3		
CAFR Report and Publication Design		R05	M3PMT-3		
Transparency & Accountability Website Design		R06	M3PMT-3	10.00%	$262,081.17
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Program Designs		D03	M3PMT-4		
Interface Deliverables	7-Interfaces				
Major Integration Approach Document (covering all phases)		I03	M3PMT-4		
Interface Designs		I04	M3PMT-4		
Technical Services Deliverables	2-Technical Services				
Completed Production and Production QA Specification		T07	M3PMT-4	10.00%	$262,081.17
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM05	M3PMT-5		
Communications Plan Updates		PM06	M3PMT-5	5.00%	$131,040.58
Milestone Report 3: ERP Core Design		PM07	M3PMT-6	20.00%	$524,162.34
Milestone 3 Total Payments				**100.00%**	**$2,870,811.68**
Milestone 4 - Budget Preparation Configuration and Development					
Configuration and Development Deliverables	4-Configuration Management and Development				
Configuration and Development Inventory		CD01	M4PMT-1		
Unit Tested and Documented Configuration		CD02	M4PMT-1		
Unit Tested Site Specific Code		CD03	M4PMT-1		
Unit Tested and Documented Workflows		CD04	M4PMT-1		
Unit Tested and Documented Configuration		CD05	M4PMT-1		
Reports Deliverables	6-MIDB,Reporting and Transparency & Accountability Website				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Tested and Approved Budget Preparation Reports		R07	M4PMT-1	40.00%	$257,615.95
Conversion Deliverables	5-Data Conversion	D00	M4PMT-2		
Unit Tested Data Conversion Programs		D04	M4PMT-2		
Interfaces Deliverables	7-Interfaces				
Interface Tested Programs		I05	M4PMT-2	10.00%	$64,403.99
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK05	M4PMT-3		
End User Training Plan		TK06	M4PMT-3		
End User Training Curriculum		TK07	M4PMT-3	10.00%	$64,403.99
Technical Services	2-Technical Services				
Completed System and Recovery Test Environment		T08	M4PMT-4		
Completed Training Environment		T09	M4PMT-4		
Production and Production QA Environment Specification		T10	M4PMT-4		
Performance Testing and Tuning Plan		T11	M4PMT-4		
Approved Phase 1 Security, Vulnerability and Penetration Test Plan		T12	M4PMT-4		
System and Recovery Testing	8-System and Recovery Testing				
System and Recovery Test Plan		ST01	M4PMT-4		
Approved and Loaded System and Recovery Test Environment		ST02	M4PMT-4	10.00%	$64,403.99
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessments		IM01	M4PMT-5		
Agency Implementation Guide		IM02	M4PMT-5		
Agency Implementation and Change Management Plans		IM03	M4PMT-5		
Project Management	1-Project Management				
End User Readiness Assessment		PM08	M4PMT-5	10.00%	$64,403.99
Milestone Report 4: Budget Preparation Configuration and Development		PM09	M4PMT-6	20.00%	$128,807.97
Milestone 4 Total Payments				**100.00%**	**$644,039.87**
Milestone 5: Budget Preparation UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Production and Production QA Environments		T13	M5PMT-1		
Completed Phase 1 Performance Testing and System Tuning		T14	M5PMT-1		
Performance Testing and System Tuning Procedures		T15	M5PMT-1		
Completed Security, Vulnerability, and Penetration Test		T16	M5PMT-1	20.00%	$128,807.97
Conversion Deliverables	5-Data Conversion	D05			
Approved Mock Conversion		D06	M5PMT-2	10.00%	$64,403.99
Reports Deliverables	6-MIDB,Reporting, and Transparency and Accountability Website				
Report Distribution System Installed, Configured, and Ready for implementation		R08	M5PMT-3		
System and Recovery Testing Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST03	M5PMT-3	40.00%	$257,615.95
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U01	M5PMT-4		
User Acceptance Test Plan and Scripting Assistance		U02	M5PMT-4		
User Acceptance Test Environment and Data		U03	M5PMT-4		
Documentation Deliverables	10-Documentation				
Online Help		DC01	M5PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance		IM04	M5PMT-4		
Implementation Cutover Plan		IM05	M5PMT-4		
Implementation Checklist		IM06	M5PMT-4		
Production Job Schedule		IM07	M5PMT-4		
Approved Batch jobs on Job Scheduler		IM08	M5PMT-4	10.00%	$64,403.99
Project Management Deliverables	1-Project Management				
Milestone Report 5: Budget Preparation UAT Go/No Go		PM10	M5PMT-5	20.00%	$128,807.97
Milestone 5 Total Payments				**100.00%**	**$644,039.87**
Milestone 6: Budget Preparation Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
User Acceptance Test Assistance		U04	M6PMT-1	30.00%	$131,384.13
Documentation Deliverables	10-Documentation				
User Documentation		DC02	M6PMT-2		
Technical Documentation		DC03	M6PMT-2		
Operations Documentation		DC04	M6PMT-2		
System Management Guide		DC04a	M6PMT-2		
Security Administration Documentation		DC05	M6PMT-2		
Workflow Administration Documentation		DC06	M6PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK08	M6PMT-2		
End User Training Environment/Data		TK09	M6PMT-2		
Trained State Trainers		TK10	M6PMT-2		
End User Training Assistance		TK11	M6PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK12	M6PMT-2		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off		TK13	M6PMT-2	20.00%	$87,589.42
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments		IM09	M6PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM10	M6PMT-3		
Help Desk Plan		IM11	M6PMT-3		
Help Desk Implementation Assistance		IM12	M6PMT-3	25.00%	$109,486.78
Project Management Deliverables	1-Project Management				
Milestone Report 6: Budget Preparation Implementation Go/No Go		PM11	M6PMT-4	25.00%	$109,486.78
Milestone 6 Total Payments				**100.00%**	**$437,947.11**
Milestone 7: Budget Preparation Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM13	M7PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Converted Data in Production Environment		IM14	M7PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1 Post Implementation Support		PS01	M7PMT-1		
Project Management Deliverables	1-Project Mangement				
Milestone Report 7: Budget Preparation Acceptance		PM12	M7PMT-1	100.00%	$283,377.54
Milestone 7 Total Payments				**100.00%**	**$283,377.54**
Milestone 8: Phase 2 Agency Implementation Planning & Organization					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessment		IM15	M8PMT-1		
Agency Implementation and Change Management Plans for All Agencies		IM16	M8PMT-1	30.00%	$1,019,640.36
Agency Implementation Guide		IM17	M8PMT-2	40.00%	$1,359,520.47
Project Management Deliverables	1-Project Management				
End User Readiness Assessment		PM13	M8MPT-3		
Milestone Report 8: Agency Implementation Planning and Organization		PM14	M8MPT-3	30.00%	$1,019,640.36
Milestone 8 Total Payments				**100.00%**	**$3,398,801.19**
Milestone 9: ERP Core Development and Configuration Complete					
Technical Services Deliverables	2-Technical Services				
Completed System and Recovery Test Environment		T17	M9PMT-1		
Approved Security, Vulnerability and Penetration Test Plan		T18	M9PMT-1	5.00%	$594,790.21
Configuration and Development Deliverables	4-Configuraton Management and Development				
Configuration and Development Inventory		CD06	M9PMT-2		
Unit Tested and Documented Configuration		CD07	M9PMT-2		
Unit Tested Site Specific Code		CD08	M9PMT-2		
Unit Tested and Documented Workflows		CD09	M9PMT-2		
Unit Tested and Documented Configuration		CD10	M9PMT-2		
Data Conversion Deliverables	5-Data Conversion				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Unit Tested Data Conversion Programs		D07	M9PMT-2	40.00%	$4,758,321.66
Interfaces Deliverables	7-Interfaces				
Completed and Tested State Transportation System Integration		I05	M9PMT-3		
Completed and Tested HRMN Integration		I06	M9PMT-3		
Completed and Tested Procurement Integration		I07	M9PMT-3		
Completed and Tested Disbursement Integration		I08	M9PMT-3		
Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties		I09	M9PMT-3		
Completed and Tested EDI Interfaces		I10	M9PMT-3		
Other Interfaces - Tested Programs		I11	M9PMT-3	15.00%	$1,784,370.62
Reports Deliverables	6-MIDB,Reporting, and Transparency & Accountability Website				
Tested and Approved MIDB Changes		R09	M9PMT-4		
Tested and Approved MIDB Reports		R10	M9PMT-4		
Tested and Approved Reports for Production ERP		R11	M9PMT-4		
Tested and Approved CAFR Reports/Publication		R12	M9PMT-4		
Tested and Approved Transparency & Accountability Website		R13	M9PMT-4	15.00%	$1,784,370.62
System and Recovery Test Deliverables	8-System and Recovery Testing				
System and Recovery Test Plan		ST04	M9PMT-5		
Approved and Loaded System and Recovery Test Environment		ST05	M9PMT-5		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK14	M9PMT-5		
End User Training Plan		TK15	M9PMT-5		
End User Training Curriculum		TK16	M9PMT-5	10.00%	$1,189,580.42
Project Management Deliverables	1-Project Management				
Milestone Report 9: ERP Core Function Configuration and Development Complete		PM15	M9PMT-6	15.00%	$1,784,370.62
Milestone 9 Total Payments				**100.00%**	**$11,895,804.16**
Milestone 10: ERP Core Function UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed Security, Vulnerability and Penetration Test Plan		T19	M10PMT-1		
Completed Security, Vulnerability, and Penetration Test		T20	M10PMT-1		
Completed Performance Testing and Tuning Plan		T21	M10PMT-1		
Completed Performance Testing and Tuning		T22	M10PMT-1		
Performance Testing and System Tuning Procedures		T23	M10PMT-1		
Completed User Acceptance Test Environment		T24	M10PMT-1		
Production and Production QA Environments		T25	M10PMT-1	15.00%	$866,694.30
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST06	M10PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Approved Mock Conversion		D08	M10PMT-2		
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U05	M10PMT-2		
User Acceptance Test Plan and Scripting Assistance		U06	M10PMT-2		
User Acceptance Test Environment and Data		U07	M10PMT-2	50.00%	$2,888,981.01
Documentation Deliverables	10-Documentation				
Online Help		DC07	M10PMT-3		
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Report Distribution System Installed, Configured, and Ready for Implementation		R14	M10PMT-3		
Training Deliverables	11-Training and Knowledge Transfer	TK00	M10PMT-3		
Computer Based Training (CBT) Designs		TK17	M10PMT-3		
Unit Tested Computer Based (CBT) Training		TK18	M10PMT-3		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10PMT-3		
Implementation Cutover Plan		IM19	M10PMT-3		
Implementation Checklist		IM20	M10PMT-3		
Production Job Schedule		IM21	M10PMT-3		
Approved Batch jobs on Job Scheduler		IM22	M10PMT-3	20.00%	$1,155,592.40

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Project Management Deliverables	1-Project Management				
Milestone Report 10: ERP Core Function UAT Go/No Go		PM16	M10PMT-4	15.00%	$866,694.30
Milestone 10 Total Payments				**100.00%**	**$5,777,962.02**
Milestone 11: Core Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Test Assistance				
User Acceptance Test Assistance		U08	M11PMT-1		
Documentation Deliverables	10-Documentation				
User Documentation		DC08	M11PMT-1		
Technical Documentation		DC09	M11PMT-1		
Operations Documentation		DC10	M11PMT-1		
System Management Guide		DC10a	M11PMT-1		
Security Administration Documentation		DC11	M11PMT-1		
Workflow Administration Documentation		DC12	M11PMT-1	20.00%	$1,155,592.40
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK19	M11PMT-2		
End User Training Environment/Data		TK20	M11PMT-2	10.00%	$577,796.20
Trained State Trainers		TK21	M11PMT-3		
End User Training Assistance		TK22	M11PMT-3		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK23	M11PMT-3		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-Off		TK24	M11PMT-3	20.00%	$1,155,592.40
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and QA Environments		IM23	M11PMT-4		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM24	M11PMT-4		
Help Desk Plan		IM25	M11PMT-4		
Help Desk Implementation Assistance		IM26	M11PMT-4	30.00%	$1,733,388.61
Project Management Deliverables	1-Project Management				
Milestone Report 11: Core Implementation Go/No Go		PM17	M11PMT-5	20.00%	$1,155,592.40

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Milestone 11 Total Payments				**100.00%**	**$5,777,962.02**
Milestone 13: Core Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM27	M13PMT-1		
Converted Data in Production Environment		IM28	M13PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 13: Core Acceptance		PM18	M13PMT-1	100.00%	$4,418,441.54
Milestone 13 Total Payments				**100.00%**	**$4,418,441.54**
Post Implementation Support Through September 30, 2017					
1st Calendar Quarter Period	13-Post Implementation Support	PS03	PIPMT-1	20.00%	$745,054.15
2nd Calendar Quarter Period		PS04	PIPMT-2	20.00%	$745,054.15
3rd Calendar Quarter Period		PS05	PIPMT-3	20.00%	$745,054.15
4th Calendar Quarter Period		PS06	PIPMT-4	20.00%	$745,054.15
Upgrade to Latest Release		PS07	PIPMT-5	20.00%	$745,054.15
Total Post Implementation Payments				**100.00%**	**$3,725,270.77**
Total Project Payments					**$40,420,738.00**

Attachment 8: Functional and Technical Requirements Clarifications

Attachment 8 is hereby amended and replaced in its entirety, as follows:

3. Next Release

The current release of CGI Advantage is 3.10, and it was made generally available in June 2013. The Contractor will be performing the initial Envision Phase analysis leveraging the 3.10 release of the software. The State will ultimately go live with the next release, which is CGI Advantage 3.11.

CGI Advantage 3.11 is scheduled to be generally available in October 2015. This release date aligns with the State's project delivery code-drop date. The Contractor will incorporate the State's baseline enhancements into CGI Advantage release 3.11 so that the State is implementing the latest software. In addition to the baseline enhancements there will be new functionality included in release 3.11 that the State can choose to implement at a later date. This additional functionality, unless identified in the requirements checklist, is not included in the initial implementation. In the event that release 3.11 is not available within the timeframe required by the project plan or release 3.11 does not contain all required baselined enhancements as specified elsewhere in this Agreement, the Contractor is still required to make any enhancements proposed or agreed to during the project as part of their proposed fixed price.

Status reporting baseline development efforts is required along with all other status reporting as outlined in Attachment 2, Task 1.

The Contractor will make any enhancements needed to meet functional requirements listed as being 'critical' in Attachment 10 as part of their proposed fixed price.

1. Procurement Requirement Clarifications

D. Attachment 11 contains the disposition and clarification comments and notes associated with the procurement requirements. If a modification is ultimately approved by the State Project Director in association with any of the NA (Cannot Meet) or NR (Next Release) requirements, it shall be subject to the limitations specified in attachment 3, section 3.3 B: Development Pool of Hours.

E. The State Project Director shall determine whether Requirements 884948, 885087, 885081, and 885102 will require modification. If a decision is made to modify the software in association with any of these requirements, it shall be subject to the limitations of Attachment 3: Section 3.3 B: Development Pool of Hours. (These were previously not required, except for 884948).

F. The following requirements have been identified as the initial set of requirements requiring a system modification and have also denoted as such within Attachment 11. If a modification is ultimately removed from scope by the State Project Director in association with any of these requirements or replaced by another modification, it shall be subject to the limitations specified in attachment 3, section 3.3 B: Development Pool of Hours.

Enhancement	Description	Requirement
1	Tracking Locality Spend	884951
2	Add New Automated Alerts	884976
4	Work list Enhancements	884979
6	Allow Solicitation Response clarifications in VSS	885012
11	CS138 Processing	885073 885074
15	Mandatory Evaluation Criteria	885087
16	Tracking Additional Vendors for Solicitation Notifications and Enhanced Solicitation Q&A	885110 885123

22	Support Protest Requests	885174
26	Enhanced Terms and Conditions	885136

Attachment 11: Procurement Functional and Technical Requirements

See file 4300138-1 – Attachment 11.xlsx

Form No. DTMB-3522 (Rev. 4/2012)

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

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

CONTRACT NO. 071B4300138
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
CGI Technologies and Solutions Inc. 2651 Coolidge Road East Lansing, Michigan 48823	Jon Jasper	Jon.jasper@cgi.com
	TELEPHONE	**CONTRACTOR #, MAIL CODE**
	(248) 496-4336	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR:	SBO	Ruth Schwartz	517-284-7585	SchwartzR1@michigan.gov
BUYER:	DTMB	Whitnie Zuker	517-284-7030	ZukerW@michigan.gov

CONTRACT SUMMARY:			
ERP Implementation Services Agreement			
INITIAL TERM	**EFFECTIVE DATE**	**INITIAL EXPIRATION DATE**	**AVAILABLE OPTIONS**
3 years, three months and six days	June 25, 2014	September 30, 2017	Indefinite Number of Periods
PAYMENT TERMS	**F.O.B**	**SHIPPED**	**SHIPPED FROM**
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☐ YES ☒ NO
MINIMUM DELIVERY REQUIREMENTS:			
N/A			
MISCELLANEOUS INFORMATION:			
* Please see Agreement 071B4300137 that provides extended purchasing program for ERP Hosting, Managed Services, Software License, Maintenance and additional services			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION:	$38,833,928		

THIS IS NOT AN ORDER: This Contract is awarded on the basis of our inquiry bearing the solicitation #084R3200001. Orders for delivery will be issued directly by State Agencies through the issuance of a Purchase Order Form.

Form No. DTMB-3522 (Rev. 4/2012)

Notice of Contract #: 071B4300138

FOR THE CONTRACTOR:	**FOR THE STATE:**
CGI Technologies and Solutions Inc.	
Firm Name	Signature
	Jeff Brownlee, Chief Procurement Officer
Authorized Agent Signature	Name/Title
	DTMB Procurement
Authorized Agent (Print or Type)	Enter Name of Agency
Date	Date

STATE OF MICHIGAN
Department of Technology Management and Budget
Purchasing Operations

Contract No. 071B4300138
ERP Implementation Services Agreement

Buyer Name: **Whitnie Zuker**
Telephone Number: **517-284-7030**
E-Mail Address**: ZukerW@michigan.gov**

Table of Contents

This ERP Implementation Services Agreement ("Agreement") is made by and between the State of Michigan (hereinafter "State" or "The State") and CGI Technology and Solutions, Inc. (hereinafter "Contractor" or "The Contractor"). The State and Contractor are each individually referred to herein as "Party" and collectively as "Parties."

The Parties hereby agree, as follows:

This Agreement is composed of the following attachments, which are hereby incorporated by reference:

- Article 1 – Statement of Work
- Article 2 – Terms and Conditions
- Attachment 1: Glossary
- Attachment 2: Implementation Tasks, Services, Deliverables, and Milestones
- Attachment 3: Timeline and Scope Clarifications
- Attachment 4: Deliverables and Payment Schedule
- Attachment 5: Key Personnel
- Attachment 6: Interfaces
- Attachment 7: Systems to Be Replaced
- Attachment 8: Functional and Technical Requirements Clarifications
- Attachment 9: Severity Level Definitions
- Attachment 10: Functional and Technical Requirements

Article 1 – Statement of Work (SOW)

1.000 Project Identification

1.001 PROJECT REQUEST

The State of Michigan is contracting to acquire and implement an Enterprise Resource Planning (ERP) System for executive, legislative, and judicial branch organizations. The State is also contracting for Application Maintenance and Support ("Managed Services"), Hosting Services, a Disaster Recovery site, and Disaster Recovery Services as part of the overall effort. Multiple contracts have been created in support of the ERP project. This Agreement addresses the Implementation Services aspects of the project.

1.002 BACKGROUND

The following separate contracts support the State's ERP Implementation Project

- This Agreement for Implementation Services that provides for ERP implementation services as well as project technical environment hosting until full hosting services are provided through the separate Managed Services Agreement. This Agreement will be for the duration of the project and post implementation. The project will start on July 1, 2014 and continue through September 30, 2017 (including 12 months of post implementation support). The State is also seeking pricing for three (3) one year renewal options; and reserves the right to seek additional option years.

- Software License and Maintenance Agreements for the ERP and for third party application software (if any). Such agreements will include pricing for five (5) years of annual maintenance and support beyond the final implementation date.

- A Managed Services Agreement that provides for hosting and disaster recovery facilities and services and includes ERP application maintenance, development, and other services. This agreement is for seven (7) years commencing no later than March 1, 2015 and includes annual renewal pricing options for an additional three (3) years. The State reserves the right to seek additional option years. Services under this agreement commence as indicated below:

Aspect of Service	Service Commencement Date
Project Hosting	No later than March 1, 2015
Production Hosting	Phase 1 Implementation Date - August 1, 2015
Operations Services	Phase 1 Implementation Date - August 1, 2015
Disaster Recovery Services	Phase 1 Implementation Date - August 1, 2015
Post Implementation Production Support and Maintenance	End of each Phase Phase 1 - August 1, 2015 Phase 2 - October 1, 2016

1.100 Scope of Work and Deliverables

1.101 SCOPE

As part of the State's ERP Project, Contractor will implement the following software functions for the executive, legislative, and judicial branches of the State using CGI's Advantage Release 3.11, and CGI Advantage Toolkit Bundle Release 3.11 (hereinafter collectively referred to as "ERP" or "ERP Software"):

- Accounts Payable and Disbursements (including EFT and some electronic vendor invoices)
- Accounts Receivable and Billing
- Asset Management
- Budget Control
- Budget Preparation (Advantage 3.10 will be implemented for Phase 1 with a subsequent upgrade to Advantage 3.11 prior to the completion of Phase 2)
- Cash Reconciliation
- Cost Allocation
- Employee Time and Attendance
- Employee Travel and Expense Reimbursement
- Expenditure Tracking Against Debt Issues for IRS Reporting
- Federal Highway ("FHWA") Billing
- General Ledger and Financial Reporting
- Grants Management (Grantee Side)
- Grants Management (Grantor Side)
- Inventory
- Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds
- Labor (and Equipment Cost) Distribution
- Positive Pay Banking (subject to a determination of feasibility)
- Project Accounting
- Transparency & Accountability Portal
- Vendor Accounts Payable Web Inquiry
- Vendor Payment and EFT Web Registration
- Vendor Tax Reporting (1099 & 1042) and Backup Withholding

P. Implementation Services and Schedule

The Contractor will provide services necessary to conduct the State's ERP Implementation Project ("ERP Project") and to design, configure, extend, modify and implement the ERP software and to update MIDB, the State's existing administrative data warehouse. Such services are further elaborated in:

- Attachment 2: Implementation Services, Tasks, Deliverables, and Milestones
- Attachment 3: Timeline and Scope Clarifications
- Attachment 6: Interfaces
- Attachment 7: Systems to Be Replaced
- Attachment 8: Functional and Technical Requirements Clarifications
- Attachment 9: Severity Level Definitions
- Attachment 10: Functional and Technical Requirements

The ERP Project phasing, implementation and final post implementation support schedule is as follows:

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

	Date
▪ Accounts Payable and Disbursements (including EFT and some electronic vendor invoices) ▪ Accounts Receivable and Billing ▪ Asset Management ▪ Budget Control ▪ Cash Reconciliation ▪ Cost Allocation ▪ Employee Time and Attendance (Including Web Portal) ▪ Employee Travel and Expense Reimbursement ▪ Expenditure Tracking Against Debt Issues for IRS Reporting ▪ FHWA Billing ▪ General Ledger and Financial Reporting ▪ Grants Management (Grantee Side) ▪ Grants Management (Grantor Side) ▪ Inventory ▪ Investment Pool Participation Tracking/Allocation of Investment Earnings to Participating Funds ▪ Labor (and Equipment Cost) Distribution ▪ MIDB (for all Phase 1 and 2 ERP Data) ▪ Positive Pay Banking (if feasible) ▪ Project Accounting ▪ Transparency & Accountability Portal ▪ Vendor Accounts Payable Web Inquiry ▪ Vendor Payment and EFT Web Registration ▪ Vendor Tax Reporting (1099 & 1042) and Backup Withholding	
Post Implementation Support • From the Phase 1 implementation and continuing until 12 months after the final implementation	Through September 30, 2017

1.102 OUT OF SCOPE

The following items are not included in the scope of the ERP project at this time. However, scope could be added through Section 2.024:

- Provision of Hardware, system software, and infrastructure for MIDB
- Hosting, IT maintenance, operations, or disaster recovery for MIDB
- Implementation Services for the following modules:
  - Procurement
  - Personnel Administration
  - Benefits Administration
  - Employee and Manager Self-Service
  - Recruiting
  - Payroll
  - Facilities Management
  - Real Estate Management
  - Fleet Management

1.103 RESERVED

1.104 WORK AND DELIVERABLES

The requirements for the ERP Project are listed and described in Attachments 2 through 10.

1.105 RESERVED

1.106 ERP PROJECT GOVERNANCE

The project will adhere to governance structure with four key levels to provide project oversight and an issue escalation path for issues and needed decisions.

- The State Project Director will provide day-to-day management and guidance for the project and will approve project deliverables for review with the State Project Executive(s). The project director may name designees in instances where either a dispute requires resolution and the Project Director is not available or for specific instances in regard to particular delegated deliverables or deliverable groups.

- The State Project Executives will approve all deliverables on the project, approve key communications, and will be able to resolve issues not involving scope, budget, or timeline changes. The State Project Executives may delegate any of these approvals (or subsets thereof) to the State Project Director.

- A Governing Board has been established that represents control agencies and operating departments of the executive branch and provides guidance on overall strategic direction. It will consist of the State CIO, Chief Deputy State Budget Director and representatives from each of the executive groups. The Governing Board will approve all milestones, review all change requests, and act to clear obstacles to project success. The Governing Board will meet monthly and at milestone boundaries. The Governing Board may delegate any of these approvals to the State Project Executives or the State Project Director.

- The Executive Sponsor for the STATE is John S. Roberts, State Budget Director. He will have overall authority over the ERP Project.

The following procedure shall be followed if resolution is required for any dispute between the parties related to this Agreement.

- The State Project Director shall be notified of the dispute and will meet with the Contractor Project Director to discuss and resolve the issue. If the issue cannot be resolved within five (5) business days or an alternative time frame agreed to between the parties, the State Project Director will escalate the dispute to the State Project Executives who shall make a determination regarding the dispute within ten (10) business days. If the issue remains unresolved, either the State Project Executives or Contractor Project Director may escalate the issue to the State Project Sponsor (or Governing Board if more appropriate) for resolution. The State Project Sponsor shall have 10 business days to make a determination regarding the dispute. If the dispute is still not resolved, then either Party may seek available contractual remedies in accordance with Article 2 of this Agreement.

- The State Project Director and the State Project Executives may make reasonable request for additional documentation or analysis be prepared by the Contractor and submitted to them before meeting to discuss the dispute. In addition, the Contractor Project Director may make reasonable request for additional documentation pertinent to the dispute before meeting to discuss the dispute. The Parties shall have two (2) business days or an alternative time frame agreed to between the parties to prepare and provide any needed documentation to the other party. The time frame for resolution at any level will begin at the point that such documentation is submitted.

1.107 TARGETED IMPROVEMENTS

In addition to replacing functionality in systems slated for replacement as part of the ERP Project, the State has identified a number of areas in which significant improvements are expected. These are listed and described below:

Objective	Description
Automate and Streamline Budget Preparation	The State's current budget process is largely manual and uses Excel Spreadsheets to collect budget requests which must be compiled via a combination of macros and manual work. The ERP system project scope includes automation and streamlining of the budget preparation and budget book creation process. Key requirements for the system include: • Automated loading of prior year budget/'actuals' information to provide a starting point for new year budgeting • Automated tools to increment or decrement budget lines • Automated 'What if' analysis • Ability to create and save scenarios and alternative scenarios • Electronic submission of agency requests • Tracking of budget, appropriation level and detailed expense budget level budgets • Ability to set, control, and manage budget phases (e.g. Guidelines, Agency Requests, Legislative, Final) • Automated loading of ERP with approved budget at the appropriation, agency budget and allotment levels • Ability to integrate text, graphics and budget lines to assist in budget book creation. • Automated publication of Executive Budget and Final Budget • Ability to associate statistical targets and actuals with separately budgeted line items • Ability to support full performance budgeting at a future time. • Ability to upload legislative budget information in the initial implementation but allow for full use of automated budget preparation features by the legislature in the future.
Chart of Accounts Reform/Uniform Coding Block Usage	Michigan has clear objectives for improving both its reporting and the level of transparency in its accounting and financial reporting. The ERP Project will provide the State with an opportunity to: • Standardize use of coding block/ chart of accounts elements used in budgeting • Simplify and streamline fund accounting • Standardize expenditure classifications used across agencies • Reduce or eliminate the use of ARFs (Administrative Revolving

Objective	Description
	Funds) and the need to reclassify expenditures in a separate step. • Coordinate legacy interface design and development to provide and post detailed transactions that are consistent with the elimination of ARFS and as needed to provide detail for the new Transparency & Accountability Website.
Transparency & Accountability Portal	The State plans to replace its existing Transparency & Accountability Portal and streamline the process to provide the public with an increased level of information regarding the operation and management of government; demonstrate efficient use of taxpayers' money and to hold agencies accountable for the services that Michigan provides.
Support for Debt Reporting	The Michigan Treasury is responsible for managing and accounting for the State's debt. Part of that responsibility involves tracking expenditures involving debt proceeds for IRS reporting purposes. The ERP project is targeting improvements that will allow expenditures to be automatically identified with the debt issuance to improve this reporting.
Support for Investment Accounting	The Michigan Treasury invests available cash for all agencies in a common investment pool and periodically apportions earnings to participating funds. The ERP project seeks to automate accounting for this process. Note that individual investments will continue to be tracked outside the system.
Management Information Database (MIDB) Data Currency and Reporting	The MIDB is the State's administrative data warehouse and combines data from MAIN (RSTARS and ADPICS), DCDS, and HRMN. MAIN and DCDS updates to MIDB are made once a week (bi-weekly for payroll data) and data within MIDB is made available for reporting in application data formats (with appended descriptions to eliminate some table lookups for those performing ad hoc queries). Going forward, there are three opportunities for improving MIDB as part of the ERP Project: • Increasing the data refresh rate. This will allow ad hoc reporting to use more current data • Data synchronization should improve as MAIN and DCDS are replaced with a single, integrated ERP application using a single database • Chart of accounts improvements and coding block standardization should allow for better reporting particularly when cross agency and statewide level reports are needed.
Project and Grant Reporting/Budgeting/ Processing	The new ERP system is expected to provide improved project and grant budgeting, accounting, billing, and reporting. In combination with improved cost allocation capabilities, this should allow for replacement of many agency systems now devoted to these functions. The ERP

Objective	Description
	system will also consolidate grantor processing for the State.
Cost Allocation	The MAIN cost allocation function was never implemented. As such, cost allocations occur outside of MAIN. Implementation of the new ERP cost allocation function will allow for a greater degree of automation as well as more streamlined reporting and billing using allocated account distributions.
Bank Reconciliation	The Michigan Treasury currently does not have automated bank reconciliation functionality available to it in MAIN. The new ERP system is intended to provide this functionality. With Treasury managing approximately 60 bank accounts, this new functionality is expected to provide significant time savings.
Reduction in the Number of Applications Supported and Interfaced	Currently, Michigan administrative processing is fragmented across several systems including RSTARS, DCDS, ADPICS, and numerous agency systems. A number of problems are evident: • Few of these systems are vendor supported or upgradeable • Posting lags and timing synchronization issues occur due to batch interfaces • Data cannot be efficiently aggregated for reporting across the various data stores • IT resources cannot be efficiently deployed across the application set due to technology differences and the need for specialized skill sets. The new ERP system will be vendor supported, upgradeable, and will consolidate processing onto a single platform and database. While there will still be administrative applications running on different platforms after the ERP system is implemented (e.g. E-Procurement and HRMN), substantial consolidation will nevertheless have been achieved.
Move to Vendor Supported, Upgradeable COTS Solution	Implementation of the new ERP will allow the State to shift much of its critical processing from internally supported applications based on aging technology to vendor supported and upgradeable software that is protected against technological obsolescence and updated based on ongoing vendor research and development.
Automate BAI Interfaces with Banks	The state currently receives a number of Bank Administration Institute (BAI) files from its banks that contain information on warrant clearing, debit and credit advices, NSF checks, and other information. Currently, this information must be heavily manipulated before it can be captured in MAIN. Going forward the plan is to automate BAI based interfaces for

Objective	Description
	capture and processing in the ERP.
Warrant Writing	The new ERP will absorb the warrant writing function currently provided by Treasury's Warrant Writing System operating on the UNISYS platform. Inclusion of this function in the ERP will consolidate and simplify interfaces that post warrant requests. Going forward, there will be one set of interfaces for warrants, EFTS, and accounting entries from each feeding system. In the past these required separate interfaces.
Implementation of Positive Pay Banking	The Treasury Department currently uses the 'Reverse Positive Pay' method which requires state personnel to verify each cleared warrant to ensure it matches with the recorded disbursement amount. The State intends to explore the feasibility of implementing 'Positive Pay' Banking. If determined feasible, the State would implement this approach wherein Banks would receive disbursement files from the State and take responsibility for matching recorded disbursements against the warrants presented for payment.
Automate Vendor File Synchronization	The current plan for the E-Procurement (Buy4Michigan) project calls for independently maintained procurement and accounts payable vendor files. The plan is to include automated synchronization of these files when the ERP system is implemented.
Automate and Streamline CAFR Production	The State currently has a substantially manual process for Comprehensive Annual Financial Report ("CAFR") production that uses a combination of mainframe reports, Excel Spreadsheets, Microsoft Word, and PDF files to create and publish its CAFR reports. The State intends to automate and streamline the CAFR process as part of the ERP project. The intent is to perform all elimination and reclassification entries within the ERP, and to then produce camera ready CAFR reports directly from the new system or from a CAFR tool that imports data from the ERP.
Increase Accounting Detail Posted From Agency Systems	Currently, many agency systems post summarized accounting information in the State's financial system via automated interface. Going forward, the intent is to capture detailed postings to improve reporting and level of detail available to the public on the Transparency & Accountability Website.

1.108 ENVIRONMENT

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

Contractor shall provide all services and products in a manner compliant with all applicable State IT policies and standards.

Enterprise IT Policies, Standards and Procedures:
The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing Enterprise IT Policies, Standards and Procedures at: http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html for all State-Specific IT Resources, and for IT Resources that are not State-Specific if it does not affect Contractor's ability to service its other clients.

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

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

Enterprise IT Security Policy and Procedures:
http://www.michigan.gov/documents/dmb/1310_183772_7.pdf
http://www.michigan.gov/documents/dmb/1325_193160_7.pdf
http://www.michigan.gov/documents/dmb/1335_193161_7.pdf
http://www.michigan.gov/documents/dmb/1340_193162_7.pdf

The State's security environment includes:
- DTMB Single Login.
- DTMB provided SQL security database.
- Secured Socket Layers.
- SecureID (State Security Standard for external network access and high risk Web systems)

IT Strategic Plan:
http://www.michigan.gov/itstrategicplan

IT eMichigan Web Development Standard Tools:
http://www.michigan.gov/documents/som/Look_and_Feel_Standards_302051_7.pdf

The State Unified Information Technology Environment ("SUITE"):
SUITE includes standards for project management, systems engineering, and associated forms and templates. Use of SUITE is mandatory, but the State may consider Contractor proposals to "crosswalk" other methodologies to SUITE. Information regarding SUITE can be found at: http://www.michigan.gov/suite

1.200 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

A. Contractor Staff
The Contractor will provide a list of staff, including subcontractors, who will be assigned to the statement of work, indicating the duties/responsibilities. The Contractor will commit that staff identified in its proposal will actually perform the assigned work in accordance with Section 2.062.

Key Personnel are identified in Attachment 5.

B. On Site Work Requirements

1. Location of Work

All implementation work performed by the Contractor shall be performed, completed, and managed in Lansing, Michigan at the designated Project Facility. However, the State may allow isolated implementation activities to be executed from an offsite location within the USA, subject to the explicit approval of the State Project Director.

With regard to vendor proprietary assets, the State has a strong preference for such work to take place onsite, however the State would be willing to consider circumstances where that is not a practical alternative. “Vendor proprietary assets” refers to software products, tools or other assets that belong to the Contractor or software vendor. The State may confirm that work is performed at the agreed upon locations through the State’s project management oversight of the implementation team.

Contractor plans to perform the following off-site work at the identified locations:

Description of Work	Location of Work	Percent of Described Work performed at off-site location
Baselined Development	CGI's Advantage product development headquarters is in Fairfax, Virginia. Baseline product software development for CGI Advantage occurs in Fairfax, Virginia; Dallas, Texas; Athens, Ohio; and our Global Delivery Centers including Mumbai, Bangalore, and Hyderabad, India.	85%
Michigan-Specific Development	Michigan specific development will be completed on-shore, with a significant portion of the work conducted onsite in Lansing. Project development work may also be conducted at one of CGI’s on-shore delivery centers of excellence in Troy, Alabama, Belton & Dallas Texas or Athens, Ohio as well as various other locations in the US where CGI has Advantage technical staff living or supporting other Advantage projects.	20%
Interfaces, Conversion and Reporting	The on-site Technical Services, Interface, Conversion, and Reporting Team members will lead the requirements analysis, design, configuration, and system and recovery testing activities. The proposed off-site work for these teams will be completed on-shore and will primarily consist of development and unit testing activities. Off-site team members, including Advantage Product Management members and Product Subject Matter Experts, will travel on-site as required to meet in-person with the on-site team members throughout the duration of the project.	17%

2. Hours of Operation:

a. Normal State working hours are 8:00 a.m. to 5:00 p.m. EST/EDT, Monday through Friday, with work performed as necessary after those hours to meet project deadlines.

b. The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.

c. Contractor shall observe the same standard holidays as State employees. The State does not compensate Contractors for holiday pay. A list of State holidays can be found at the following site: http://www.michigan.gov/documents/SPDOC_05-03_Reg_5_120538_7.08.pdf

3. Travel:

a. No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by Contractor.

b. Travel time will not be reimbursed.

4. Additional Security and Background Check Requirements:
See Section 2.094 Background Checks

Contractor will pay for all costs associated with ensuring their staff meets all requirements of Background Checks required under Section 2.094.

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The named State resources will consist of a Project Director and a DTMB Business Relationship Manager ("BRM").

State Project Director and BRM

The State's Project Director and BRM will provide the following services:

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

State Project Director and BRM/Deputy Project Director

Name	Agency/Division	Title
Ruth Schwartz	DTMB – SBO	Project Director
Lisa Evani	DTMB – Customer Services	Business Relationship Manager / Deputy Project Director

1.203 PROJECT FACILITY

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

Work station
Telephone
PC and office automation software
Network connections
Email
Printer
Conference and meeting rooms
Access to copiers and fax machine

1.204 OTHER ROLES AND RESPONSIBILITIES

The Contractor shall provide all required cooperation and support needed including sharing of all plans, work products, status reports, deliverables, analysis, and presentations; providing access to software and technical environments; and answering questions that the Quality Assurance or PMO vendor(s) may have.

1.300 Project Plan

1.301 PROJECT PLAN MANAGEMENT

The Contractor will manage the project plan as specified in Task 1: Project Management of Attachment 2: Implementation Services, Tasks, Deliverables, and Milestones.

1.302 RESERVED

1.400 RESERVED

1.500 RESERVED

1.600 Compensation and Payment

1.601 COMPENSATION AND PAYMENT

This is a firm, fixed price Agreement for $38,833,928. Additional services may be provided using rate cards as provided in Attachment 4, Section 4.3 and following the contract change order process defined in Article 2, Exhibit 2-1.

Method of Payment
The Contractor will be paid based on completion and State acceptance of deliverables and milestones as specified in Attachment 2: Implementation Service, Tasks, Deliverables, and Milestones using the Payment Criteria and Payment Amounts listed in Attachment 4: .Deliverables and Payment Schedule.

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

Invoicing
Contractor will submit properly itemized invoices to

DTMB – Financial Services
Accounts Payable
P.O. Box 30026

Lansing, MI 48909
or
DTMB-Accounts-Payable@michigan.gov

Additionally, a copy of the invoice should be submitted to the State Project Director.

Invoices must provide and itemize, as applicable:

- Contract number;
- Purchase Order number
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Date(s) of delivery and/or date(s) of installation and set up;
- Deliverable Name and IDs (from Attachment 4) Included for each applicable Payment ID
- Milestone Name (if invoicing for a completed Milestone)
- Payment ID (from Attachment 4)
- Net invoice price for each Deliverable or Milestone
- Total for each Payment ID
- Overall invoice price
- Payment terms

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

Article 2 – Terms and Conditions

2.000 Contract Structure and Term

Terms and Conditions in Article 2 are applicable to the Implementation Contract ("Agreement"). License and maintenance terms and conditions for the ERP Solution will be contained directly in the applicable Proprietary Software License Agreement and Proprietary Software Maintenance Agreement at Attachments 9 and 10, respectively, of the Managed Services Agreement.

2.001 Contract Term

This Agreement shall begin on June 25, 2014 and continues through September 30, 2017. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Agreement, unless otherwise extended under the Agreement. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Agreement's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.002 Options to Renew

This Agreement may be renewed in writing by mutual agreement of the parties prior its expiration for an indefinite number of periods.

2.003 Legal Effect

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

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

2.004 Attachments, Appendices, & Exhibits

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

2.005 Ordering

The State must issue an approved written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order to order any Services/Deliverables under this Agreement. All orders are subject to the terms and conditions of this Agreement. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are specifically contained in that Purchase Order or Blanket Purchase Order's accompanying mutually agreed Statement of Work. Exact quantities to be purchased are unknown; however, subject to agreement upon appropriate Change Orders pursuant to Section 2.024, the Contractor will be required to furnish all such materials and services as may be ordered during the Contract period.

2.006 Order of Precedence

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

In the event of any inconsistency between the terms of the Agreement and a Statement of Work, the terms of the Statement of Work shall take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of the Agreement. The Agreement may be modified or amended only by a formal Agreement amendment.

2.007 Headings

Captions and headings used in the Agreement 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 Agreement.

2.008 Form, Function & Utility

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

2.009 Reformation and Severability

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

2.010 Consents and Approvals

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

2.011 No Waiver of Default

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

2.012 Survival

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

2.020 Contract Administration

2.021 Issuing Office

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

Whitnie Zuker
State of Michigan
Department of Technology, Management and Budget
Procurement
1st Floor, Constitution Hall

525 West Allegan Street

Lansing, Michigan 48909

Email: ZukerW@michigan.gov
Phone: 517-284-7030

2.022 Contract Compliance Inspector

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

See Section 2.023 State Project Director

2.023 State Project Director

The following individual will oversee the project:

Ruth Schwartz
State of Michigan
State Budget Office
The Victor Center, 7th Floor
201 N Washington Sq
Lansing, MI 48909

Email: SchwartzR1@michigan.gov
Phone: 517-284-7585

2.024 Contract Change Management Process

Article 2, Exhibit 2-1 Contract Change Management Process, sets out the framework, processes, and procedures for the submission and handling of requests for Changes (as defined in Article 2, Exhibit 2-1) under this Agreement (collectively, the "**Contract Change Management Process**"). Contractor is not authorized to undertake any work to implement a Change until the request for the Change and all relevant details have been mutually agreed upon, documented and authorized in a duly executed Change Order issued by DTMB Procurement (a "**Change Order**").

2.025 Notices

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

State:
See Buyer identified on cover page of Agreement.

Contractor:
See Contractor's Primary Contact identified on cover page of Agreement.

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

2.026 Binding Commitments

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

2.027 Relationship of the Parties

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

2.028 Approval

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

2.029 Assignments

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

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

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

2.030 General Provisions

2.031 RESERVED

2.032 Media Releases

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

2.033 Contract Distribution

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

2.034 Permits

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.035 Website Incorporation

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

2.036 Future Bidding Preclusion

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

2.037 Freedom of Information

All information in any proposal submitted to the State by Contractor and this Agreement 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").

2.038 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 Agreement shall provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

2.040 Financial Provisions

2.041 Fixed Prices for Services/Deliverables

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

2.042 Adjustments for Reductions in Scope of Services/Deliverables

If the scope of the Services/Deliverables under any Statement of Work issued under this Agreement is subsequently reduced by the State, the parties shall negotiate, in accordance with the Change Order process specified in Section 2.024, an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

2.043 Services/Deliverables Covered

Except as otherwise agreed through the Change Order process specified in 2.024,the State shall not be obligated to pay any amounts in addition to the charges specified in this Agreement for all Services/Deliverables to be provided by Contractor and its Subcontractors, if any, under this Agreement.

2.044 Invoicing and Payment – In General

(a) Each Statement of Work issued under this Agreement shall list (or indicate by reference to the appropriate Agreement Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

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

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

(d) All invoices should reflect actual work done. Specific details of invoices and payments shall be agreed upon between the Contract Administrator and the Contractor after the proposed Agreement has been signed and accepted by both the Contractor and the Director of Procurement, Department of Management & Budget. This activity shall occur only upon the specific written direction from DTMB-Procurement.

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

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

2.045 Pro-ration

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

2.046 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 Agreement.

2.047 Final Payment

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

2.048 Electronic Payment Requirement

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

2.049 Additional Financial Provisions

2.049 (A) WITHHOLD REMEDY

In addition and cumulative to all other remedies in law, at equity and under this Agreement, if Contractor is in material default of its performance or other obligations under this Agreement or any Statement of Work and fails to cure the default within thirty (30) days after receipt of the State's written notice of default, the State may, without waiving any other rights under this Agreement, elect to withhold from the payments due to Contractor under this Agreement with respect to the Services and/or Deliverables giving rise to the alleged material default during the period beginning with the thirty-first (31st) day after Contractor's receipt of such notice of default, and ending on the date that the default has been cured to the reasonable satisfaction of the State, an amount that, in the State's reasonable judgment, is in proportion to the magnitude of the default or the Service that Contractor is not providing. Upon Contractor's cure of the default, the State will cause the withheld payments to be paid to Contractor, without interest. Upon a final and binding legal determination that the State has withheld any payment in bad faith, such payment shall promptly be paid to Contractor, plus interest at the maximum legal rate.

2.049 (B) RIGHT OF SET-OFF

Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Agreement or otherwise, including without limitation, any amounts owing to the State as liquidated damages.

2.049 (C) SUPPORT NOT TO BE WITHHELD OR DELAYED

Contractor shall not withhold or delay any Services or Deliverables or fail to perform any other obligations hereunder by reason of: (a) the State's good faith withholding of any payment or amount in accordance with this Section 2.049; or (b) any dispute whatsoever between the parties that is raised by a party for resolution pursuant to Section 2.190, including any payment or other dispute arising under or concerning this Agreement or any other agreement between the parties.

2.050 Taxes

2.051 Employment Taxes

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

2.052 Sales and Use Taxes

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

2.060 Contract Management

2.061 Contractor Personnel Qualifications

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

2.062 Contractor Key Personnel

(a) The Contractor must provide the Contract Compliance Inspector with the names of the Key Personnel.
(b) Key Personnel must be dedicated to the project as defined in the Statement of Work.
(c) The State shall have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate State representatives, and shall provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed

individual unacceptable, the State shall provide a written explanation including reasonable detail outlining the reasons for the rejection.

(d) Contractor must not remove any Key Personnel from their assigned roles on the Agreement without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, The Contractor must review with the State 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 Agreement, in respect of which the State may elect to exercise its termination and cancellation rights.

(e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated primarily to this Project, to other projects.

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

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

2.064 Contractor Personnel Location

The Contractor shall work on-site as indicated in the Statement of Work, Article 1. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

2.065 Contractor Identification

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

2.066 Cooperation with Third Parties

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance and Project Management Office personnel. As reasonably requested by the State in writing, the Contractor shall provide to the State's agents and other contractors reasonable access to Contractor's Project personnel systems and facilities to the extent (i) the access relates to activities specifically associated with this Agreement; (ii) the State and its agents and other contractors agree to comply with Contractor's policies and procedures; and (iii) such access shall not interfere with or jeopardize the safety, security, or operation of the systems or facilities or the security of the data of Contractor's customers other than the State. The State acknowledges that Contractor's time schedule for the Agreement is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Agreement with the requests for access.

2.067 Contract Management Responsibilities

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

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

2.068 Contractor Return of State Equipment/Resources

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

2.070 Subcontracting by Contractor

2.071 Contractor full Responsibility

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

2.072 State Consent to delegation

Contractor shall not delegate any duties under this Agreement to a Subcontractor unless the Department of Technology, Management and Budget, Procurement has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and 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 shall agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work shall not be counted for a time agreed upon by the parties.

2.073 Subcontractor bound to Agreement

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 Agreement and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Agreement, 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 subcontracts before providing them to the State. The management of any Subcontractor shall be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State shall not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Agreement shall not relieve Contractor of any obligations or performance required under this Agreement. A list of the Subcontractors, if any, approved by the State as of the execution of this Agreement, together with a copy of the applicable subcontract is attached.

2.074 Flow Down

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

2.075 Competitive Selection

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

2.080 State Responsibilities

2.081 Equipment

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

2.082 Facilities

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

2.090 State Data, Privacy and Confidentiality

2.091 State Data

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

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

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

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

(e) Loss of Data. In the event of any negligent act, error or omission, misconduct, or breach of contract on the part of Contractor or its subcontractors that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor shall, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII and PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII and PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (ii) reimburse the State for reasonable costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting the Contractor's obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) use commercially reasonable efforts to recreate lost State Data in the manner and on the schedule reasonably set by the State without cost to the State, provided any files, data, programs or other information that may be necessary to accomplish such reconstruction, but which are not in Contractor's possession or control, are promptly furnished to Contractor by the State upon request; and, (h) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section shall survive the termination of this Agreement.

2.092 Non-Disclosure of Confidential Information

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

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

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

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

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

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

2.093 Data Privacy and Information Security

(a) Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described herein, Contractor shall be responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and, (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case shall the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and shall at all times comply with all applicable State IT policies and standards in effect upon the effective date of this Agreement. In the event of changes in the applicable State IT policies and standards giving rise to an increase in Contractor costs, such increase shall be addressed through the Contract Change Management Procedures of Section 2.024.

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

(c) Right of Audit by the State. The State's audit rights specified in this Subsection (c) are limited in frequency to once yearly except where a follow-up audit is necessary concerning a deficiency revealed through a previous yearly audit. Without limiting any other audit rights of the State, the State shall have the right to review Contractor's data privacy and information security program prior to the commencement of Services and during the term of this Agreement. During the providing of the Services, on an ongoing basis and without notice, the State, at its own expense, shall be entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

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

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

2.094 Background Checks

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

2.095 PCI DATA Security Standard

(a) Contractors that process, transmit or store credit/debit cardholder data, must adhere to the Payment Card Industry (PCI) Data Security Standards. The Contractor is responsible for the security of cardholder data in its possession. The data may only be used to assist the State or for other uses specifically authorized by law.

(b) The Contractor must notify the CCI (within 72 hours of discovery) of any breaches in security where cardholder data has been compromised. In that event, the Contractor must provide full cooperation to the Visa, MasterCard, Discover and state Acquirer representative(s), and/or a PCI approved third party to conduct a thorough security review. The Contractor must make the forensic report available within two weeks of completion. The review must validate compliance with the current PCI Data Security Standards for protecting cardholder data.

(c) The Contractor must properly dispose of cardholder data, in compliance with DTMB policy, when it is no longer needed. The Contractor must continue to treat cardholder data as confidential upon contract termination.

(d) The Contractor must provide the CCI with an annual Attestation of Compliance (AOC) or a Report on Compliance (ROC) showing the contractor is in compliance with the PCI Data Security Standards. The Contractor must notify the CCI of all failures to comply with the PCI Data Security Standard.

2.096 HIPAA COMPLIANCE.
The State and Contractor shall comply with all obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, including but not limited to entering into a business associate agreement, if reasonably necessary to keep the State and Contractor in compliance with HIPAA.

2.100 RESERVED

2.110 Records and Inspections

2.111 Inspection of Work Performed

The State's authorized representatives, at reasonable times and with 10 days prior notice, have the right to enter the Contractor's premises or any other places where work is being performed in relation to this Agreement. The representatives may inspect, monitor, or evaluate the work being performed, to the extent the access will not reasonably interfere with or jeopardize the safety or operation of Contractor's systems or facilities. The Contractor must provide reasonable assistance for the State's representatives during inspections.

2.112 Retention of Records

(a) The Contractor must retain all financial and accounting records related to this Agreement for a period of 7 years after the Contractor performs any work under this Agreement (Audit Period).

(b) If an audit, litigation, or other action involving the Contractor's records is initiated before the end of the Audit Period, the Contractor must retain the records until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

2.113 Examination of Records

(a) The State, upon 10 days notice to the Contractor, may examine and copy any of the Contractor's records that relate to this Agreement, with the exception of records pertaining to Contractor’s internal costs to provide the Services/Deliverables, any time during the Audit Period. The State does not have the right to review any information deemed confidential by the Contractor if access would require the information to become publicly available. This requirement also applies to the records of any parent, affiliate, or subsidiary organization of the Contractor, or any Subcontractor that performs services in connection with this Agreement

(b) In addition to the rights conferred upon the State in paragraph (a) of this Section 2.113 and in accordance with MCL 18.1470, DTMB or its designee may audit the Contractor to verify compliance with the Agreement. The financial and accounting records associated with the Agreement shall be made available to DTMB or its designee and the auditor general, upon request, during the term of the Agreement and any extension of the Agreement and for 3 years after the later of the expiration date or final payment under the Agreement.

2.114 Audit Resolution

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

2.115 Errors

(a) If an audit reveals any financial errors in the records provided to the State, the amount in error must be reflected as a credit or debit on the next invoice and subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried forward for more than four invoices or beyond the termination of the Agreement. If a balance remains after four invoices, the remaining amount will be due as a payment or refund within 45 days of the last invoice on which the balance appeared or upon termination of the Agreement, whichever is earlier.

(b) In addition to other available remedies, if the difference between the State's actual payments for the period audited and the correct invoice amounts for such period, as determined by an audit, is greater than 10%, the Contractor must pay all reasonable audit costs.

2.120 Warranties

2.121 Warranties and Representations

The Contractor represents and warrants that:

(a) Contractor has the full right, power and authority to enter into this Agreement, to grant the rights and licenses granted hereunder and to perform its obligations hereunder.

(b) Contractor is qualified and registered to transact business in all locations where required.

(c) All written information furnished to the State by or for the Contractor in connection with this Agreement, including its bid, is to the best of Contractor's knowledge and belief true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.

(d) Contractor will perform all Services in a professional and workmanlike manner in accordance with commercially reasonable industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and shall devote adequate resources to meet its obligations under this Agreement.

(e) When delivered and installed by Contractor, no software Deliverable will contain any Surreptitious Code (the "No Surreptitious Code Warranty"). For purposes of this Section, "Surreptitious Code" means any: (a) virus, trojan horse, worm, backdoor or other software or hardware devices the effect of which is to permit unauthorized access to, or to disable, erase, or otherwise harm, any computer, systems or software; or (b) time bomb, drop dead device, or other software or hardware device designed to disable a computer program automatically with the passage of time or under the positive control of any person, or otherwise deprive the State of its lawful right to use such software.

(f) As delivered, installed, specified or approved by Contractor and used by the State, in accordance with this Agreement, the Services and Deliverables will not infringe upon any U.S. patent, trademark, copyright, trade secret or other intellectual property, or proprietary right of any third party, and there is currently no actual or threatened suit against Contractor by any third party based on alleged violation of such right.

(g) Except as agreed to in writing pursuant to Attachment 3, Sections 3.3A and 3.3B, the ERP Solution will conform in all material respects to the specifications, functions, descriptions, standards, and requirements set forth in the Statement of Work upon Final Acceptance by the State. Such warranty shall extend for ninety (90) days from the date of Final Acceptance. Contractor shall correct any failure of the ERP Solution to operate in accordance with the performance warranty set forth above at no additional cost to the State.

(h) During the term of this Agreement, the use of any third-party software licensed by the State through Contractor ("Licensed Third Party Software"), as incorporated in or otherwise used in conjunction with the ERP Solution (if hosted at the primary or disaster recovery site), will not violate any corresponding third-party software license agreement or end user license agreement, and provided that the State complies with all relevant directives received from Contractor (as long as such directive is consistent with Attachment 5 of the Managed Services Agreement), it shall be Contractor's sole responsibility to ensure the State's compliance with such agreements. Further, during the term of this Agreement, and again provided that the State complies with all relevant directives received from Contractor (as long as such directive is consistent with Attachment 5 of the Managed Services Agreement), Contractor hereby represents and warrants that it will be solely liable to pay for any additional license or maintenance fees associated with the State's non-compliance with any Licensed Third Party Software license agreement or end user license agreement.

(i) Contractor shall obtain, at its own expense (if any) a waiver of any audit rights applicable to the State during the term of this Agreement that are contained in any third-party software license agreement or end user license agreement for Licensed Third Party Software. Any audit rights during the term of this Agreement will apply solely to Contractor's (or its subcontractors) facilities and systems that host the ERP Solution (including any disaster recovery site), and regardless of anything to the contrary contained in any Licensed Third Party Software license agreement or end user license agreement, third-party software providers will have no audit rights whatsoever against State systems or networks during the term of this Agreement.

(j) Contractor acknowledges that the State maintains that it cannot indemnify any third parties, including but not limited to any Licensed Third Party Software provider. Notwithstanding anything to the contrary contained in any Licensed Third Party Software license agreement or end user license agreement, the State will not indemnify any Licensed Third Party Software provider for any reason whatsoever during the term of this Agreement, and Contractor will assume any State indemnification obligations under any Licensed Third Party Software license agreement or end user license agreement. Following termination or expiration of this Agreement, the State will be solely responsible for obtaining a waiver of all indemnification obligations contained in any Licensed Third Party Software license agreement or end user license agreement.

(k) During the term of this Agreement, the use of any third-party software licensed by Contractor for use in the Hosting Environment, including but not limited to Oracle server licenses (collectively, "Contractor Licensed Third Party Software"), as incorporated in or otherwise used in conjunction with the ERP Solution (if hosted at the primary or disaster recovery site), will not violate any corresponding third-party software license agreement or end user license agreement, and will be adequate to provide for the required processing capacity set forth in Attachment 5 of the Managed Services Agreement. It shall be Contractor's sole responsibility to ensure compliance with such agreements, without any further cost to the State. Further, during the term of this Agreement, Contractor hereby represents and warrants that it will be solely liable to pay for any additional license or maintenance fees associated with Contractor's non-compliance with any Contractor Licensed Third Party Software license agreement or end user license agreement.

2.122 RESERVED

2.123 RESERVED

2.124 RESERVED

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2.127 RESERVED

2.128 Consequences for Breach

In addition to any remedies available in law and subject to the notice and right to cure provisions specified in Section 2.151, if the Contractor breaches any of the warranties contained in this section, the breach shall be considered as a default in the performance of a material obligation of this Agreement, and the State may pursue any applicable remedy under the Agreement, including but not limited to, terminating the Agreement for cause pursuant to Section 2.152. The foregoing warranties do not apply where the alleged breach is the result of adherence to written specifications of the State, unauthorized use of a service or deliverable provided by Contractor in a manner for which it was not intended; unauthorized modification of such item by someone other than the Contractor or its Subcontractors working at its directions; unauthorized combination of the item with items not supplied by Contractor; or the State's failure to use an updated or corrected version of the item that would not have given rise to the alleged breach.

2.129 DISCLAIMER OF IMPLIED WARRANTIES

THE FOREGOING WARRANTIES AND OTHER EXPRESS WARRANTIES CONTAINED WITHIN THIS AGREEMENT ARE IN LIEU OF, AND THE PARTIES EXPRESSLY DISCLAIM, ALL OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.130 Insurance

2.131 Liability Insurance

For the purpose of this Section, "State" includes its departments, divisions, agencies, offices, commissions, officers, employees, and agents.

(a) The Contractor must provide proof that it has obtained the minimum levels of insurance coverage indicated or required by law, whichever is greater. The insurance must protect the State from claims that may arise out of, or result from, or are alleged to arise out of, or result from, the Contractor's or a Subcontractor's performance, including any person directly or indirectly employed by the Contractor or a Subcontractor, or any person for whose acts the Contractor or a Subcontractor may be liable.

(b) Reserved.

(c) All insurance coverage provided relative to this Agreement is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State.

(d) The State, in its sole discretion, may approve the use of a fully-funded self-insurance program in place of any specified insurance identified in this Section.

(e) Unless the State approves otherwise, any insurer must have an A.M. Best rating of "A-" or better and a financial size of VII or better, or if those ratings are not available, a comparable rating from an insurance rating agency approved by the State. All policies of insurance must be issued by companies that have been approved to do business in the State.

(f) Where specific coverage limits are listed in this Section, they represent the minimum acceptable limits. If the Contractor's policy contains higher limits, the State is entitled to coverage to the extent of the higher limits.

(g) The Contractor must maintain all required insurance coverage throughout the term of this Agreement and any extensions. However, in the case of claims-made policies, the Contractor must secure tail coverage for at least three (3) years following the termination of this Agreement.

(h) The Contractor must provide, within five (5) business days, written notice to the Director of DTMB-Procurement if any policy required under this section is cancelled. The notice must include the applicable Contract or Purchase Order number.

(i) The minimum limits of coverage specified are not intended, and may not be construed, to limit any liability or indemnity of the Contractor to any indemnified party or other persons.

(j) The Contractor is responsible for the payment of all deductibles.

(k) If the Contractor fails to pay any premium for a required insurance policy, or if any insurer cancels or significantly reduces any required insurance without the State's approval, the State may, after giving the Contractor at least 30 days' notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due the Contractor, or require the Contractor to pay that cost upon demand.

(l) 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 Michigan Attorney General.

(m) The Contractor is required to pay for and provide the type and amount of insurance checked ☑ below:

☑ **(i) Commercial General Liability**

Minimal Limits:

$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; and

$1,000,000 Each Occurrence Limit.

Deductible maximum:

$50,000 Each Occurrence

Additional Requirements:

Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 04; and (2) include a waiver of subrogation.

☑ **(ii) Umbrella or Excess Liability**

Minimal Limits:

$10,000,000.00 General Aggregate

Additional Requirements:

Umbrella or Excess Liability limits must at least apply to the insurance required in (i), General Commercial Liability. Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds.

☑ **(iii) Motor Vehicle**

Minimal Limits:

If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.

☐ **(iv) Hired and Non-Owned Motor Vehicle Coverage**

Minimal Limits:

$1,000,000 Per Incident

Additional Requirements:

Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include a waiver of subrogation.

☑ **(v) Workers' Compensation**

Minimal Limits:

The Contractor must provide Workers' Compensation coverage according to applicable laws governing work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, the Contractor must provide proof of an approved self-insured authority by the jurisdiction of domicile.

For employees working outside of the state of the Contractor's domicile, the Contractor must provide certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Additional Requirements:

The Contractor must provide the applicable certificates of insurance and a list of states where the coverage is applicable. Contractor must provide proof that the Workers' Compensation insurance policies contain a waiver of subrogation by the insurance company, except where such a provision is prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

☑ **(vi) Employers Liability**

Minimal Limits:

$100,000 Each Incident;

$100,000 Each Employee by Disease

$500,000 Aggregate Disease

☑ **(vii) Employee Fidelity (Crime)**

Minimal Limits:

$5,000,000 Employee Theft Per Loss

Deductible Maximum:

$1,000,000 Per Loss

Additional Requirements:

Insurance must cover Forgery and Alteration, Theft of Money and Securities, Robbery and Safe Burglary, Computer Fraud, Funds Transfer Fraud, Money Order and Counterfeit Currency.

☑ **(viii) Professional Liability (Errors and Omissions)**

Minimal Limits:

$10,000,000 Each Occurrence

$10,000,000 Annual Aggregate

☑ **(ix) Cyber Liability**

Minimal Limits:

$10,000,000 Each Claim

$10,000,000 Annual Aggregate

Additional Requirements:

Insurance should cover (a)unauthorized acquisition, access, use, physical taking, identity theft, release, distribution or disclosures of personal and corporate information; (b) Transmitting or receiving malicious code via the insured's computer system; (c) Denial of service attacks or the inability to access websites or computer systems.

☐ **(x) Property Insurance**

Property Insurance covering any loss or damage to the State-owned office space used by Contractor for any reason under this Agreement, and the State-owned equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The State must be endorsed on the policy as a loss payee as its interests appear.

2.132 Subcontractor Insurance Coverage

Except where the State has approved a subcontract with other insurance provisions, the Contractor must require any Subcontractor to purchase and maintain the insurance coverage required in Section 2.131, Liability Insurance. Alternatively, the Contractor may include a Subcontractor under the Contractor's insurance on the coverage required in that Section. The failure of a Subcontractor to comply with insurance requirements does not limit the Contractor's liability or responsibility.

2.133 Certificates of Insurance

Before the Agreement is signed, and not more than 20 days after the insurance expiration date every year thereafter, the Contractor must provide evidence that the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents are listed as additional insureds as required. The Contractor must provide DTMB-Procurement with all applicable certificates of insurance verifying insurance coverage or providing, if approved, satisfactory evidence of self-insurance as required in Section 2.131, Liability Insurance. Each certificate must be on the standard "Accord" form or equivalent and MUST IDENTIFY THE APPLICABLE CONTRACT OR PURCHASE ORDER NUMBER

2.140 Indemnification

2.141 General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State.

2.142 Code Indemnification

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

2.143 Employee Indemnification

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

2.144 Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that the action or proceeding is based on a claim that any Deliverable created by Contractor or its subcontractors, or any service supplied by the Contractor or its subcontractors, or the operation of the foregoing , or the use or reproduction of any Documentation provided by the Contractor 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 infringing item, or its operation, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor must at the Contractor's sole expense (i) procure for the State the right to continue using the infringing item or, if the option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with an item of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for the difference between the amount credited and any additional reasonable costs incurred as a consequence of the State's ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) an infringing item developed based on written specifications of the State; (ii) use of the infringing item in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the infringing item by the State; or (iii) the State's failure to use any new or corrected versions of the infringing item made available by Contractor, provided that such versions possess all relevant functionality, or (iv) the combination, operation, or use of the infringing item with equipment or software not supplied by the Contractor under this Agreement.

2.145 Continuation of Indemnification Obligations

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

2.146 Indemnification Procedures

The procedures set forth below must apply to all indemnity obligations under this Agreement.

(a) After the State receives notice of the action or proceeding involving a claim for which it shall seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice using procedures set forth in Section 2.025 from the State relating to any claim, the Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "**Notice of Election**"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

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

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

(d) Contractor's infringement indemnifications set forth in this Section 2.140 are Contractor's sole and exclusive obligations concerning, and State's sole and exclusive remedy for, any breach of the infringement warranty in Section 2.121(f) and any infringement claim asserted under this Section 2.144.

2.150 Termination/Cancellation

2.151 Notice and Right to Cure

If the Contractor materially breaches the Agreement, and the State reasonably determines that the breach is curable, then the State shall provide the Contractor with written notice of the breach and a time period (not more than 30 days) to cure the Breach, or if the Breach is not reasonably curable within 30 days Contractor shall be permitted to devise and make progress against an plan of cure approved by the State in its reasonable discretion. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches of the same nature or if the State reasonably determines that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.152 Termination for Cause

(a) The State may terminate this Agreement, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Agreement to meet any particular SLA, or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State or to develop and make progress against an approved plan of cure.

(b) If this Agreement is terminated for cause, subject to the limitations of liability set forth in Section 2.220, and provided the State has used reasonable efforts to mitigate its damages, the Contractor must pay all reasonable costs incurred by the State in terminating this Agreement, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable direct additional costs the State may incur to procure the Services/Deliverables required by this Agreement from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Agreement, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Agreement.

(c) If the State chooses to fully or partially terminate this Agreement for cause, charges payable under this Agreement shall be equitably adjusted to reflect those Services/Deliverables that are terminated, and the State must pay for all Services/Deliverables for which Final Acceptance has been granted, for Deliverables which the State retains, and for Work in Process that is not the subject breach. Services and related provisions of this Agreement that are terminated for cause must cease on the effective date of the termination.

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

2.153 Termination for Convenience

The State may terminate this Agreement for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Agreement, (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 Agreement for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Agreement in part, the charges payable under this Agreement must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Agreement that are terminated for convenience must cease on the effective date of the termination. In the event of a full or partial termination for convenience, the State shall compensate Contractor for its other reasonable costs resulting from the termination, provided that such termination costs in the aggregate shall not exceed $1 million.

2.154 Termination for Non-Appropriation

(a) Contractor acknowledges that, if this Agreement extends for several fiscal years, continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available, the State must terminate this Agreement and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).

(b) If funding for the Agreement is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under this Agreement shall be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.

(c) If the State terminates this Agreement, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. In the event of a full or partial termination under this Section 2.154, to the extent funds are available, the State shall compensate Contractor for its other reasonable costs resulting from the termination, provided that such termination costs in the aggregate shall not exceed $1 million. This Section shall not preclude Contractor from reducing or stopping Services/Deliverables or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

2.155 Termination for Criminal Conviction

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

2.156 Termination for Approvals Rescinded

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

2.157 Rights and Obligations upon Termination

(a) If the State terminates this Agreement for any reason, the Contractor must, subject to any of its transition responsibilities under Section 2.170: (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 Agreement 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) upon payment transfer license , and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Agreement and which are resulting from the Agreement (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Agreement.

(b) Except as otherwise provided in this Subsection (b) if this Agreement is terminated before its expiration by the State for its own convenience or by the Contractor pursuant to Section 2.161, (i) the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Agreement, for Work In Process, on a percentage of completion basis at the level of completion reasonably determined by the State: (ii) subject to payment in full by the State of applicable Services fees, the State will continue to have use of the Deliverables after the applicable termination; and (iii) Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, or except as otherwise provided in this section, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State may assume, at its option, any subcontracts and agreements for services and deliverables provided under this Agreement, and may further pursue completion of the Services/Deliverables under this Agreement by replacement contract or otherwise as the State may in its sole judgment deem expedient.

2.158 Reservation of Rights

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

2.160 Termination by Contractor

2.161 TERMINATION BY CONTRACTOR

If the State materially breaches the Agreement and the breach is curable, then the Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach.

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

2.170 Transition Responsibilities

2.171 Contractor Transition Responsibilities

If the State terminates this Agreement, for convenience or cause, or if the Agreement is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Agreement expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time.

2.172 Contractor Personnel Transition

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

2.173 Contractor Information Transition

The Contractor shall provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Agreement. The Contractor will deliver to the State any remaining owed reports and Documentation still in Contractor’s possession subject to appropriate payment by the State.

2.174 Contractor Software Transition

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

2.175 Transition Payments

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

2.176 State Transition Responsibilities

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

2.180 Stop Work

2.181 Stop Work Orders

The State may, at any time, by written Stop Work Order to Contractor, require that Contractor stop all, or any part, of the work called for by the Agreement for a period of up to 90 calendar days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order must be identified as a Stop Work Order and must indicate that it is issued under this **Section**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order as provided in **Section 2.182**; or (b) terminate the work covered by the Stop Work Order as provided in **Section 2.183**.

2.182 Cancellation or Expiration of Stop Work Order

The Contractor shall resume work if the State cancels a Stop Work Order or if it expires. The parties shall agree upon an equitable adjustment in the delivery schedule, the Agreement price, or both, and the Agreement 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 Agreement; and (b) Contractor asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Agreement. Any adjustment will conform to the requirements of **Section 2.024**. Contractor may reassign Key Personnel during a Stop Work Order of more than 10 business days in duration after providing reasonable advance notice of its intention to reassign. Such reassignments of Key Personnel will not be considered unauthorized removals under Section 2.243 regardless of whether such personnel resume work under this Agreement after the Stop Work order is lifted.

2.183 Allowance of Contractor Costs

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

2.190 Dispute Resolution

2.191 In General

All disputes regarding the submission and handling of requests for Changes shall be resolved under the Contract Change Management Process set forth in Article 2, Exhibit 2-1. Any other claim, counterclaim, or dispute between the State and Contractor arising out of or relating to this Agreement or any Statement of Work must be resolved via the dispute resolution procedure set forth in the applicable Statement of Work.

2.192 Informal Dispute Resolution

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

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

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

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

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

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

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

2.193 Injunctive Relief

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

2.194 Continued Performance

Each party agrees to continue performing its obligations under the Agreement while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Agreement as provided in **Sections 2.150 and 2.160**, as the case may be.

2.200 Federal and State Contract Requirements

2.201 Nondiscrimination

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

2.202 Unfair Labor Practices

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

2.203 Workplace Safety and Discriminatory Harassment

In performing Services under this Agreement, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and applicable antidiscrimination laws and regulations. In addition, the Contractor shall comply with any applicable Civil Service regulations and agency rules provided to the Contractor. For Civil Service Rules, see http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html.

2.210 Governing Law

2.211 Governing Law

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

2.212 Compliance with Laws

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

2.213 Jurisdiction

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

2.220 Limitation of Liability

2.221 Limitation of Liability

Neither the Contractor nor the State is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to Contractor’s indemnification obligation under Section 2.091(e) concerning State Data; Contractor's indemnification obligation under Section 2.144 with regard to claims for infringement of United States patent, copyright, trademark or trade secrets; to Contractor’s indemnification obligations under Section 2.141 with respect to claims for personal injury or damage to tangible property caused by the gross negligence or willful misconduct of the Contractor; ; or to court costs or attorneys' fees awarded by a court in addition to damages after litigation based on this Agreement.

The Contractor's liability for damages to the State is limited to two times the value of the applicable Statement of Work. The foregoing limitation of liability does not apply to Contractor’s indemnification obligations under Section 2.144 with regard to claims for infringement of United States patent, copyright, trademarks or trade secrets; Contractor’s indemnification obligations under Section 2.141 with respect to claims for personal injury or damage to tangible property caused by the gross negligence or willful misconduct of the Contractor; or to court costs or attorneys' fees awarded by a court in addition to damages after litigation based on this Agreement.

The State's liability for damages to the Contractor is limited to the value of the Agreement.

This Section shall survive the expiration or termination of this Agreement.

2.230 Disclosure Responsibilities

2.231 Disclosure of Litigation

Contractor shall 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) shall notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Agreement and extensions, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor shall disclose in writing to the Contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation shall be deemed to satisfy the requirements of this Section.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Agreement would cause a reasonable party to be concerned about:

(a) the ability of Contractor (or a Subcontractor) to continue to perform this Agreement according to its terms and conditions, or

(b) whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Agreement or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:

 (1) Contractor and its Subcontractors will be able to continue to perform this Agreement and any Statements of Work according to its terms and conditions, and

 (2) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.

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

 (1) Within 30 days of Contractor becoming aware that a change in its controlling ownership has occurred, or is certain to occur, Contractor must notify DTMB-Procurement.

2.232 Call Center Disclosure

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

2.233 Bankruptcy

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

(a) the Contractor files for protection under the bankruptcy laws;

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

To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock.

2.240 Performance

2.241 Time of Performance

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.241,** Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

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

2.242 RESERVED

2.243 Liquidated Damages

It is agreed between Contractor and the State that the actual damages to the State as a result of Contractor's failure to provide the promised Services and/or Deliverables in the manner specified in Attachment 2, Exhibit 2-1 and 2-2 of this Agreement, would be difficult or impossible to determine with accuracy. The State and Contractor therefore agree that liquidated damages as set out in such Attachments shall be a reasonable approximation of the damages that shall be suffered by the State as a result thereof. Accordingly, in the event of such damages, at the written direction of the State, Contractor shall pay the State the indicated amount as liquidated damages, and not as a penalty. Amounts due the State as liquidated damages, if not paid by Contractor within fifteen (15) days of notification of assessment, may be deducted by the State from any money payable to Contractor pursuant to this Agreement. The State will notify Contractor in writing of any claim for liquidated damages on or before the date the State deducts such sums from money payable to Contractor. No delay by the State in assessing or collecting liquidated damages shall be construed as a waiver of such rights. In the event that the State collects liquidated damages it shall not be entitled to seek additional damages arising out of the event that gave rise to the liquidated damages. The State shall not be permitted to assess liquidated damages where: (i) the parties have entered into dispute resolution proceedings under Section 1.106 of the Agreement regarding the facts and circumstances giving rise to the State's claim and such dispute resolution proceedings are still pending; or (ii) the applicable failure of Contractor results entirely or in part from the action or inaction of the State, its personnel, its other contractors, or other conditions or events set forth in Section 2.244 below. In no event shall the Contractor's aggregate liability for liquidated damages under this Agreement exceed $2,000,000 (two million dollars). If the State becomes entitled to, but elects not to, collect liquidated damages, the State may then avail itself of all other remedies available under the Agreement.

Unauthorized Removal of any Key Personnel

It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Agreement, 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, 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 is $50,000.00 per individual if the Contractor identifies a replacement approved by the State under **Section 2.060** and assigns the replacement to the Project to shadow the Key Personnel who is leaving for a period of at least 30 days before the Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 days, in addition to the $50,000.00 liquidated damages for an Unauthorized Removal, Contractor must pay the amount of $1,666.67 per day for each day of the 30 day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to $50,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide 30 days of shadowing must not exceed $100,000.00 per individual.

2.244 FORCE MAJEURE; Excused Performance

Neither party shall be liable for delays or any failure to perform the Services or this Agreement due to causes beyond its reasonable control. Such delays include, but are not limited to, fire, explosion, flood or other natural catastrophe, epidemics, or public health restrictions, governmental legislation, acts, orders, or regulation, strikes or labor difficulties, to the extent not occasioned by the fault or negligence of the delayed party. Any such excuse for delay shall last only as long as the event remains beyond the reasonable control of the delayed party. However, the delayed party shall use its best efforts to minimize the delays caused by any such event beyond its reasonable control. Where Contractor fails to use its best efforts to minimize such delays, the delays shall be included in the determination of compliance with any applicable Service Level Agreement. The delayed party must notify the other party promptly upon the occurrence of any such event, or performance by the delayed party will not be considered excused pursuant to this Section, and inform the other party of its plans to resume performance. A force majeure event does not excuse Contractor from providing Services and fulfilling its responsibilities relating to the requirements of backup and disaster recovery of State Data except in the event that both the primary site and the disaster recovery site are the subject of the same or simultaneous force majeure events. In no event shall any of the following constitute a force majeure event: (a) failure, inadequate performance, or unavailability of Contractor's subcontractors, if any; or, (b) configuration changes, other changes, viruses, or other errors or omissions introduced, or permitted to be introduced, by Contractor that result in an outage or inability for the State to access or use the Services.

2.250 Approval of Deliverables

2.251 Approval of Deliverables

All Deliverables require formal written approval by the State, in accordance with the procedures set forth in this Agreement and any applicable Statement of Work. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, in accordance with the acceptance criteria found in Attachment 2, Exhibit 2-2 of this Agreement.

2.252 RESERVED

2.253 Process for Approval of Written Deliverables

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Written Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Written Deliverable is approved in the form delivered by Contractor or describing any deficiencies that shall be corrected prior to approval of the Written Deliverable (or at the State's election, subsequent to approval of the Written Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Written 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. Additional reviews beyond a second review may occur only when the second review determines the required corrections were not addressed in the corrected deliverable and may require identification as an issue or risk.

Contractor Written Deliverable Format and Inclusion
All Contractor Written Deliverables shall be developed and formatted, such that the documents can be amended to the existing project documents without rework.

The Contractor will employ the following approach for the State's approval of project work products and Written Deliverables, such as plans, or other work items:

1. The Contractor will carefully specify and describe the Written Deliverables or product and address their purpose, content and due date.
2. The Contractor will prepare and submit Deliverables in draft format before the final due date, when appropriate.
3. The Contractor will subject Written Deliverables to an internal review before submitting them to the State. The internal review will verify that each Written Deliverable's format, content, and quality meet the Contractor's standards.
4. The Contractor may schedule and conduct a walkthrough of a draft version with the State and then incorporate comments and review results in the final Written Deliverable.
5. The Contractor will submit final Written Deliverables to the State for approval.
6. For defects or the State's rejection of a Written Deliverables, the Contractor will promptly identify the necessary corrective action, assign resources, and make the appropriate notifications and updates to make sure that the Written Deliverable is modified and approved quickly.

2.260 Ownership

2.260.1 Pre-Existing Third Party Materials

Any pre-existing third-party materials not addressed by the Proprietary Software License Agreement, and derivatives thereof, incorporated in a Deliverable or necessary to use a Deliverable will be licensed to the State either pursuant to Section 2.261 or under separate license terms set forth in a license agreement i) executed between Contractor and the State, or ii) obtained by the State from the applicable third party vendor.

2.261 Ownership of Deliverables

Contractor is and will be the sole and exclusive owner of all right, title and interest in and to all Deliverables and other work products, including all Intellectual Property Rights therein. Deliverables that the parties agree will be included in a subsequent release of the CGI Advantage solution software shall be licensed to the State pursuant to the Proprietary Software License Agreement as provided in Section 2.260.1, Subject to payment in full by the State of all amounts owed to CGI under the applicable Statement of Work, CGI grants to the State an irrevocable, nonexclusive, royalty-free right and license to use, execute, reproduce, modify and create derivative works from all other Deliverables and work products for Client's governmental uses within the State of Michigan or, with Contractor's advance written approval, outside the State of Michigan.

2.262 Reserved

2.263 Reservation of Rights

Neither party will be prevented from using ideas, concepts, expressions, know-how, skills and experience possessed by it prior to, or developed or learned by it in the course of, performance under the Agreement.

2.270 State Standards

2.271 Existing Technology Standards

The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at http://www.michigan.gov/dmb/0,4568,7-150-56355-108233--,00.html;.

2.272 Acceptable Use Policy

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see http://michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,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.

2.273 Systems Changes

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

2.274 Electronic Receipt Processing Standard

All electronic commerce applications that allow for electronic receipt of credit/debit card and electronic check (ACH) transactions must be processed via the Centralized Electronic Payment Authorization System (CEPAS).

2.280 Extended Purchasing Program

2.281 Extended Purchasing Program

Please see Agreement 071B4300137 that provides extended purchasing program for ERP Hosting, Managed Services, Software License, Maintenance and additional services.

2.282 COOPERATIVE PURCHASING

Subject to good faith negotiation of pricing and terms and conditions on a deal-by-deal basis, this Agreement may be extended to additional states or governmental jurisdictions (excluding MiDEAL organizations) upon mutual written agreement between the State of Michigan and the Contractor pursuant to this Section 2.282. Political subdivisions and other authorized entities (schools, libraries, colleges, universities, hospitals, etc.) within each participating state or governmental jurisdiction may also participate in this Agreement if the state allows participation by such entities.

2.290 Environmental Provision

2.291 Environmental Provision

Energy Efficiency Purchasing Policy: The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy

Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

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

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

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Before the commencement of Work, the State shall advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

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

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

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

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

Environmental Performance: The Contractor's programs shall comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).

2.300 RESERVED

2.310 RESERVED

2.320 RESERVED

2.330 RESERVED

Exhibit 2-1 Contract Change Management Process

1. INTRODUCTION

This Exhibit 2-1 sets out the Contract Change Management Process. Contractor is not authorized to undertake any work to implement a Change (defined below) until the request for the Change and all relevant details have been mutually agreed upon, documented and authorized in a Change Order.

2. DEFINITIONS

Some capitalized terms used in this Exhibit 2-1 are defined in place. The following capitalized terms, when used in this Exhibit 2-1, will have the meanings given them below unless otherwise specified or required by the context in which the term is used. Any capitalized term used but not defined in this Exhibit 2-1 will have the meaning given to it elsewhere in the Agreement.

Defined Term	Meaning
"**Adaptive Maintenance**"	Any Service the State requests Contractor to perform pursuant to a Service Request that addresses upgrades to the ERP solution due to technical changes for system components that keep the system maintainable as agreed in this Agreement, including but not limited to the following services: (i) upgrades to the operating system or DBMS software required to stay on supported releases compatible with the installed ERP release, (ii) hardware, database, or application conversions that do not modify user functionality and that are required to stay on supported releases compatible with the installed ERP release, (iii) one time loads or reformats of user data (due to upgrades), or (iv) to support successful deployment of the proposed disaster recovery plan.
"**Additional Service**"	A service the State requests Contractor to perform pursuant to a Service Request that is related to but not already included within the scope of Contractor's Services under this Agreement (i.e., it is different from, and in addition to, the Services Contractor is responsible to provide under this Agreement.
"**Contract Change Request**" (or "**CCR**")	A document or online form pursuant to which a request for a Change is made by a party.
"**Defect**"	For purposes of this Exhibit 2-1 only, the term Defect shall mean anything that causes a Deliverable to fail materially to operate properly in a development, test or production environment or materially to conform to and perform in accordance with its requirements and specifications, as referenced or set forth in this Agreement or developed pursuant to this Agreement.
"**Deficiency**"	A sub-category of Defects - specifically, an omitted function, feature or performance characteristic of a deliverable or an included characteristic that materially deviates from the requirements and specifications for the applicable deliverable.

Defined Term	Meaning
"**HLD**"	A high-level (functional) design for a software release or module.
"**Mandatory Change**"	A Change requested by the State that Contractor is required to carry out: (i) in order for the Services or the State to be and remain in compliance with applicable laws and regulations, or (ii) in order to avoid a significant adverse effect on the State or the intended users of ERP Solution.
"**System Enhancement**"	In relation to a release or module of the ERP solution that has already been deployed in production by the State, a Service Request to add or modify its functionality that requires changes to be made to its configurations, master data structures, and/or development objects, including the creation of new or deletion of existing configurations, structures, and/or objects.

3. DISTINGUISHING CHANGES FROM SERVICES AND CONTRACT CHANGE REQUESTS FROM OTHER SERVICE REQUESTS

3.1 Services

The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Services as described in this Agreement shall be considered part of the Services and, thus, shall not be considered Changes. This includes performance of any Adaptive Maintenance, the completion and delivery of all Deliverables materially in accordance with their respective requirements and specifications as referenced or set forth in this Agreement, and the diagnosis and correction of Defects or Deficiencies discovered in Deliverables prior to their Final Acceptance by the State or, subsequent to their Final Acceptance by the State, as necessary for Contractor to fulfill its associated warranty and support responsibilities under this Agreement.

3.2 Changes

For purposes of this Agreement, a "**Change**" is any of the following: (i) an Additional Service the State requests Contractor to perform under this Agreement (e.g., design and development of a System Enhancement to the ERP solution, which contains functions and features not included in this Agreement's requirements for the ERP solution, such as in response to new statutory or regulatory requirements): (ii) a change requested by the State in the previously established business functionality requirements and/or technical requirements applicable to Deliverables; or (iii) an adjustment in project schedule or Contractor compensation necessitated by action, inaction, or delay by the State or its other contractors that materially affects the Contractor's ability to perform.

3.3 Service Requests Versus Contract Change Requests

Whenever the State submits a formal request to Contractor, or otherwise directs Contractor, to take specific action under or in relation to the Agreement (whether or not the requested action qualifies as a Change), the State's request will constitute a "**Service Request**." Any State Service Request that the State does not itself identify as a Contract Change Request will presumptively be deemed to be a request for Contractor to carry out previously contracted Services under the Agreement (i.e., not a Change) unless all of the following conditions are satisfied, in which case the Service Request shall also constitute a Contract Change Request:

(a) The activities requested fall within the definition of a "Change" as set out in Section 3.2 above;

(b) Prior to carrying out the Service Request, Contractor informs the State in writing that Contractor considers the Service Request to constitute a Contract Change Request and provides a reasonable explanation of the basis on which Contractor has made its determination; and

(c) The State Project Executives or their designee acknowledges or agrees in writing that the Service Request constitutes a Contract Change Request.

Any dispute between Contractor and the State as to whether a Service Request constitutes a Contract Change Request will be escalated and resolved via first escalating to the State's Project Director and if it cannot be resolved there to the State's Project Executives for resolution.

4. SERVICE REQUEST SUBMISSION AND PROCESSING

4.1 Service Request Submission

(a) Service Requests may be submitted by the State in any agreed form. Service Requests will specify (i) the date submitted; (ii) the submitter's organization and contact information; (iii) a description of the requested actions; (iv) their objectives or purposes; (v) the requirements and specifications of any Deliverables to be delivered as a result; (vi) the requested prioritization and delivery schedule; and (vii) whether the State considers the request to be a Contract Change Request.

(b) Contractor may, on its own initiative and at its own expense, prepare and submit a proposal for a proposed Contract Change Request to the State's Project Executives. However, except as otherwise provided in this Section 4.1(b), the State will be under no obligation to approve or otherwise respond to a Contract Change Request initiated by Contractor. Contractor may be entitled to a Change Order adjusting as applicable the project schedule or Contractor compensation, where the Change Order is necessitated by action, inaction, or delay by the State or its other contractors or by other events or conditions beyond Contractor's reasonable control that materially affect Contractor's ability to perform.

4.2 Contractor Responses to Service Requests

(a) Contractor will open a ticket for and acknowledge its receipt of each Service Request promptly after receiving it. If the Service Request is marked "**Urgent**," Contractor will acknowledge it the same business day if reasonably possible or, if not, within 24 hours after receiving it.

(b) As soon as practicable thereafter and to the extent applicable, Contractor will prepare and deliver to the State a written response: (i) describing the actions Contractor proposes to take to fulfill the request, including a list of any Deliverables Contractor proposes to develop; (ii) the effect, if any, the proposed actions would have on other Project work streams or Deliverables; (iii) Contractor's proposed schedule for carrying out the requested actions; (iv) the effort needed; (v) additional risks created and (vi) any other information Contractor considers relevant to the Service Request, including an explanation of any reasons why Contractor recommends the State not proceed with the Service Request. If there is no specific and quantified mention of impact and/or risk on the rest of the Project, it will be deemed that there is none.

(c) If Contractor considers the Service Request to constitute a Contract Change Request, Contractor's response will including the following additional information: (i) a statement that Contractor considers the Service Request to be a request for a Change and an explanation of the basis for Contractor's determination; (ii) a listing and description of the incremental resources Contractor estimates would be required to fulfill the request; and (iii) Contractor's proposed additional charges for carrying out the Change.

(d) After the State receives Contractor's response, the parties will meet if necessary to discuss it and decide whether and how to proceed.

(e) For the avoidance of doubt, if a Service Request is for Contractor to perform a previously contracted aspect of the Services or to carry out a Mandatory Change, Contractor does not have the right to refuse to carry it out if directed by the State to do so except as otherwise provided in Section 5.2.

4.3 Determining Contractor's Permitted Charges for a Change

(a) Contractor's proposal in response to a Contract Change Request will:

(i) Contain a brief description of any incremental new or additional functions that will be required of Contractor, together with a good faith projection of the resulting additional resources, impact on the schedule of all Deliverables, and associated additional charges, if any, that would be attributable to them; and

(ii) If applicable, contain a brief description of any functions then being performed by Contractor in rendering the existing Services affected by the Change that would no longer need to be performed or which could be performed at a reduced volume level as a result of the Change, together with a good faith projection of the resulting resource reductions, impact on the schedule of all Deliverables, and associated reductions in Contractor's charges, if any.

(iii) Contractor's price quote for a Change will be based upon netting the associated additional charges and reduced charges, if any. Contractor's proposed charges for the Change will be set forth in Contractor's proposal, showing separately the associated additional charges, charges reductions, and resulting net charges.

(b) Contractor's proposed labor charges for Contractor personnel who will carry out a Change proposed to be performed on a time and material basis will not be higher than such charges would be using the rates specified in the Agreement.

4.4 Additional Information for a Proposal

(a) If Contractor reasonably determines that it must obtain or develop additional information in order to prepare and submit a proposal in response to a Service Request, it may so advise the State. Alternatively, if the State reasonably determines that additional information about a proposal is required for it to make an informed decision regarding the proposal, the State may request Contractor to provide the additional information.

(b) In either such case, the parties will meet promptly to discuss the additional information to be provided by Contractor (which will be at Contractor's expense), its effect on the submission timing of Contractor's proposal, and the completion date. The parties will work together to keep the burden of developing such additional information reasonable in relation to the scope of the proposal. If the parties do not reach agreement within three business days as to the additional information to be provided by Contractor, the dispute will be escalated and resolved via first escalating to the State Project Director and if it cannot be resolved there to the State's Project Executives for resolution.

(c) Contractor will prepare and deliver such additional information (and, as applicable, an updated version of its proposal) as soon as reasonably possible under the circumstances.

4.5 State Approval or Rejection of Contractor Proposals

(a) All proposals submitted by Contractor to the State will constitute offers by Contractor to provide the products and services described therein under the Agreement on the terms proposed. Unless otherwise mutually agreed by the parties in writing, proposals will remain open for acceptance by the State for up to 120 days from receipt, and the parties will meet as necessary during such period to discuss the proposal.

(b) If the State requests that changes be made to Contractor's proposal, Contractor will prepare and submit a revised proposal to the State without undue delay. The parties will work together to keep the burden of Contractor developing a revised proposal reasonable in relation to the scope of the proposal. Promptly after Contractor's submission of a revised proposal, the parties will meet to discuss it if necessary.

(c) The State's final approval of Contractor's proposal in response to a Contract Change Request will be in the form of a duly executed Change Order issued by DTMB Procurement.

4.6 Service Request Status Tracking and Reporting

(a) Contractor will maintain up-to-date status information for all Service Requests to which the State Project Director or their designee will be given remote online access.

(b) The status of Service Requests at any stage in the Change Management Process will be categorized based upon status categories mutually agreed to by the parties.

(c) Contractor will provide as part of its monthly status reporting to the State a summary specifying the status of all pending Service Requests and the status of all Change Orders executed pursuant to this Change Management Process. The monthly status report will record the number, individual dollar value and aggregate dollar value of all Change Orders, by Contract year.

5. URGENT SERVICE REQUESTS AND MANDATORY CHANGES

5.1 Urgent Service Requests

The parties will develop and follow an expedited process suitable for handling Service Requests designated by the State as "**Urgent**".

5.2 Mandatory Changes

Service Requests for Mandatory Changes will be subject to the procedures set forth in this Change Management Process so as to ensure they are carried out in a controlled and disciplined manner. The parties will negotiate in good faith to reach agreement on the terms and conditions, including price, governing Mandatory Changes. Where the parties are unable to reach agreement on terms governing a specific Mandatory Change through good faith negotiation, The parties will submit the matter to dispute resolution pursuant to Section 2.190. Subject to the foregoing process, Contractor may not refuse to submit a proposal or enter into an appropriate Change Order for, or to otherwise carry out, a Mandatory Change as directed by the State. The State may, in its discretion, require Contractor to implement a Mandatory Change on an expedited basis where the State reasonably believes that expedited implementation of the Mandatory Change is necessary to limit the State's compliance risk or to otherwise mitigate potential adverse consequences to the State; provided however that in the absence of a good faith agreement and pending conclusive dispute resolution concerning the applicable price of such a Mandatory Change, Contractor shall be compensated for such Change at the hourly rates included in this Agreement for such efforts.

6. STATE RIGHT TO REPRIORITIZE AND CANCEL SERVICE REQUESTS

Contractor acknowledges and agrees that the State will have the right, in its sole discretion, to reprioritize, temporarily suspend, or cancel any Service Request at any time, subject to any applicable advance notice requirements that may be set forth in the Agreement. If the State's decision to reprioritize or temporarily suspend a Service Request is not due to the fault of Contractor (or its subcontractor), the parties will initiate a Contract Change Request to equitably adjust the affected elements of the Project Plan and other related impacts to the Project.

7. COSTS AND EXPENSES

Except as otherwise expressly provided in this Exhibit 2-1, each party will be responsible for bearing all costs and expenses incurred with respect to its participation in this Change Management Process.

Attachment 1: Glossary

Term	Definition
Days	Means calendar days unless otherwise specified.
24x7x365	Means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
ACH	Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. The ACH Network is governed by the National Automatic Clearing House Association, which sets the operating rules for automated transactions around the United States. This network allows banks to clear their automated payments through the U.S. Federal Reserve and Electronic Payments Network, which serve as ACH operators.
Additional Service	Means any Services/Deliverables within the scope of the Agreement, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
ADPICS	The Advanced Purchasing and Inventory Control System (ADPICS) is a CICS/Cobol/DB2 procurement management system designed to specifically address the purchasing, receiving, and accounts payable requirements of the State of Michigan.
Agreement or Contract	Refers to this Agreement or Contract as defined in the preamble.
AICPA	American institute of CPAs
Audit Period	See Article 2, Section 2.110
BAI	Bank Administration Institute. BAI Files refers to electronic file and data formats established by the Bank Administration Institute.
Background Technology	All pre-existing software, data, know-how, ideas, methodologies, specifications and other technology in which Contractor owns such Intellectual Property Rights as are necessary for Contractor to grant the rights and licenses set forth in Section 2.321, and for the State to exercise such rights and licenses, without violating any right of any third party or any law or incurring any payment obligation to any third party, and that: (a) are identified as Background Technology in any Statement of Work; and (b) were or are developed or otherwise acquired by Contractor prior to the Effective Date with respect to the initial Statement of Work, or the date of the State's request for additional Services, with respect to any other Statement of Work.
Business Day	Whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
Blanket Purchase Order	An alternate term for contract as used in the State's computer system.
Business Critical	Any function identified in any Statement of Work as Business Critical.
CAFR	Comprehensive Annual Financial Report (CAFR) is a set of U.S. government financial statements comprising the financial report of the State that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). GASB provides standards for the content of a CAFR in its annually updated publication *Codification of Governmental Accounting and* Financial Reporting Standards.
Chronic Failure	Defined in any applicable Service Level Agreements.
Contractor or Prime Contractor	The firm providing services to the State under direct contractual agreement.
COTS	Commercial-Off-the-Shelf Software.
CP&E	Contract and Payment Express (C&PE) – C&PE is a web application that allows

Term	Definition
	vendors/payees to register with the State and to receive payments including Electronic Fund Transfers (EFT) and allows the Treasury Department to approve and release ACH payments in association with accounts payable related and other disbursements made by the State.
DCDS	Data Collection and Distribution System
Configured Software Deliverable	ERP or third party application software: • configured to meet State requirements in accordance with a design approved by the State • subject to unit testing by the Contractor In accordance with this Agreement
Custom Software Deliverable	The customized computer program(s), other than the ERP Solution, including programming tools, scripts and routines, the Contractor is required to or otherwise does develop for the State under this Agreement, as described more fully in each Statement of Work, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications made or provided pursuant to the applicable Statement of Work.
Deliverable	A required service or outcome that must be provided by the Contractor to the State as required or identified by or in a contract. Deliverables may include, but are not limited to: designs, specifications, hardware, tools, components of technical environments, custom software, modifications and enhancements to software, documented analysis, plans, reports, training, services to the State, support or assistance to the State, documentation, testing or related services, provided expertise, or achievement of specified outcomes.
Documentation	All user manuals, operating manuals, technical manuals and any other instructions, specifications, documents and materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support and technical and other components, features and requirements of any Custom Software Deliverable.
DOT	Michigan Department of Transportation. May also be stated as MDOT.
DTMB	Michigan Department of Technology, Management and Budget
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
Environmentally preferable products	A product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to, those that contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.
ERP	Enterprise Resource Planning System.
ERP Implementation Project or Project	The project to implement an ERP system and any related application software. Contractor services under this Agreement are provided in association with the ERP Project. Reference to the ERP Implementation Project may also be made using the term 'Project'.
ERP Solution	The ERP Solution represents the entire suite of application and other software needed to meet the State's requirements, proposed by the Bidder to meet such requirements' or implemented by the Contractor to meet State requirements and timelines.
ETP	Electronic Transaction Processing (ETP): a State system that generates payment vouchers for billings received via Electronic Data Interchange (EDI) and for monthly recurring payments where invoices are not received.
Final Acceptance	The States acceptance based on submitted Deliverables having been reviewed and approved in accordance with applicable acceptance criteria related to Custom Software Deliverables and Configured Software Deliverables or other criteria as may be established or defined elsewhere in this Agreement.

Term	Definition
Force Majeure	See Article 2, Section 2.244.
Hosting Environment	As more fully described in the Managed Services Agreement, the Hosting Environment includes all servers, server software, hosting platforms, storage space, telecommunications connectivity and equipment and other hardware, software, technology and other materials Contractor is required to, or otherwise does, use, provide or provide access to as part of Contractor's requirement to host, support, and maintain the ERP Solution.
Hosted Services	Hosted Services or Hosting Services generally refers to those services required to provide project, production, or production QA technical environments, as specified, for use by the State in association with the ERP Project or with production use of the ERP and other applications once any implementation of the ERP and other application software has occurred. When used as part of the term Hosted, Managed Services, or SaaS Services it refers to those services described in the Managed Services Agreement.
HRMN	The Human Resources Management Network (HRMN) is State's human resource and payroll system.
Incident	Any interruption in Services, diminution in the quality of services, or observed defect that impacts business operations.
Index Code	An element used on MAIN transactions that infers preset values for other coding block elements prior to validation or other processing.
Intellectual Property Rights	All or any of the following: (a) patents, patent disclosures and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable law in any jurisdiction throughout the world.
ITB	A generic term used to describe an Invitation to Bid. The ITB serves as the document for transmitting the RFP to potential bidders
Key Personnel	Any Personnel designated identified in the RFP, the bidders proposal, or in the negotiated contract as Key Personnel.
MAIN	MAIN is a CICS/Cobol/DB2 based system implemented in 1994 and functions as the State's financial reporting and accounting system.
Managed Services	Managed Services refers to those services described in Attachment 2 of the Managed Services Agreement. Within Attachment 2 of the Managed Services Agreement, the term may also apply to that section of the services related to IT application maintenance and expanded Job Setup services described in Sections 18 to 23.
Managed Services Agreement	Contract No. 071B4300137 by and between the parties, dated the same date hereof.
MIDB	Michigan Informational Database (MIDB) is the State's financial data warehouse.
Milestone or Milestones	Milestone or Milestones are key checkpoints defined in Attachment 2, Exhibit 2-1 of this Agreement that will be used as a basis for status reporting on the ERP Implementation Project and to determine Contractor eligibility for certain payments as defined in Attachment 4: Deliverables and Payment Schedule.
New Work	Any Services/Deliverables outside the scope of the Agreement and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration.
NSF	NSF is a designation given to checks received by the State which have been

Term	Definition
	dishonored by the bank on which drawn due to insufficient funds in the bank account on which the check was issued.
PCA	Program Cost Accounting Code. A coding block element used in MAIN.
PCO	Project Control Office – This term may be used interchangeably with PMO.
PMO	Project Management Office – This term may be used interchangeably with PCO.
QA	Quality Assurance. This term may be used to describe a firm, hired by the State to provide management advice, and to assist in reviewing Contractor deliverables, and support the State in ensuring the integrity of design and development decisions. Alternatively, it may be used to refer to a 'Quality Assurance' Environment, a name given to a technical environment that mirrors the production technical environment in terms of infrastructure, product set, systems software, DBMS, application software, configuration, and capacity that is used to test application and other changes prior to migrating them to the production environment. Such an environment may also be called a Production QA environment.
R*STARS	The Relational Standard Accounting and Reporting System (R*STARS) is a comprehensive statewide financial management and accounting information system. It is used as the financial system for the State.
RMDS	The Report Management and Distribution System controls access, distribution, and retention of all reports generated by MAIN
Run Book	A 'Run Book' or 'Runbook' is a routine compilation, in electronic or physical book form, of the procedures and operations which the administrator or operator of the system carries out. Procedures documented in the Run Book will include those to begin, stop, and supervise the system as well as those needed for the handling of special requests and of contingencies. The Run Book will have step-by-step instructions decision to determine and carry out the appropriate course of action given a particular scenario.
RESERVED	Section is not applicable or included in this RFP. This is used as a placeholder to maintain consistent numbering.
RFP	The State's Request for Proposal 084R4300001 soliciting proposals for ERP software, implementation services, hosting and managed services.
RTI	A code that can be entered on R*STARS transactions that infers one or more full accounting distributions prior to validation or other processing.
RTM	Requirements Traceability Matrix
Security Rich	A Security Rich environment is one proactively managed to be in compliance with required State, Federal, and other applicable laws, policies, and standards as referenced in Section 1.108 environment and as further specified in the Security Section of the Technical/General requirements provided in Attachment 10 of this Agreement.
Services	Any function performed for the benefit of the State, including any of the services Contractor is required to or otherwise does provide under this Agreement or any Statement of Work, as more fully described in this Agreement or such Statement of Work.
AICPA SOC reports	Service Organization Control (SOC) reports are internal control reports on the services provided by a service organization providing valuable information that users need to assess and address the risks associated with an outsourced service. They are provided by American Institute of CPAs.
Software Configuration	The process or result of defining or refining application functionality through means other than programming. Such means may include (but are not limited to) entry of parameters, selection of table based options that control processing, and user or administrator selected options that control or tailor the user interface. Configuration does not include creation or modification of programming code or use of scripting language.

Term	Definition
Software Deliverable	Computer program(s) including programming tools, scripts and routines, the Contractor is required to or otherwise does implement for the State under this Agreement, as described more fully in each Statement of Work, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications made or provided pursuant to the applicable Statement of Work.
Software License	The Proprietary Software License Agreement, attached as Attachment 9 of the Managed Services Agreement, by and between the parties, dated the same date hereof.
Software Maintenance Agreement	The Proprietary Software Maintenance Agreement, attached as Attachment 10 of the Managed Services Agreement, by and between the parties, dated the same date hereof.
Software Vendor	The manufacturer and provider of ERP or third party application software proposed for use by the State. The Software Vendor is the entity that grants a license to use the ERP or other Software and that provides maintenance services once such software is licensed.
State	The State of Michigan
State Location	Any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
Statement of Work	Article 1 and Attachments 2 through 10 of this Agreement, as applicable. Any subsequent Contract Changes affecting the scope of work as may be negotiated and agreed to by the State.
Subcontractor	A person or firm that provides material or service(s) that the Prime Contractor is obligated to provide to the State via a contract.
SUITE	State Unified Information Technology Environment or SUITE is the name of the State's project management and software engineering methodology.
UAT	User Acceptance Test
Unauthorized Removal	Contractor’s removal of Key Personnel without the prior written consent of the State.
Work in Progress	A Deliverable that has been partially prepared, but has not been presented to the State for Approval.
Work Product	Refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by this Agreement.
Written Deliverable	Refers to any deliverable named in Attachment 2 that is created and submitted to the State in document, diagram, presentation, spreadsheet, or printed output form. Examples of such deliverables include (but are not limited to) plans, designs, test scripts, reports, or analysis.

Attachment 2: Implementation Tasks, Services, Deliverables, and Milestones

The Contractor shall be responsible for performing the tasks, creating the deliverables, and meeting the milestones as described in this Attachment. State responsibilities for performing tasks and providing assistance are also described in association with each Task. The State will not unreasonably delay or withhold approvals within the scope of its responsibilities as set forth in this Attachment 2 or elsewhere in the Implementation Services Agreement (“Agreement”). State approvals will be provided in accordance with applicable approval and acceptance criteria and procedures specified in the Agreement. In addition, the State shall make all required escalation activities expeditiously.

Task 1 - Project Management

The Contractor shall involve the State project management team to provide for Contractor compliance with the SUITE touch-points and processes (see item K, below), except where otherwise mutually agreed in accordance with Section 1.108 of the Agreement. Contractor’s duties and responsibilities will include:

C. Provide Project Management

The Contractor shall provide overall project management for the tasks in the Agreement, including the day-to-day management of its staff and shall provide administrative support for its staff and activities. Throughout the project, the Contractor must employ ongoing project management techniques so that a detailed Project Plan is developed, executed, monitored, reported on, and maintained.

The State will provide oversight and Governance for the entire project as described below:

10. The Contractor Project Director will report to the State’s Project Director
11. All Contractor deliverables will be approved by the State’s Project Director and Project Executives or their designees. Deliverable review by the State will involve State Subject Matter Experts
12. All issues and decisions that cannot be resolved or made by the State’s Project Director will be escalated to the State’s Project Executives who will then make the required decision or escalate further to the Governing Board or to the State Budget Office Director, who shall be the final authority. The State’s Project Director and Executives will be responsible for making consultations within the State when needed.
13. State Project Director, Executives and Governing Board review and approval will be required to close milestones and to begin work on the next milestone. See Task 1, item I for additional detail regarding milestones.
14. The State’s Governing Board will meet monthly and may meet more frequently when necessary to review milestone completion or to approve beginning work on a new milestone.
15. The State’s Project Executives together with the State’s Project Director will set the agenda for all Governing Board Meetings. The Contractor will be consulted on agenda items and will support the State’s Project Director and Executives, as required.
16. The Contractor Project Manager and designated Contractor executives will attend Governing Board Meetings and present status, provide analysis and recommendations related to needed decisions or issues requiring resolution, and answer questions that may arise during the course of the meeting. Other Contractor personnel may attend if needed to provide background, analysis, or a presentation on a topic scheduled for a particular meeting. However, the State reserves the right to hold meetings or to discuss a particular topic without Contractor personnel or representatives in attendance. In such situations, the Contractor Project Manager will be notified.
17. No Contractor personnel will be members of the Governing Board.
18. No Contractor executives or representatives may meet with Governing Board members, the DTMB Director, or other State officials concerning the project without the permission of the State Project

Executives. The State may elect to require that one or either State Project Executives (or their designee(s)) be present at any such meeting that may occur.

D. Leading and Attending Status Meetings

As a part of its project management duties, the Contractor must lead and attend informational and status meetings required under this Attachment 2. Such meetings may include meetings with the DTMB Director, Deputy State Budget Director, State CIO, Governing Board, the Project Executives, the State's Project Director, other consultants, elected officials, external stakeholders, and members of the ERP Project Team, as designated by the State. The meetings must follow a pre-set agenda but must also allow the Contractor or the State the option of discussing other issues that concern either party. Note that the State management has the option of setting and changing the frequency of the meetings.

E. Providing Plan Updates and Status Reports

The Contractor shall provide status reports to the State Project Director on a weekly basis. In addition, the Contractor must routinely update the Project Plan (at least bi-weekly) to reflect changes in the nature and timing of project activities or assignments. In addition, the Contractor shall routinely update the project organization chart as the project proceeds. Written and electronic status reports are due to the State Project Director at least 24 hours before each meeting. The Contractor's proposed format and level of detail for the status report will be subject to State approval.

Status reports must contain, at a minimum, descriptions of the following, for all work, both on-site and off-site:

22. The issues encountered and their current disposition
23. Whether deadlines were met
24. The issues that need to be addressed before proceeding to the next task
25. Any new risks facing the project and suggested mitigation strategies
26. Any new and pending change requests that impact scope, schedule, or budget
27. Anticipated tasks to be completed in the next week
28. Tasks timely completed, tasks not timely completed, and tasks where delays are expected
29. Updated Project Plan
30. Status of open issues
31. Progress against established milestones.

The Contractor shall provide monthly status reports for the Project Executives, Governing Board, and Quality Assurance Firm. The Contractor will work with the State Project Director on the content of the Monthly Status Report prior to its submission. The primary focus of the monthly status report will be progress against milestones as well as any issues or risks that may be facing the project, and any issues or decisions being escalated to the Project Executives or Governing Board. The monthly status report and any accompanying presentation must be reviewed and approved by the State Project Director and Executives prior to submission or delivery to the Governing Board.

To the extent that subsidiary task plans are used, the full detail of the plans will be available to the State and will be used as the basis for status reporting.

F. Conducting a Kick-Off Meeting

The Contractor and State will conduct a kick-off meeting for the overall project and for the start of each Phase, at a minimum. The State will have the option to hold kickoff meetings for each major project activity in each phase (e.g. design, configuration and development, system testing, user acceptance testing, training, implementation and cutover staging).

G. Performing Issue Tracking, Analysis and Escalation

The Contractor will be responsible for documenting issue management procedures and for logging, tracking, analyzing, reporting and working with the State Project team leaders and Director in escalating and resolving issues. The process documented must be compliant with Section 2.190 Dispute Resolution. The State Project Director's or designee's approval will be required for closing issues.

Project delays of more than 30 days or those that impact critical project milestones as identified in the project workplan shall be identified in the project status report. When a delay results from issues associated with the Contractor's performance of project responsibilities, the Contractor shall submit a written report to the State Project Director. This report shall include a detailed description of the delay, issues contributing to the delay, potential impacts to the project, and a risk mitigation plan inclusive of a strategy for moving the project back on schedule. If at any time subsequent to the initiation of the risk mitigation plan the State Project Director determines that satisfactory progress is not being made to address the project delay, the State Project Director may suspend all further payment to the Contractor. Payments to the Contractor shall resume once the State Project Director determines that satisfactory progress is being made to address the project delay. Upon suspension of payment or any point thereafter either party may invoke the dispute resolution process. If the project experiences a delay of greater than 90 days, the State may seek any remedy provided in the Agreement or otherwise available under Michigan Law.

H. Attending and Supporting Ad Hoc and Governing Board Meetings

The Contractor's Project Manager, or designee, will attend and participate in all project-related meetings as requested. The Contractor may be required to prepare materials and make formal presentations for many of these meetings.

I. Performing Risk Management

The Contractor will be responsible for risk identification, risk analysis and evaluation, formulation and implementation of risk mitigation strategies and contingency plans (as appropriate), and risk monitoring. Within the first six weeks of the project and before completion and submission of the Revised Project Strategy, Plan, and Resource Schedule, the Contractor will produce and present a Risk Management Plan that identifies and explains risks and recommends risk mitigation strategies for those risks deemed material. Preparation of this document shall be done in cooperation with the State Project Director. It shall be updated no less than quarterly with any new risks and to reflect monitoring of previously identified risks. Upon request of the State Project Director, the frequency of updates may be changed to monthly.

J. Scope Change Control Processing

The Contractor shall document the Scope Change Control Process to be used on the Project and submit it to the State Project Director for review, possible revision, and approval. During the project, the Contractor shall follow the approved scope change control process and obtain required State approvals, for any change in scope or changes to approved designs. For any approved changes the Contractor shall make all required updates to project plans, designs, and other documents related to scope or design changes. The Scope Control Process documented and used must be compliant with Section 2.024.

K. Tracking and Meeting Milestones

The Contractor will prepare milestone report deliverables for submission and presentation to the State Project Executives, Governing Board, State Project Director, and Quality Assurance Firm. Successful achievement of milestone objectives must be documented before permission will be granted by the Governing Board to begin work on the next milestone. However, there will be some milestones that may be pursued in parallel. Milestones listed and described in Attachment 2, Exhibit 2-1: ERP Project

Milestones will be used to plan, manage, and report status to the Governing Board, and will also be used as the basis for key payments to the Contractor for services rendered on the ERP Project. These milestones will be updated by State Project Director during project planning activities. Any such change will be made in consultation with the Contractor Project Manager.

L. Providing Organizational Change Management and Communications Services

The Contractor will provide personnel that are skilled and experienced in providing organizational change management services on ERP implementation projects in the public sector. Such personnel will be responsible for producing a Communications Plan, identifying areas of change and cultural resistance, assessing and monitoring end user readiness, and preparing an Organizational Change Management Plan. The Organizational Change Management personnel shall also assist the State in preparing and sending communications, and for assisting the team and State in executing the tasks and activities in the Organizational Change Management Plan. The Organizational Change Management personnel will coordinate through the State Project Director and Executives and through the Central Agency Support Team (CAST), which will have primary responsibility for interacting with the Agencies on the ERP project. (See Task 12: Implementation and Agency Change Management Assistance). The organizational Change Management and Communication Plans shall be updated at the beginning of each phase to focus on the activities and issues associated with the phase. End User Readiness Assessments shall be performed in each phase.

M. SUITE Mapping

During the initial planning period on the ERP Project, the Contractor shall create a SUITE Review and Mapping Document that maps SUITE required artifacts, touch-points, and required stage exits to planned work products, deliverables, or milestones planned for the project and that verifies that related SUITE requirements will be met by planned work, outputs, and use of the Contractors approach and methodology. This document shall be reviewed by designated State resources and must be approved by the State Project Director. The SUITE Mapping Document shall be updated, if required, for any deliverable that is defined after the initial document is prepared and approved. The State acknowledges that deliverables, work products, and project activities that are not specified by SUITE will be required on the project and that the Contractor's approach and methodology may be used so long as required SUITE artifacts, touch-points, and other requirements can be addressed by planned activities, deliverables, and work products.

N. Preparing Project Strategy, Plan, and Resource Schedule

Within the first six (6) weeks of beginning work, the Contractor shall create the detailed ERP Project Strategy, Plan and Resource Schedule (the Project Plan) consistent with agreed upon timeframes. This document shall be prepare in cooperation with the State Project Director, key stakeholders, key project participants, and possibly other consultants and shall show:

8. A consolidated view of the work to be performed for Phases 1 and 2 of the project
9. The implementation strategy
10. Project activities, task assignments, due dates and resources for both the Contractor and State employees
11. Ensure that SUITE Artifacts and Touch-points map to and are addressed by project methodology and Project Plan
12. Expected hours to be provided in association with each task, activity, and phase
13. A project organization chart showing both Contractor and State positions and named personnel. This will be accompanied by a narrative document that provides an overview of each role on the organization chart.
14. The following minimum timeframes available to the State to conduct User Acceptance Testing

- Phase 1 – 2 months
- Phase 2 – 4 months

The Project Plan shall build on the Project Strategy, Plan and Resource Schedule included in the Contractor's proposal and shall reflect the fundamental strategy, approach, and roles and responsibilities outlined in the proposal and refined during contract negotiations.

The State considers the timing and quality of the Project Plan to be critical to the overall success of the ERP Project. In order to serve its intended purpose this document shall clearly describe:

r. The systems to be replaced, the systems to be interfaced

s. Planned module usage by agency

t. Issues and risks impacting project implementation generally and by agency

u. The phasing strategy

v. A high-level approach and plan for meeting improvement goals assigned to the project

w. Organizational change management approach

x. Training approach

y. Knowledge transfer approach

z. Chart of accounts development approach

aa. Conversion approach

bb. Interface design and development approach

cc. Testing strategy and approach, including unit, integration, regression, and user acceptance testing

dd. MIDB and reporting approach

ee. Phase 1 activities, tasks, work products and assignments

ff. Phase 2 activities, tasks, work products and assignments

gg. Project organization Chart

hh. Roles and responsibilities for all project participants (not just those for central project team participants, such as, Agency Implementation Teams, software vendor, etc…)

The integration of Change Management, Risk Management, and Issue Management Deliverables into the overall project plan and approach should be addressed as a specific component of the Project Plan.

Task 1 Deliverables

Planning

10. Project Strategy, Plan and Resource Schedule
11. Risk Identification, Analysis, and Management Plan
12. Issue Process/Database
13. Status Reporting Process
14. Scope Change Control Process
15. Communications Plan
16. Organizational Change Management Plan
17. SUITE Review and Mapping
18. Milestone Report 1: Project Strategy and Plan

Phase 1

9. End User Readiness Assessment
10. Organizational Change Management Plan Update
11. Communications Plan Update
12. Milestone Report 2: Budget Preparation Design
13. Milestone Report 4: Budget Preparation Configuration and Development Complete
14. Milestone Report 5: Budget Preparation UAT-Go/No Go
15. Milestone Report 6: Budget Preparation Implementation Go/No Go
16. Milestone Report 7: Budget Preparation Acceptance

Phase 2

11. End User Readiness Assessment
12. Organizational Change Management Plan Update
13. Communications Plan Update
14. Milestone Report 3: ERP Core Design
15. Milestone Report 8: Agency Implementation Planning and Organization
16. Milestone Report 9: ERP Core Function Configuration and Development Complete
17. Milestone Report 10: UAT Core Function UAT Go/No Go
18. Milestone Report 11: Core Implementation Go/No Go
19. Milestone Report 13: Core Acceptance

Task 2 - Technical Services

The Contractor shall involve the State technical team to provide for Contractor compliance with the SUITE touch-points and processes for architectural and security design and decisions, except where otherwise mutually agreed in accordance with Section 1.108 of the Agreement. The Contractor's responsibilities for providing technical services on the ERP Project include the following:

M. Project Hosting and Installation

The Contractor must provide hosting services for project technical environment needed until such environments are provided via a separate Hosting and Managed Services. Toward that end, the Contractor is responsible for the following either onsite or via its own facility that is accessible to the Project:

6. Provide project technical environment specifications
7. Provide, install, configure, and test the servers, server peripherals, rack mountings, operating system software, utilities, and system management software.
8. Install the application software, all required DBMS and third party software specified in the Proprietary Software License Agreement (“software”) and assist State in verifying that all software modules are installed and operate materially in accordance with applicable specifications as appropriate on-line and off-line, that the system can be accessed from State's network, and that the software documentation is materially complete.
9. Make the software accessible to State workstations
10. Organize source and object libraries, all baseline job streams or scripts, and any other software components necessary to support the installation acceptance test. At the conclusion of this initial installation the Contractor shall provide the State with a set of documented procedures and required tools so State staff can independently connect additional workstations.

The Contractor shall document the project environment specifications to enable a smooth transition to the hosting/managed service provider.

N. Installation Acceptance Testing Assistance

The Contractor shall assist the State in verifying: that all acquired software modules are present and installed; that the system operates in a stable fashion both on-line and off-line, and; that the system can be accessed from the State’s network.

O. Establishment of a User "Playground"

The Contractor shall install a pre-populated set of application files complete with all reference, budget, option selections and other data necessary, based on Contractor's experience and the State's requirements, for State users to become familiar with the system. This environment shall also be used by the Contractor to conduct demos and education sessions.

P. Software Education Sessions

The Contractor shall provide education sessions which describe:

6. The software configuration
7. Organization of software libraries
8. System operation procedures for use during the project
9. System administration responsibilities log on/log off procedures
10. Other topics necessary to educate the State on system housekeeping during the ERP Project.

Q. Configuration Management and Version Control

The Contractor shall be responsible for planning, organizing, and conducting all ERP Project related configuration and release management and version control for application source code, object code, software configuration and parameter, operating system, DBMS, hardware, and other technical environment components. The Contractor shall document configuration management procedures and will use tools approved by the State. The Contractor will also provide all configuration management tools to the State at the conclusion of the project.

R. Patch Management and Upgrades

The Contractor shall track, manage, install, and test all software patches, service packs, code fixes, new releases and upgrades for all software acquired, licensed, or otherwise provided in association with the ERP Project. At the end of the ERP project, the Contractor will ensure that the State is on the agreed upon release of ERP software and the contractor supported release of other software for the agreed upon ERP software including operating system, DBMS, other software required and provided, and updates to any custom programming / modifications to meet the State's ERP requirements documented in Attachments 8 and 9 of this Agreement.

S. Performance Testing and System Tuning

The Contractor shall plan and conduct performance testing and system tuning for the installed configuration. These tasks shall be planned, coordinated and performed with State system programmers and database administrators who will review and approve plans, test outcomes, and tuning outcomes. The Contractor shall also produce detailed Performance Testing and System Tuning Procedures. The State recognizes that performance testing and tuning activities may be necessary at several stages in the process. For example, tuning could take place after the software installation, prior to production migration and during initial production operations.

If modifications or extensions are made to the application software to meet the State's unique requirements, it is expected that the Contractor shall review and adjust the database configuration to ensure acceptable performance. The following table summarizes performance testing and tuning responsibilities of the Contractor and State.

Activities	Contractor	State
Develop Performance Testing and Tuning Plan	Lead	Assist
Document procedures to capture and monitor user-response time metrics	Lead	Assist

Activities	Contractor	State
Conduct Performance Testing	Lead	Assist
Perform system turning and performance resolution as required to meet performance requirements	Lead	Assist
Manage track and report status of activities	Lead	Assist
Acceptance of Performance Test Results	Assist	Lead

T. Technical Environment Setup, Maintenance, and Hosting

The Contractor shall provide all technical environment management setup, software configuration management, migration, maintenance, and synchronization needed during the course of the project. Such environments shall include but not be limited to:

8. The user playground
9. Development environments
10. System and Recovery Test environments
11. User acceptance testing environment
12. Performance testing environment
13. Training environments
14. Other environments that may be necessary as mutually agreed (e.g. for data conversion)

The Contractor shall also provide hosting services for all required project environments as specified in the Agreement until cutover to managed services is set to occur. At that time, provisions of the Managed Services Agreement will apply and all required hosting required for project and production technical environments will be provided under that agreement. Project environment setup and maintenance will continue to be the responsibility of the Contractor once the provision of hosting services under the Managed Services Agreement becomes active. The Contractor will also be responsible for providing complete and fully functioning development environment to the State upon expiration or termination of the Agreement or the Managed Services Agreement as applicable.

U. Production and Production QA Environment Specification

The Contractor shall produce specifications for the Production and Production/QA environments which will be provided as part of the Managed Services Agreement. The specifications must include hardware and peripherals, system software, DBMS, third party components, network connections and access, application architecture, and all other production and QA environment components. The Production QA environment will be identical to the Production Environment in all regards including capacity.

V. Preparation and Certification of a Production Ready Production Environment

The Contractor shall migrate configured, extended, enhanced, tested, and approved ERP and any other application software specified in the Proprietary Software License Agreement including all site specific code including that for reports, interfaces, enhancements to the Hosted/Managed Services production and production QA environment as mutually agreed to be needed to meet the schedule for performance testing, user acceptance testing, security testing or implementation cutover. Prior to each implementation, the Contractor shall test the environment and certify its readiness for production use.

For the second and any subsequent implementation phases, the Contractor shall adapt and expand the production environment, as mutually agreed to be required for the application components and other differences that may exist to support ERP production operations once implementation for that phase occurs. The Contractor shall also create and certify Production QA environments that are identical in specification and capacity to the certified Production Environments for each implementation phase.

W. Security Architecture and Design

The Contractor will work cooperatively with designated IT security professionals and managers to design an 'end-to-end' security solution that meets the State's security needs and conforms to applicable State and Federal Law and Policy. The design will be documented in the Security Architecture and Design document. This document must be produced during the first phase of the project, but may be supplemented in the remaining phase as reasonably required by State project management.

X. Perform Security Testing

The Contractor shall work with designated State IT and Security Managers and Professionals to create a Security, Vulnerability and Penetration Test Plan. This plan will be submitted to the State for review and approval. The plan will document test objectives, test scenarios and scripts, and required outcomes. Once the plan is approved, the Contractor will conduct all testing specified in the plan. At the discretion of the State, some or all of the testing may be incorporated into the system test. The following table summarizes the security testing responsibilities of the Contractor and the State. The Contractor is responsible for providing any tools needed that are not already licensed to and available to the State. The Contractor will review and obtain the approval of all such tools with State IT and Security Managers prior to finalizing plans for use.

Activities	Contractor	State
Develop Security, Vulnerability, and Penetration Test Plan	Lead	Assist
Conduct security testing	Lead	Assist
Identify and remediate issues	Lead	Assist
Conduct analysis of vulnerabilities	Lead	Assist
Develop penetration testing scripts	Lead	Assist
Conduct penetration testing	Lead	Assist
Identify and remediate issues	Lead	Assist

Task 2 Deliverables

16. Project Environment Specification
17. Completed Software Installation, User Playground, and Software Education Sessions
18. Configuration Management Procedures
19. Completed Development Environment
    - Phase 1
    - Phase 2
20. Completed System and Recovery Test Environment
    - Phase 1
    - Phase 2
21. Completed Training Environment
    - Phase 1
    - Phase 2
22. Completed User Acceptance Test Environment
    - Phase 1
    - Phase 2
23. Security Architecture and Design
24. Approved Security, Vulnerability and Penetration Plan
    - Phase 1
    - Phase 2

25. Completed and Approved Security, Vulnerability and Penetration Test
    - Phase 1
    - Phase 2
26. Performance Testing and Tuning Plan
    - Phase 1
    - Phase 2
27. Performance Testing and System Tuning Procedures
    - Phase 1
    - Phase 2
28. Completed and Approved Performance Testing and System Tuning
    - Phase 1
    - Phase 2
29. Production and Production QA Environment Specification
    - Phase 1
    - Phase 2
30. Production and Production QA Environments
    - Phase 1
    - Phase 2

Task 3 - Systems Analysis and Design

The Contractor will perform analysis and design activities as follows:

X. Validate and Update RFP Requirements

The Contractor shall organize and conduct sessions with key State Subject Matter Experts and Managers to review, validate, update and format the RFP requirements for use in guiding design, configuration, and testing activities on the Project. The Contractor will then document the updated requirements, annotate each with a brief description of how the validated requirement will be met, and submit and revise the documentation as required to obtain State approval. The Contractor shall use the updated requirements as the base of the SUITE Requirements Traceability Matrix (RTM) or Contractor's comparable document. This document will be updated throughout the project.

Y. Budget Preparation Design

The Contractor will work with the State Project Director, designated State subject matter experts, managers, and IT professionals to document the planned budget preparation process and create comprehensive functional and technical designs for Budget Preparation. As part of this effort, the Contractor will assist the State in determining how improvements to the State's Budget Preparation Process may be made in conjunction with the design and deployment of Budget Preparation software, this design document will include:

33. Budget forms and other inputs
34. All required budget preparation outputs
35. 'End-to-end' budget preparation process
36. Structure, controls, capabilities, reporting, and security associated with each of the State's budget preparation phases
37. Scenario based analytical and 'what if' capabilities
38. Operating and capital budget preparation capabilities
39. Text and graphics capture and reporting capabilities
40. 'Budget Book' publication

41. Automated loading of budget preparation module with previous years actuals and budget to use as a starting point
42. Automated loading of finalized budget to ERP to establish budget controls and reporting for each year
43. Other capabilities as needed to meet the state's requirements
44. Documentation of how the budget preparation module design will be realized via standard features, configuration, interfaces, site specific coding, reports, extracts, and modifications (if any)
45. How the prepared budget synchronizes with budget control approach and functionality to be used in ERP design
46. How initial loading of budget preparation will occur using converted legacy data
47. Chart of accounts elements that must be developed prior to implementation of the Budget Preparation Module
48. Functional and Technical designs for any required programming

Z. Produce Core Design Fundamentals Document

Within 12 weeks of the project start date, the Contractor shall complete an ERP Core Design Fundamentals Document that describes how the new ERP solution will be implemented to meet key core financial requirements associated with Phase 2 of the project. The effort to produce this document will include 3 components of analysis and documentation:

1. A thorough review and analysis of the State's current processing associated with:
   - m. R-STARS coding block and ledger usage; budget controls, agency usage, and reporting; transaction set; fund structures; data entry reduction capabilities; accounting practices; and inbound/outbound interfaces
   - n. DCDS transactions, capabilities, and usage including time and attendance, employee travel and expense reimbursements, and labor and employee expense distribution functionality
   - o. Contract and Payment Express functionality
   - p. Electronic Transaction Processing system's functionality
   - q. Warrant Writing and EFT Processing
   - r. DOT Federal Highway Billing
2. An overview of the planned ERP functionality, its relation to current capabilities, and how key project or processing needs will be met. The following will be included:
   - y. A listing of the ERP solution modules to be used by the State and the functionality that each will provide
   - z. A full list of the ERP solution transactions to be implemented
   - aa. Detail of how the new ERP coding block will be used and a cross walk to the State's current MAIN coding block usage (including all agency variations in use of the coding block)
   - bb. Detail of the approach, system options, and elements to be used to establish budget control and reporting
   - cc. Data entry reduction strategies to be used in the ERP
   - dd. The fund types proposed for implementation, the accounting model associated with each, and a comparison with fund types currently used by the State
   - ee. A description of the approach, ledgers, and key elements used to meet the state's requirements for full accrual, modified accrual, and cash basis accounting

ff. A listing and description of the key reporting tables and ledgers that will be used for budget, project, grant, and other key reporting needs

gg. A listing and explanation of key system structural, processing, and configuration options and recommendations as to how those options should be set for the State

hh. Details of how the new ERP will replace DCDS functionality

ii. Details of how the new ERP will replace Contract and Payment Express functionality

jj. An overview of planned integration between the ERP solution and the following:

- The State's procurement software
- Banking and electronic commerce institution software
- Department of Transportation Systems
- Treasury systems including those related to debt management, investment management, and offsets
- State systems making warrant and EFT requests via automated interface
- The State's HR-Payroll solution (HRMN)

3. An overview specifying how key ERP objectives of the State will be realized during the project. These objectives include:

mm. Automate and streamline budget preparation and Budget Book publication

nn. Chart of accounts reform/uniform coding block usage

oo. Replacement and improvement of the state's transparency & accountability portal

pp. Replacement and improvement of the state's vendor web self-service portal (C&PE)

qq. Support for debt reporting

rr. Support for investment accounting

ss. Vendor tax reporting (1099 and 1042), b-notices, and backup withholding

tt. MIDB data currency and reporting

uu. Project and grant reporting/budgeting/ processing

vv. Automating of cost allocation

ww. Automating bank reconciliation

xx. Reduction in the number of applications supported and interfaced

yy. Automate BAI interfaces with banks

zz. Migrate warrant writing from UNISYS mainframe to ERP

aaa. Implementation of ‘Positive Pay Banking’, if feasible

bbb. Automate vendor file synchronization with the State’s procurement system, 'Buy4Michigan'

ccc. Automate and streamline CAFR production and publication

ddd. Increase accounting and other detail posted from agency systems

eee. Other key objectives that may be identified during project planning

The Contractor shall work with the State Project Director to determine the sequence in which key components of the Core Design Fundamentals Document are produced, reviewed, and approved.

AA. Process and Transaction Mapping Analysis

In order to configure redesigned processes to work with the new system, ensure appropriate change management efforts, document new procedures, and produce training materials which relate new transactions to old, the Contractor shall prepare a Process and Transaction Mapping Analysis which details the following:

7. A crosswalk and comparison between transactions in systems to be replaced and the new system transactions
8. New process designs for all statewide processes to be implemented as part of the ERP Project.
9. A crosswalk between MAIN coding block elements and values inferred by Index and PCA codes and the equivalent coding block elements/values associated with those to be used when the new ERP system is implemented.

BB. Prepare Plan for Accounting Reform and the new ERP Chart of Accounts

The Contractor shall work with the State Project Director, designated State executives, managers, and accountants to prepare an Accounting Reform and New Chart of Accounts Development Plan that specifies a detailed approach as to how the following objectives shall be accomplished. That Plan should include the following:

25. Standardizing use of the coding block across agencies to facilitate consistent reporting for transparency, consistent use of budget elements, consistent use of statistical targets and 'actuals' in budgeting and reporting, and streamlined financial and operational reporting
26. Consolidating and standardizing objects of expenditure and other chart elements (which currently vary substantially across agencies)
27. Transition from the current practice of recording summary level transactions to administrative revolving funds (ARFs) with later detail reclassification to one where detail (particularly by funding source) is recorded on the initial transaction. The plan should include the needed assessment and and coordination steps required given the expected impact of eliminating ARFS on legacy system interfacing and possible modifications to such legacy systems.
28. Establishing new fund, program, function, account and other codes (including objects of expenditure, revenue sources, and balance sheet accounts)
29. Designing all chart, element, and other codes needed for budget preparation
30. Designing all chart elements and rollup codes needed to classify and summarize transactions for accounting and reporting
31. Meet CAFR reporting requirements with the new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
32. Meet Federal and State reporting requirements with new chart of accounts, user defined rollup codes, specific system files, and baseline or custom reports
33. Meet tax reporting requirements
34. Ensure that each fund is designated as being a particular type (e.g. governmental, proprietary, expendable trust, etc.) and that the accounting treatments appropriate for that fund type are applied
35. Ensure that each fund is accounted for on the appropriate basis given State policy (i.e. full accrual, modified accrual, or cash basis)
36. Ensure that agency defined chart elements are identified and that a plan for developing chart values for those elements is created that dovetails with the schedule on which such elements will be needed for data conversion, interfaces, and other project activities

CC. Create Cost Accounting Classification and Reporting Plan

The Contractor shall be required to prepare a comprehensive document which describes how the State shall design and setup its grants, projects, work orders, and cost allocation algorithms to accomplish the following and take advantage of system functionality:

19. Record grant awards and associated information
20. Record and track budget and actual grant related revenues and expenditures
21. Recording employee time and expense reimbursements to Time and Leave Module and obtaining 'costed' labor charges via Labor Distribution Module
22. Track draws against grants
23. Report specific expenditures to support grant draws and required federal reports
24. Meet CMIA (Cash Management Improvement Act) requirements
25. Record and track project budget and actual expenditures
26. Charge projects and grants for non accounting events (e.g., computer or other equipment usage)
27. Statewide and Agency allocation of costs to grants, projects, and work orders to support billing and reporting objectives via cost allocation module

DD. Inventory of Transactions, Views, Reports, and Processes

For each implementation phase, the Contractor shall produce a document listing and describing the transactions, views, reports, input or output forms, generated bills, correspondences, notices, work lists and workflows, batch processes, interfaces, and other functional capabilities or components that will be delivered for implementation in that phase. For each component or capability listed and described, the document will indicate whether the component is 'available out of the box', requires configuration, or requires site specific programming and how the State will review and approve the component. The document will also describe how system features, configuration, and extensions will be used to meet the Objectives of the State for the ERP project. The State will use the document in conjunction with other Contractor deliverables to verify the completeness of the Contractor's design and as a basis for determining whether the State's stated objectives for the project are being met via the design. The State is open to other approaches and deliverables that allow the State to meet its review objectives. Accordingly, the Contractor and the State Project Director may agree on an alternative deliverable subject to the written approval of State Project Executives.

EE. Provide Chart of Accounts Design Assistance

The Contractor shall assign one or more full time resources to assist State personnel in creating a comprehensive chart of accounts including new element values for all coding block elements and related rollup codes that may be used for accounting, budgeting, and reporting. This assistance will be provided in association with Phase 1 and Phase 2 of the ERP Project.

FF. Prepare a Site Specific Code Retrofitting Approach

The Contractor shall produce a Site Specific Code Retrofitting Approach document which outlines the strategy and approach that will be used to isolate and document site specific extensions and any modifications so that they may be re-introduced when the State upgrades to new releases of the application software.

GG. Prepare a Software Configuration Plan

The Contractor shall produce a Software Configuration Plan for each project phase that describes configuration required for each major functional area and the ERP solution transactions, views, data structures, and other functionality that will be achieved via configuration. This document may be consolidated with the Inventory of Transactions, Views, Reports, and Processes documentation at State discretion.

HH. Prepare Site Specific Functional and Technical Designs

Once configurations, extensions, enhancements, or modifications have been approved by the State, the Contractor shall produce functional designs for review and approval. Once approved, the Contractor shall then produce the detail technical designs necessary to guide programmers in creating and testing site specific code.

II. Prepare FHWA Comprehensive Design that meets DOT and US Federal requirements

The Contractor will work with designated Department of Transportation subject matter experts, managers, and IT professionals to document the planned Federal Highway Billing (FHWA), Federal Aviation Administration, and other DOT processes that bill the US Federal Government and create comprehensive functional and technical designs for FHWA Billing. As part of this effort, the Contractor will assist the State in determining how improvements to the FHWA and other Federal Billing Processes can be made as part of the effort. The Contractor shall also work with any assigned Federal Department of Transportation and any other Federal Representatives and with State Department of Transportation representatives to ensure that the new FHWA and other Federal Billing Design fully meets applicable Federal requirements.

JJ. Internal Control Risk Assessment and Update Related Designs

The Contractor will work with designated State personnel to perform a risk and internal control review for the processes and functions to be implemented as part of the ERP Project. The Contractor will document the results of that review and will include a description of the internal controls, key software features, and other information needed to address the identified risks selected designs and process design deliverables and work products related to those identified risks. The standards for accepting other process and design deliverables will include adequate treatment of risks and needed controls for those areas and topics identified in the Internal Control Risk Assessment.

Task 3 Deliverables

Phase 1

11. Requirements Validation Document
12. Budget Preparation Design
13. Inventory of Transactions, Views, Reports, and Processes
14. Software Configuration Plan
15. Chart of Accounts Design Assistance - Budget Preparation
16. Internal Control Risk Assessment
17. Functional Designs
18. Technical Designs
19. Site Specific Code Retrofitting Approach *
20. Requirements Traceability Matrix

Phase 2

16. Requirements Validation Document
17. Core Design Fundamentals Document
18. Process, and Transaction Mapping Analysis
19. Inventory of Transactions, Views, Reports, and Processes
20. Cost Accounting Classification and Reporting Plan
21. FHWA Comprehensive Design
22. Internal Control Risk Assessment
23. Software Configuration Plan
24. Chart of Accounts Plan
25. Chart of Accounts Design Assistance
26. Functional Designs
27. Technical Designs
28. Requirements Traceability Matrix

* Site Specific Code Retrofitting Approach applies to Phase 2 as well

Task 4 Configuration and Development

The Contractor shall perform development, configuration, unit testing, and integration testing activities as required to meet the validated requirements and to provide functioning software based on designs identified and approved as part of the Analysis and Design Task. Contractor responsibilities shall be as follows:

E. Configuration and Development Inventory

The Contractor shall prepare a Configuration and Development Inventory that lists all configurations, parameters, and site specific development that will be required for implementation in each phase; the assigned Contractor resource; and the approach that can be used by the State to validate functionality and verify design, configuration, and development completion. This document shall be submitted to the State Project Director for approval. After submission and approval by the State Project Director, the Contractor shall maintain the status of each item on the inventory and submit that information as part of the weekly status report. At the State's discretion, this deliverable may be consolidated with the Software Configuration Plan and/or the Inventory of Transactions, Views, Reports, and Processes.

F. Configured Software

The Contractor shall work closely with the State Project Director, team members, subject matter experts and technical personnel to meet process, workflow, and functional requirements via software configuration and planned usage as per the approved designs. The Contractor must demonstrate the configured software, as required during the project so that State personnel may review and approve it. Approved configurations must be unit tested and documented as well. The following table summarizes the responsibilities of the Contractor and State related to software configuration activities and tasks.

Activities	Contractor	State
Develop Software Configuration Plan*	Lead	Assist
Conduct Project Team Training on Configuration Tools and Process	Lead	Assist
Conduct Prototyping Sessions	Lead	Assist
Coordinate State Participation in Prototyping Sessions	-	Lead
Configure Applications	Lead	Assist
Review and Approve Configuration	Assist	Lead
Verify Expected System Functionality	Assist	Lead
Update software application documentation with configuration	Lead	Assist

* This document will be produced as part of task 3 – System Analysis and Design

G. Workflow Configuration and Development

The Contractor shall provide software, tools, and services to analyze, configure or develop, and test workflow, electronic notification, and electronic approval processes that are standard to the system and those that are development items. The approach is expected to include specific workflow and notifications that should be considered for deployment in each module.

The Contractor shall establish the workflow requirements by:

4. Providing workflow recommendations based on previous implementations of comparable size and complexity;
5. Reviewing and gathering needs from the Business Process Redesign effort; and

6. Validating the workflow requirements included in the Contractors RFP Response.

The Contractor shall configure the standard workflows that are part of the delivered product as part of the software configuration services. The Contractor shall design, configure, and test all custom workflows to meet the workflow related requirements as documented in the Contractors RFP Response.

In addition to providing the standard and custom workflows to meet the State's requirements as represented in Attachments 8 and 9 of this Agreement, the Contractor shall provide an allowance for additional workflow development services which may be required to design, develop, test, and document the following number of custom workflows in anticipation that additional workflow needs will be identified, required, and approved during the ERP implementation:

Complexity	Complexity Descriptions	Number of Workflow Processes
Simple	A two-step process that includes evaluating data against up to two variables from step one, then the initiation of step two based upon the results of the query.	20
Average	A process with up to five steps that includes evaluating data against up to five variables from step one, the initiation of step two based upon the results of the query with a simple approval process, including the development of a simple data entry screen and an approval screen.	20
Complex	A process with greater than five steps that includes evaluating data against variables entered in step one, the initiation of step two based upon variable rules, the initiation of step three based upon the results of a multi-table query with a multi-step approval, rejection, and re-approval process, including the development of related data entry screen and approval screens.	40

The following table summarizes the responsibilities of the Contractor and State related to work list and workflow related activities and tasks.

Activities	**Contractor**	**State**
Brief State ERP team on workflow recommendations from other clients	Lead	-
Validate all workflow requirements during business process reengineering	Assist	Lead
Identify and describe proposed workflows for development	Lead	Assist
Review and approve proposed workflows	-	Lead
Design and configure workflows (standard and custom)	Lead	Assist
System test workflows	Lead	Assist
Develop and complete Workflow Administration Guide	Lead	Assist
Conduct Knowledge Transfer for Workflow Administration	Lead	Assist

H. Site Specific Code and Modifications

The Contractor shall be responsible for completing all site specific extensions, enhancements, and any modifications to the ERP Solution software approved by the State during the Analysis and Design Activities. The Contractor shall be responsible for coding, unit testing, and integration testing of all site specific code in accordance with applicable approval procedures and criteria specified in the Agreement. In addition, the Contractor shall create all site specific code in accordance with the strategy and techniques outlined in the approved Site Specific Retrofitting Approach so that they can be easily reproduced when the State upgrades to new releases of the software application.

Task 4 Deliverables

Phase 1

5. Configuration and Development Inventory
6. Unit Tested and Documented Configuration
7. Unit Tested and Documented Site Specific Code
8. Unit Tested and Documented Workflows

Phase 2

6. Configuration and Development Inventory
7. Unit Tested and Documented Configuration
8. Unit Tested and Documented Site Specific Code
9. Unit Tested and Documented Workflows

Task 5 Data Conversion

The Contractor shall be responsible for the following data conversion tasks, activities, and deliverables:

I. Data Conversion Plan

The Contractor shall produce a comprehensive Data Conversion Plan including identification of State's responsibilities that will be subject to the approval of the State Project Director. This plan shall cover:

33. All aspects of creating the production database necessary to take the system "live"
34. Data transfers during the period when the old and new system are both operating (during year-end close processing or during implementation phasing)
35. Conversion of required data from legacy systems scheduled for replacement as part of the ERP Project (See Attachment 7: Systems to Be Replaced)
36. The establishment of beginning balances when the fiscal year ending 9/30/2016 is closed in the old system
37. Contingency planning requirements for alternate conversion timeframes
38. The conversion of any detailed master data, history, or open items necessary to support, reporting, auditing, or processing objectives including, but not limited to, project, grant, multi-year appropriations. The plan shall also include but not be limited to: all inventories of assets and supplies
39. The plan shall also include all inventories of FHWA billing.
40. Some historical data will be addressed through providing access to the operational data store via the infoAdvantage Warehouse. These historical data structures will be supported by BusinessObjects or by an ODBC connection.
41. Initial loading needed for budget preparation implementation
42. Loading sequence

43. MIDB loading for each applicable phase (no MIDB loading is required as of the Phase 1 implementation date. However, phase 1 data from the implemented Budget Preparation Software will need to be loaded as of the Phase 2 implementation date along with data associated with functions implemented in Phase 2)
44. Conversions needed for project activities including testing and training
45. Automated tools or routines to assist the state in validating and verifying converted and loaded data both to the application and to MIDB
46. Plan for conducting and reviewing Mock Conversions

This plan shall describe:

- All files or tables to be built in the new system
- Data sources for those files
- Expected data volumes
- Conversions where automated programming can be used to significantly reduce data conversion labor
- Summary of data (type, period of time, summary or detail) to be converted
- Roles and responsibilities and timing requirements for the conversion effort

Segments of this plan may be delivered serially to incorporate the results of analysis of assigned activities that occur as the project progresses. Updates to the plan will be made, as required, based on the learning and circumstances encountered during the mock conversions.

The Data Conversion Plan shall include the strategy and plan for loading budget data as well as reference, open items, and historical financial, cost accounting, asset, inventory, labor distribution, timesheet, and employee expense reimbursement data.

J. Data Conversion Programs

Based on the Data Conversion Plan, the Contractor shall be responsible for creating and testing automated conversion programs to support the commencement of live operations. This deliverable shall include:

7. Data Conversion Program Designs
8. Developing programming specifications
9. Coding and unit and integration testing for the conversion programs

The State shall be responsible for developing test scenarios and conducting the acceptance testing with the assistance of the Contractor. As part of this effort the Contractor shall build any crosswalk file structures required to complete this task. The State will assist the Contractor in populating the crosswalk tables and will be responsible for any legacy data cleanup required.

K. Mock Conversions

The Contractor shall be responsible for running mock conversions in a project technical environment to test the conversion and to verify that data is being converted successfully, accurately, and completely. The Contractor will provide automated tools or programs that assist the state in determining that the converted totals match source file totals, that record counts are accurate, that converted data passes all ERP validations, and that conversions occur within the window of time available during planned cutover and implementation activities. A successful mock conversion approved by the State will be required before the State agrees to commence User Acceptance Testing in each phase. Other mock conversions will be performed to allow as needed for testing, review of converted data, and to compare the time required for conversion within the time available in the implementation plan. Mock Conversion will be repeated as required to get to a successful mock conversion where data conversion was validated to be accurate and completed within the time available in the implementation plan.

L. Converting Data

The Contractor shall be responsible for running the conversion programs and assisting the State with the verification of the converted data in the production environment. Based on the Data Conversion Plan, the State will take responsibility for legacy data cleanup, loading data that is not practical to convert and load automatically, and for certifying the production database as being accurate.

The following table summarizes the responsibilities of the Contractor and State related to data conversion activities and tasks.

Activities	Contractor	State
Manage Conversion Activities	Lead	Assist
Create a Data Conversion Plan for migrating data between legacy systems and ERP Solution	Lead	Assist
Design and document Data Mappings	Lead	Assist
Extract data from legacy systems	Assist	Lead
Provide Subject Matter Expertise for legacy system data	Assist	Lead
Transform and import extracted data into ERP Solution including creation and population of crosswalk structures	Lead	Assist
Perform Data Cleansing	Assist	Lead
Provide guidance to the State on performing required data clean-up efforts identified through the mock data conversion process	Lead	Assist
Execute test run conversions and production conversion automated processes (Mock Conversions)	Lead	Assist
Present test conversion results to Project Governance	Assist	Lead
Validate quality and accuracy of converted data for mock conversions and production conversion	Assist	Lead
Perform manual conversion of data (including non-electronic data)	Assist	Lead

Task 5 Deliverables

General

3. Data Conversion Plan

Phase 1

9. Data Conversion Program Designs
10. Unit Tested Data Conversion Programs
11. Approved Mock Conversion
12. Converted Data in Production Environment

Phase 2

11. Data Conversion Program Designs
12. Unit Tested Data Conversion Programs
13. Approved Mock Conversion
14. Converted Data in Production Environment

Task 6 MIDB, Reporting, and Transparency & Accountability Website

H. Design, Develop, and Unit Test Budget Preparation Reports

The Contractor shall document reporting requirements and design, develop, and unit test reports needed for the Budget Preparation Implementation as specified more fully in Subsection E of this Task 6.

I. Design, Develop, and Test MIDB Changes

The Contractor shall design and develop new reporting data structures and indexes for the State's existing MIDB data warehouse. The additional MIDB data structures shall, at minimum, consist of:

3. Selected ERP Data Structures needed for MIDB reporting
4. Custom or Summarized Record Structures
   h. Detailed accounting transaction records expanded to include rollup codes and descriptions
   i. Detailed grant and project accounting records expanded to include rollup codes and descriptions
   j. Summarized fiscal year accounting data at the ‘Month to Date’ and ‘Year to Date’ level
   k. Summarized grant and project accounting data at the ‘Month to Date’, ‘Year to Date’, and ‘Inception to Date’ levels
   l. Records variously summarized by fund, agency, program, and other attributes
   m. Records which facilitate period and cross period reporting
   n. Other record structures needed to meet ad hoc reporting objectives

J. Data Refresh, Custom Record Building, and Operations Capabilities

The Contractor shall provide configured Extract, Transform, and Load (ETL) or other tools and any required custom programming to update new ERP related data in MIDB on a nightly or more frequent basis. (The State must approve the use of any tool.) The following items that are required will be included:

9. ERP extracts
10. Database replication
11. Data transformation (either from one record structure to another or from XML to fixed record structures suitable for reporting)
12. MIDB loading

13. Summarization and custom record building within MIDB
14. Control reports and synchronization routines
15. Programming to rebuild ERP related MIDB data if it becomes corrupted
16. Architecting the MIDB backup and recovery process

K. Report Analysis
The Contractor shall organize and lead the effort to:

7. Review standard reports delivered with the ERP software and obtain State decisions as to which will be implemented on the ERP Project.
8. Review State reporting needs and obtain and document State decisions on which custom reports will be needed from MIDB and from the ERP production application (and from any third party software products that were proposed by the Contractor in its RFP Response).
9. Analyze reporting needs and identify where the State can reduce the overall number of reports required via the use of request or run time parameters that allow the focus and content of the report to be tailored for different groups or needs. For example, report parameters specifying agency, period, date range, fund, and other variables would allow a single report program to be used to provide statewide or specific agency data and to provide data for particular periods or all periods during a fiscal year, as needed).
10. Analyze reporting needs and identify where the State can achieve economies via use of report distribution capabilities (e.g. where a single report could be run and the report distribution software divided and distributed each agencies data in the report rather than running a series of individual agency reports).
11. Obtain and document State decisions on the project phase in which each approved report will be implemented.

L. Reports
The Contractor shall design, develop, and unit test the following reports:

8. All reports and schedules required to produce and publish the State's Comprehensive Annual Financial Report
9. All reports required to meet State and federal reporting requirements
10. All reports specifically identified in the State's functional requirements and rated as "high" if the report cannot be addressed by the ERP system's standard reports
11. All reports specifically identified in the State's functional requirements and rated as "medium" if the report requirement cannot be met by a standard report, subject to the approval of the State
12. 1099 and 1042 reporting
13. All control and operational reports required (including control reports for batch processing and interfaces and operational reports related to disbursement runs, daily transaction listings, reconciliation, synchronization, worked and unworked items, aging reports, etc.).
14. The following additional custom reports as determined by the State, and as defined and agreed to in the planning and design phases of the project:

    c. **Custom MIDB Reports** – The Contractor shall produce the following number of MIDB custom reports based on input from State Project Management.

    - **100 simple reports** – defined as reports that are estimated to require less than or equal to 40 hours to complete the entire development process, including report design and documentation, development, and unit testing.

- **100 medium reports** – defined as reports that are estimated to require greater than 40 hours but less than or equal to 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.
- **100 complex reports** – defined as reports that are estimated to require more than 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.

d. **Custom ERP Reports** – The Contractor shall produce the following number of custom reports that operate against the ERP Solution production database(s) based on input from the State Project Director.

- **100 simple reports** – defined as reports that are estimated to require less than or equal to 40 hours to complete the entire development process, including report design and documentation, development, and unit testing.
- **100 medium reports** – defined as reports that are estimated to require greater than 40 hours but less than or equal to 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.
- **100 complex reports** – defined as reports that are estimated to require more than 80 hours to complete the entire development process, including report design and documentation, development, and unit testing.

M. Report Distribution

The Contractor shall setup and test all custom and standard reports (that the State has decided to use) on the Report Distribution System in each phase.

The Contractor shall setup and test an interface to State's Computer Output to Laser Disk system (COLD).

N. Transparency and Accountability Website Design and Development

The Contractor shall produce required designs and perform needed development and unit testing for the new State Transparency and Accountability Website. Consultation with the State Project Director in all stages of design and development is required. At a minimum, the Transparency & Accountability site should provide the following:

10. Provide year-to-date expenditures by category within state department
11. Provide year-to-date expenditures by category within appropriation unit.
12. Provide information regarding vendor payments by vendor, state department, and spending category including the payee name, department issuing the payment, spending category, payment date, and payment amount.
13. Provide ability to exclude confidential or sensitive payee and expenditure data
14. Be searchable.
15. Provide the ability to drill down to lower levels of detail.
16. Provide the ability to display data as charts and graphs.
17. Include data for the current fiscal year and the four previous fiscal years.
18. Provide that data be updated regularly, at least once per month.

In addition, the State is interested in expanding and improving the information and functionality provided by the current website. Examples of potential improvements follow:

- Show budget vs. actual
- Show multi-year appropriations and summary expenditures
- Show YTD revenues vs. expenditure data in pre designated categories and summary levels
- Show expenditure trend data across multiple periods in selected expenditure categories

- Show comparative period expenditure data for current and prior year on a YTD basis
- Show funding splits for state programs
- Show program level expenditures
- Other

Task 6 Deliverables

Phase 1

4. Budget Prep Report Designs
5. Tested and Approved Budget Preparation Reports
6. Report Distribution System Installed, Configured, and Ready for Phase 1 implementation

Phase 2

13. MIDB Design
14. Tested and Approved MIDB Changes
15. MIDB Report Designs
16. Tested and Approved MIDB Reports
17. Report Designs for Production ERP
18. Tested and Approved Reports for Production ERP
19. CAFR Report and Publication Design
20. Tested and Approved CAFR Reports/Publication
21. Transparency & Accountability Website Design
22. Tested and Approved Transparency & Accountability Website
23. Report Distribution System Configured and Ready for Phase 2 Implementation (including COLD interface)

Task 7 Interfaces

The Contractor will design, develop, and implement interfaces listed and described in Attachment 6: Interfaces. These interfaces will be needed to support existing processes and external systems that currently interface with MAIN or other systems slated for replacement as part of the ERP Project. In order to reduce the development and maintenance effort associated with these interfaces, the State requires that all inbound and outbound system interfaces be funneled through standardized interfaces for each identified interface type. This software shall be fully documented to allow DTMB and other State agencies to properly structure current and future interface projects and to facilitate maintenance of interfaces once the system has been implemented. The Contractor will also be responsible for designing, developing, and testing any temporary interfaces that may be required during implementation phasing following the same responsibilities as outlined below in E, Roles and Responsibilities.

The Contractor's responsibilities shall include the following tasks, activities, and deliverables.

H. Create Major Integration Approach Document

The Contractor shall create and submit a document to the State describing key integration between the ERP and the following internal and external systems:

19. State's Transportation legacy systems
20. State's procurement software (from Periscope)
21. State's human resource and payroll software (from Infor)
22. State systems that transmit warrant and EFT requests for Disbursement
23. State systems that transmit Payment Vouchers for processing that require vendor file synchronization
24. Banks, credit card processors, and other financial institutions

25. Vendor systems that submit EDI based vendor invoices
26. Integration/Interfaces between the ERP software and any third party or custom applications provided for the project as required to meet specific requirements.
27. State's IT Portfolio and Resource management software (Changepoint)

The Contractor shall work with designated state personnel from DTMB, Treasury, and other State Agencies, as well as representatives from external entities to document requirements, design approaches, key details, legacy system modification needed, and any issues associated with the listed integration/interface areas. The document shall also describe how each of the complex integration/interfaces will be tested including those involving external entities.

I. Create Interface Plan

The Contractor shall provide the State with a plan which identifies, analyzes and schedules all interfaces (including those analyzed in the Major Integration Approach Document) to be developed and implemented. This plan document shall include:

10. A description of each interface that is required
11. The direction of the interface
12. The ERP and other system transactions involved
13. Data mapping and translation required
14. Frequency with which the interface will run
15. The technical approach to be used for the interface
16. The phase in which the interface will be needed
17. The identification and resolution of data translation or other issues
18. The sequence in which the interfaces shall be developed and moved to production. All temporary interfaces needed as part of the phasing approach shall also be included in this document.

J. Integration/Interface Between ERP and any Third Party Software Products

The Contractor shall be responsible for all design, programming, extracts, translations, loads, interface tool configuration and extension, job creation, and unit and integration testing required between the ERP and any third party software proposed by the Contractor to meet applicable State requirements.

K. Major Interface/Integration

The Contractor shall be responsible for all design, programming, extracts, translations, loads, interface tool configuration and extension, job creation, and unit and integration testing for the following major integration efforts:

2. Integration between the ERP solution and the State's Procurement System including:
    - h. Vendor file synchronization
    - i. Validation of Procurement system transactions against coding block and budgets stored in the ERP system
    - j. Creation and processing of ERP encumbrance transactions based on Purchase orders created in the Procurement System
    - k. Creation and processing of ERP Payment Voucher transactions based on match processing that takes place in the Procurement System
    - l. Creation and processing of encumbrance adjustment, liquidation, or cancellation transactions based on change, cancellation, or other Procurement System Transactions

m. Posting of payment scheduling, warrant date and numbers, and other remittance information from the ERP back to the Procurement System to support reporting and queries

n. Posting of transactions to the ERP system in association with lapsing and reestablishment of purchase orders at year end

3. Integration between the ERP solution and the State's Human Resources and Payroll System including:

   h. Posting of Time and Leave data from the ERP to the State's HR/Payroll system

   i. Updating the ERP with payroll accounting and other data to perform labor distribution processing and subsequent update of the ERP accounting and cost accounting records

   j. Validation of employee data on ERP travel and expense reimbursement vouchers against employee data stored in the HR/Payroll System

   k. Posting of approved employee travel and reimbursement requests to the HR/Payroll system for payment through payroll

   l. Posting of accounting entries and remittance data to ERP from the HR/Payroll to reflect payment and associated distribution of payroll and travel/expense reimbursements

   m. Posting of any warrant requests to the ERP for disbursement for any payroll payments that could not be scheduled for payment through the normal payroll disbursement process

   n. Posting of payroll liability transactions and, where applicable, third party payroll payments to the ERP

4. Payment requests to the ERP for payees that will not be in the Vendor File for example, Tax Refunds, Retirement Payrolls, and Payroll

5. Vendor File Synchronization with State Systems that will transmit payment requests via automated interface

6. Payment requests to the ERP from State systems that will transmit payment requests via automated interface

7. Interfaces with Banks, credit card processors, and other financial institutions

8. Vendor systems that submit EDI based vendor invoices

9. Interface with Michigan Treasury Offset System

10. Interface with State's IT Portfolio and Resource management software (Changepoint)

L. Other Interface Application Software

In addition to its responsibilities for Major Interfaces/Integration listed above, the Contractor shall complete the following for other required interfaces included in the Interface Plan:

6. Program specifications

7. Interface tool configuration and extension, if applicable

8. Interface programs

9. Unit and integration testing of the interface programs or configured tool

10. Creating and testing jobs to combine interface programs developed by the Contractor with any data extract, translation, and mapping programs or other components created by State programmers (or State contractors)

State Responsibilities

The State will be responsible for providing subject matter knowledge of existing interfaces and associated data. State subject matter experts will be made available to consult with the Contractor during the development of the Major Integration Approach Document and Interface Plan and to assist with the determination and adoption of acceptable alternatives to interfaces when appropriate.

For interfaces other than those associated with major integration efforts listed above, the State will be responsible for coding and unit testing interface programs that extract data from State legacy applications using the formats and protocols defined by the Contractor for use in the transformation and load processes. Additionally, the State will code and unit test interface programs that load data into the legacy applications using the formats and protocols defined by the Contractor and will verify the accuracy of the interfaces through participation in all levels of testing.

The following table summarizes the interface responsibilities of the Contractor and the State.

Interface Roles and Responsibilities	Contractor	State
Managing Interface Activities	Lead	Assist
Interface Planning	Lead	Assist
Interface Design	Lead	Assist
Installation, Maintenance and Operation of Tools	Lead	Assist
Interface Program Specifications	Lead	Assist
Interface Development/Unit Test (Transformation and Load Processes) to State Legacy Systems	Lead	Assist
Interface Development/Unit Test (Extract Processes) involving State Legacy Systems other than those associated with major integration efforts	Assist	Lead
Integration between ERP and any third party tools proposed by the Contractor	Lead	Assist
Audit / Control Reports	Lead	Assist
Interface Procedures	Lead	Assist
Conduct Integration/System Testing	Lead	Assist
Execute User Acceptance Testing*	Lead	Assist
Verify User Acceptance Testing*	Assist	Lead
Provide Subject Matter Expertise*	Assist	Lead
Execute Production Cut-over*	Lead	Assist

Interface Roles and Responsibilities	Contractor	State
Verify Production Cut-over*	Assist	Lead

* These responsibilities will be executed in association with other tasks in the Statement of Work.

Task 7 Deliverables

General

5. Major Integration Approach Document (covering all phases)
6. Interface Plan (covering all phases)

Phase 1

5. Interface Designs
6. Interface Tested Programs

Phase 2

20. Interface/Integration Designs
21. Completed and Tested Transportation System Integration
22. Completed and Tested HRMN Integration
23. Completed and Tested Procurement Integration
24. Completed and Tested Disbursement Integration
25. Completed and Tested Banking, Credit Card Processors, and Other Financial Interfaces with External Parties
26. Completed and Tested EDI
27. Other Interface - Tested Programs
28. Completed and Tested Treasury Offset Integration

Task 8 System and Recovery Testing

All system components must be subjected to system and recovery testing performed by the Contractor including all application software, interfaces, reports, forms, and any other components that will be used as part of the production system. The Contractor will conduct unit and integration testing on all components prior to commencing system and recovery testing. System and Recovery Testing must be thorough enough to demonstrate that the ERP solution is stable, functions as designed, and has minimal software or configuration defects going into the User Acceptance Test. All Severity 1 and Severity 2 defects, as defined in Attachment 9, that are discovered during System and Recovery Testing will be resolved prior to the commencement of UAT unless approved in writing by the State Project Director or her designee. Additionally, if the State Project Director determines that Severity 3 defects discovered during System and Recovery Testing exist in numbers or in combinations that materially affect the State's ability to perform User Acceptance Testing, these defects will be resolved prior to the commencement of UAT. Contractor will be responsible for the following:

G. System and Recovery Test Plans

The Contractor shall prepare plans and test scripts for system and recovery testing in each phase that will verify that:

11. The new, modified and unmodified software work in concert and operate in stable fashion;
12. The system has been properly configured and contains reference data and parameter settings needed for production use;
13. Reports, correspondence, and forms work in accordance with State requirements;
14. All scripts or job streams are complete and run properly;

15. All security roles, functions and controls operate as intended;
16. All interfaces function properly;
17. All web-based application and integration programming functions properly;
18. The system can be successfully restarted and recovered;
19. The system functions properly using converted data;
20. End-to-end processes are fully tested. All integration points are tested including those within the ERP application, between the ERP and any third party application software provided by the Contractor, and between the ERP application/third party applications and State legacy systems.

This test plan shall be comprehensive in scope and shall be drafted in cooperation with the State Project Director and subject matter experts. At the State's discretion, testing involving converted legacy system data may be required.

The State reserves the right to review test scripts. The Contractor will provide full and complete reports to the State during the course of system testing that show test scripts created, reviewed, and approved. Such reports shall also include test results that detail tests passed, test failed, the reason for test failure (e.g infrastructure, configuration, data, software, or script error), and tracking of re-tested scripts until successful. The report must also track the status of fixes pending, made, re-tested, and the outcome of such re-tests.

H. Prepare and Load System and Recovery Test Environment

The Contractor shall perform all tasks needed to create and prepare the system and recovery test environment including all hardware, system software, DBMS, fully configured application software, other software or components, unit and integration tested programs, and production values for all parameters except where non production values have been explicitly agreed upon by the State Project Director to meet particular test objectives. The Contractor will also perform all tasks necessary to load required master data, reference data, chart of accounts records, MIDB data, opening balances, open items, and other data needed to conduct planned testing. The State will assist in performing those tasks where its involvement is required.

I. Application System and Recovery Testing

The Contractor shall be responsible for conducting a system and recovery test in each project phase in accordance with the approved System and Recovery Test Plan. All system test and retest results shall be documented, exceptions analyzed. Material software, configuration, environment, or other defects shall be corrected. The Contractor shall consult with the State Project Director and designated State personnel to determine the extent of regression testing required, if any, based on the extent of discovered defects and 'fixes' observed. The Contractor shall then be responsible for running those regression tests, addressing any issues and correcting any defects that may be discovered before finalizing testing. The Contractor shall lead selected State project team members through the system and recovery test process so that they may review the test process and outcomes and learn about system operations and functionality. The overall testing and corrective effort shall be thorough enough that few software “bugs” or configuration defects are uncovered in the User Acceptance Test which will follow. At the conclusion of testing, the Contractor will certify to the State that system and recovery testing for the project phase is complete and successful and that all discovered defects and issues have been resolved prior to the beginning of User Acceptance Testing for that phase.

The Contractor shall not start system and recovery testing for a project phase unless all development, configuration, unit and integration testing needed for that phase has been completed and approved by the

State Project Director. Any exceptions must be approved in writing by the State Project Executives or their designee(s).

The following table summarizes the system and recovery testing responsibilities of the Contractor and the State.

System Test Roles and Responsibilities	Contractor	State
Develop System and Recovery Test Plan	Lead	Assist
Provide sample test scripts and lists of scenario topics developed from other projects	Lead	-
Develop system test scripts for all online, batch, and web components of the total ERP solution	Lead	Assist
Develop system test scripts for all forms, reports, interfaces, conversion components, enhancements and workflows	Lead	Assist
Develop recovery test scripts	Lead	Assist
Prepare and populate the system and recovery test environment with all components and data needed to conduct planned testing	Lead	Assist
Test online, batch, and web components of the ERP solution	Lead	Assist
Test forms, reports, interfaces, conversion components, enhancements, and work flows	Lead	Assist
Perform recovery testing	Lead	Assist
Perform issue resolution for tested online, batch, and web components	Lead	Assist
Perform issue resolution for tested forms, reports, interfaces, conversion components enhancements, and work flows	Lead	Assist
Perform issue resolution for interfaces and conversion components developed by the State	Assist	Lead
Perform issue resolution for recovery test issues	Lead	Assist
Manage and track status of activities	Lead	Assist

Task 8 Deliverables

Phase 1

4. System and Recovery Test Plan
5. Approved and Loaded System and Recovery Test Environment
6. Approved System and Recovery Test Outcomes

Phase 2

7. System and Recovery Test Plan
8. Approved and Loaded System and Recovery Test Environment
9. Approved System and Recovery Test Outcomes

Task 9 User Acceptance Testing Assistance

The State will be responsible for conducting acceptance testing of the entire application but the Contractor shall certify, in writing, that the System and Recovery Test has been satisfactorily completed and that other UAT readiness milestone requirements have been met prior to the commencement of any User Acceptance Testing. In addition, the Contractor shall provide the following assistance before and during such testing:

F. User Acceptance Test Training

The Contractor will provide orientation and training on the system design, configuration, and functionality for State User Acceptance Team members who will be planning, creating test scripts, and executing the User Acceptance Test.

G. User Acceptance Test Planning Assistance

Although the State will take primary responsibility for preparing the Acceptance Test Plan, the Contractor shall provide assistance:

8. Structuring test cycles
9. Designing and creating test scripts
10. Explaining user actions, transactions, and processing outcomes
11. Explaining batch processes and processing outcomes
12. Organizing the test tracking, outcome tracking, and exception follow-up procedures
13. Updating the RTM
14. Creating test scenarios that allow the State to test the Implementation Checklist cut-over processes and procedures as part of the UAT. The cut-over to UAT will be used as a 'rehearsal' for the production cut-over.

The User Acceptance Test Plan shall be built around the State's most important business scenarios but will include comprehensive testing of the software and interfaces to ensure that it conforms to marketed or promised functionality.

H. User Acceptance Test Environment

The Contractor will be responsible for the establishment of a User Acceptance Test Environment that is completely ready for User Acceptance Testing including:

9. All required hardware, system software, database management systems, and other production environment components
10. Completely configured, extended, modified, system tested, and performance tuned ERP solution including any third party software application components (including all application programs, files, interfaces, reports, forms, and other components)
11. All parameters loaded with intended production values
12. A fully loaded application database(s) with converted data
13. A fully adapted, system tested, and loaded MIDB that is synchronized with data in the ERP application
14. Security settings to allow all State acceptance test participants to execute test scripts
15. Pre-work required to allow testing of interfaces with State and external applications
16. The State intends to conduct production-volume (batch and online data included) performance testing in the UAT Environment. The UAT environment needs to mirror the production environment

I. User Acceptance Testing Assistance

The State will assume responsibility for conducting user acceptance testing of the entire application. The Contractor shall provide assistance during such testing. This assistance shall include:

18. Providing organizational system set-up and other required support to allow for the Implementation Checklist cut-over testing.

19. Any tasks that the Contractor would be responsible for performing during the Production Implementation, the Contractor will be responsible for performing during the cut-over to UAT. This serves to ensure user acceptance testing is based on an appropriate UAT environment and helps to validate the production implementation process. The Contractor would be responsible for identifying, tracking, and resolving problems or issues with the Implementation Checklist and any tools or components that were used while performing checklist items. In addition, the Contractor would be responsible for tracking start and end times for checklist items to ensure the implementation can be achieved within the cut-over window.
20. Submitting off-line jobs.
21. Performing backups.
22. Restoring databases as required.
23. Analyzing and explaining outcomes.
24. Answering questions as they arise.
25. Orientation and training on functionality of the system.
26. Assisting with ad hoc inquiries both to the ERP solution and to MIDB.
27. Converting data and loading it to the UAT environment so that the test can verify that the software works with converted data.
28. Setting up vendor self service functions available over the internet including those related to ACH or credit card payment processing.
29. Setting up and directly conducting interface testing with external parties including banks, credit card companies, and other external entities (under supervision by the State).
30. Setting up and assisting with internal interface testing with State Agencies.
31. Assisting with test data set-up, including simulating interface data, and conducting the production-volume performance test.

Successful completion of the User Acceptance Test in each phase shall be required before the software can be approved for production use.

J. FHWA Demonstration Testing Assistance

Under federal law, state transportation departments are expected to successfully complete a comprehensive test of the ERP's capabilities that shows it satisfies the primary elements of the Federal-Aid Highway Program (FAHP). This demonstration must occur prior to implementation of the ERP software for DOT. The Contractor shall be responsible for ensuring that the ERP system fully supports the required functionality and for preparing the test environment for the FHWA system demonstration. DOT staff will be responsible for performing the demonstration scripts to the satisfaction of the FHWA reviewers.

Task 9 Deliverables

Phase 1

5. User Acceptance Test Training
6. User Acceptance Test Plan and Scripting Assistance
7. User Acceptance Test Environment and Data
8. User Acceptance Test Assistance

Phase 2

6. User Acceptance Test Training
7. User Acceptance Test Plan and Scripting Assistance
8. User Acceptance Test Environment and Data
9. User Acceptance Test Assistance
10. FHWA Demonstration Testing Assistance

Task 10 Documentation

The Contractor must develop and provide the State with all required system documentation at the time the system is presented for final acceptance. The Contractor shall provide complete and accurate technical, system, operations, administrative, and user documentation as specified below:

L. Security Administrators Guide

The Contractor shall prepare a comprehensive security guide that combines general reference information with State-specific procedures to assist security administrators in performing their duties.

M. User Documentation

The Contractor shall develop End User Documentation with on-line user procedures, on-line help, and on-line policy documentation along with a hard-copy quick reference for ERP System users that provides log-on and log-off procedures and basic access and navigation instructions. The on-line guide must at least contain the following:

11. The customized and configured windows, screens, element names, modified functionality, government orientation, and other distinguishing characteristics and site specific configuration applicable to the State;
12. Functional Help Desk Phone Number;
13. Technical Help Desk Phone Number;
14. Instructions on obtaining a file from the new system;
15. Transaction Quick Reference Guides which include step-by-step procedures for executing each business process;
16. Report Guide (MIDB and Non-MIDB Related);
17. Transparency & Accountability Portal documentation;
18. Year-End Close Processing and CAFR Production Guide including steps for both Central and Agency staff;
19. Important Dates; and
20. Key Tips and Tricks.

N. System Management Guide Documentation

The contractor shall assist the State with development of a System Management Guide. This guide will describe the overall control and reconciliation procedures for the ERP system. This manual will be distributed to central system management personnel responsible for the administration, processing and control of the ERP system.

O. Operations Documentation

The Contractor shall develop complete operations documentation. The operations documentation must include overviews of the application, system structure, major processing, required interfaces, report documentation and correspondence documentation. This includes producing a Run Book, documenting any required periodic maintenance tasks, and documenting annual processes. The operations documentation must also describe the overall batch or background process schedule, including dependencies, sequencing, timing, and recovery procedures in the event aborted jobs or other batch errors.

P. Technical Documentation

The Contractor must produce complete system documentation that addresses the application software and its architecture (e.g., implementation view of the application architecture). This includes all ERP software source code, programs, executables, interface file layouts (or APIs for any real-time interfaces), EDI Implementation Guides, Run Book, software configuration management process, tool-specific guides (problem tracking tool, change tracking tool, version control tool, etc.) and a comprehensive data model that includes a detailed Data Element Dictionary **(**DED). The data element dictionary must include a crosswalk that reflects the data elements used by each function or module, logical data model, new user-defined elements, and a tool for keeping the DED current. The Vendor must maintain this documentation to reflect changes made throughout the project.

Q. Documentation of All Customization/Configuration Parameters

The Contractor must document all customization /configuration parameters used at the State as well as the full range of alternative values possible (and the effect of each value). The documentation must reference all parameters and note and explain where dependencies occur and where environmental conditions dictate specific usage and settings.

R. Documentation of Exit Points and Exposed Parameters for Site-Specific Programming

The Contractor shall document all supported program exit points. The documentation must include the envisioned functionality of each exit point, any configuration values that may affect the operation of each exit point and the input and output data parameters or arguments available to site-specific programs invoked from each exit point. The documentation must also include sample programming code that uses the exit point with the associated input and output data parameters. The documentation must reference all parameters and note and explain where dependencies occur and where environmental conditions dictate specific usage and settings.

S. Workstation Installation Procedures and Automated Installation Tools

If there are any workstation-based components to any of the proposed software products, the Vendor shall provide the State with a set of documented procedures and automated deployment/installation scripts for use with the State's software distribution tools. These scripts and procedures must enable State staff to independently install and connect additional workstations. The state may move toward a virtual desktop.

T. Workflow Administration Guide

The management and administration of workflow software is expected to be a required duty for selected State personnel. The Contractor shall produce a Workflow Administration Guide that describes the duties of workflow administrators. The Guide must include:

7. Coverage of policies and procedures for workflow setup
8. User setup
9. Work group setup
10. Workflow rules setup
11. Provisions for establishing alternates for absent users
12. Archiving and reporting

U. Online Help

The Contractor shall describe the online help functions delivered with the proposed software, and the process available, if any, to customize the online help to support the software as configured and customized (if necessary) to meet the State's business needs.

V. MIDB Related Documentation (job set up, recovery, etc.)

The Contractor shall provide the data dictionary, technical documentation for ETL refresh processes, custom record building, canned reports, quantitative and qualitative reconciliation processes, Business Object Universes and associated security models.

Task 10 Deliverables

Phase 1

8. Security Administration Documentation
9. User Documentation
10. System Management Guide
11. Operations Documentation
12. Technical Documentation including Customization/Configuration Parameters, Exit Points and Exposed Parameters for Site-Specific Programming, Workstation Installation Procedures and Automated Installation Tools, and MIDB Related Documentation
13. Workflow Administration Documentation
14. Online Help

Phase 2

8. Security Administration Documentation
9. User Documentation
10. System Management Guide
11. Operations Documentation
12. Technical Documentation including Customization/Configuration Parameters, Exit Points and Exposed Parameters for Site-Specific Programming, Workstation Installation Procedures and Automated Installation Tools, and MIDB Related Documentation
13. Workflow Administration Documentation
14. Online Help

Task 11 Training and Knowledge Transfer

The Contractor shall provide four categories of training/knowledge transfer:

- Project Team Training;
- User Training to support implementation and ongoing needs;
- Technical and operations personnel training to support implementation; and
- Deeper knowledge transfer to a core group of functional, administrative, programming, and other technical and operations personnel to support independent capabilities consistent with the State's post implementation role when the Contractor departs.

Pursuant to the Managed Services Agreement the Contractor may limit technical knowledge transfer to those areas associated with the State's post implementation roles. The State will provide training facilities, as required.

The following shall be included as part of Contractor services:

U. Project Team Training

At minimum, the Contractor shall provide training to the project team as follows:

4. In the first weeks of the Project, training shall be provided using the installed baseline software. This training shall cover:

   y. System architecture, navigation and functionality

   z. The Contractor’s basic strategy for establishing a scheme of classification for the State

   aa. The Contractor’s proposed means of meeting the State’s budget needs

   bb. On-line and batch operations

   cc. Security, system options available

   dd. Implementation methodology

ee. Project team roles and responsibilities

ff. Other topics useful in orienting the Project team to the software

The Contractor shall also explain how State Project team members may gain continued access to the "User Playground" environment to better understand system functionality and to try various business scenarios.

As the Project Strategy, Plan, and Resource Schedule become finalized, the Contractor shall provide education sessions to Project team members and key stakeholders on the approved strategy and plan. Key State executives, the State Project Executives, and the State Project Director will also participate in explaining the path to be taken.

As the Project progresses, the Contractor shall provide focused sessions with supporting materials on how State Project responsibilities can be met. Such topics shall include: developing desk procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing and operating a help desk, and other relevant topics helpful to Project team members in planning, organizing, and executing their assigned Project roles.

V. Training Needs Assessment

The Contractor shall perform and document a training needs assessment for all pertinent State users, management, executive, technical, administrative, and operations personnel. The assessment will identify who needs training and what training is needed. It will also include an assessment of the extent of change necessary and where activities, materials, or supplemental help may be needed for State personnel to be adequately prepared to perform their ERP related duties and responsibilities once the ERP solution is implemented.

W. Training Plan

The Contractor must provide a detailed training plan for the design, development, implementation and evaluation of a comprehensive training program for the ERP System. The Training Plan will serve all levels of the ERP Project including the project team, system users, trainers and technical staff. It will be updated, as required, to reflect any evolution in planned content, delivery, and scheduling as the project proceeds.

The Training Plan will be based on the 'training needs assessment' conducted by the Contractor and must also describe the types of training to be employed to meet identified needs. The Plan must focus on the initial implementation of functionality to replace the existing systems/procedures, as well as immediate training for State users.

X. Training Curriculum

The Contractor will identify and document the training curriculum that will be used to educate and train State staff on functional use of the system, reports, ad hoc reporting, how to perform administrative functions, and on technical and operations topics that will be required by State personnel to operate, support, and maintain the ERP System.

Y. Training Materials

The Contractor must design and develop all training materials including training guides, speaker notes, syllabi, user materials, user exercises, examples, and course curricula (including training objectives and outcomes). The Contractor must provide all electronic source documents and graphics used in the development and presentation of training. The State will provide specialized examples to incorporate in the training materials for particular agencies that may make different use of the same system features or transactions. In addition to computer based training, the Contractor must create material for high level demos/live sessions that can be conducted with various target audiences, for example, the time and leave audience, via auditorium and web-ex sessions.

Z. Computer Based, Web-ex, and Auditorium Training for Time and Attendance and Employee Travel and Expense Reimbursement

The State's approximately 47,000 employees must be trained on the time and attendance functionality, as well as the employee travel and expense reimbursement functionality. The Contractor shall design, develop, test, and deploy computer based training (CBT) (preferably available over the Web) to all applicable State employees. The Contractor must pilot the high level demos/live sessions with the time and attendance audience via auditorium and web-ex sessions and train State staff to conduct additional sessions. This training must be comprehensive enough to allow end users to begin using the new time and attendance and employee travel and expense reimbursement functions upon implementation without any classroom training or one-on-one assistance. Because of the differences in time-keeping data entry across the State's workforce, specialized training examples will be needed for some groups (e.g. some MDOT employees, Corrections Officers, legislative and judicial agencies, etc.). The Contractor will be required to make the CBT modules available during Acceptance Test to verify its effectiveness and readiness for use by the State's employees and (with the State's assistance) deploy the software for use in training end users. The Contractor must leave all required tools to modify and deploy the CBT modules with the State for future use

Help desk staff will require more direct training. This group can be used as a pilot for the effectiveness of the CBT.

AA. End User Training to Support Implementation

A train-the-trainer classroom approach will be pursued by the Contractor to assist State in training employees who will be using the ERP System for functions other than Time and Attendance and Employee Travel and Expense Reimbursement. The main goal will be the effective training of approximately 4,000 users in a compressed timeframe as part of Phase 2. As part of this effort the Contractor must provide:

13. Classroom materials to support the classroom training effort. These materials may then be customized further by State personnel, with the Contractor's assistance, to include desk procedure content, organization context information, and comparisons with previous procedures.

14. Training for State trainer candidates in:

    e. The system functionality on which they will be performing training; and

    f. How to customize the training materials and set up specific reference data in the training environment.

15. A stable, tested training environment pre-loaded with representative converted reference and historical data that can become a starting point for creating training materials (including screen prints showing user actions and processing outcomes). Note: For training purposes the State will take responsibility for entering representative reference data that is impractical or impossible to convert automatically.

16. Assistance to the trainer candidates as they customize training materials and enter required data to support their future training exercise.

17. Assistance creating and reloading the training database. This assistance will include: back up, restore, refresh, and troubleshooting assistance in the training environment as materials are prepared and customized and as end user training proceeds. Assistance related to the training database shall include creation, loading, and reloading the training database created using training specific data and an extract from the successful and approved mock conversion. It will also include setting the system clock and calendar as required to support training scenarios and repetition of particular training courses for different and subsequent user groups.

18. Assistance developing Executive End User desk guides for casual use and inquiry / reporting within the ERP solution.

BB. Technical and Operations Personnel Training

The Contractor must provide hands-on training to State personnel in the necessary skills to provide needed operations and maintenance of the ERP system after implementation, starting with the first phase implementation. Such training will be based on the State's role in directly performing operations and maintenance services and in monitoring and overseeing related Contractor services that will be provided as part of Managed Services. The Managed Services Agreement may limit such training to the State to that required for the operations, maintenance, and oversight role designated for the State under the Managed Services Agreement. The Contractor shall work with the State during the planning process to document the role the State will play in system operations and software maintenance and will create and deliver technical and operations personnel training after first obtaining State approval for the training plan.

CC. Knowledge Transfer

The State requires a more complete knowledge transfer approach that supplements training with carefully selected hands-on experience during the project. During the planning phase of the Project, the Contractor shall document a knowledge transfer approach to provide the State has a “critical mass” of knowledgeable users (experts), system administrators, programmers and other technical personnel sufficient to execute State responsibilities after implementation occurs.

The Contractor shall then incorporate the needed knowledge transfer activities, sessions, and tasks into the project plan and execute its responsibilities as called for in the approved Knowledge Transfer Plan.

Task 11 Deliverables

General

5. Project Team Training Approach and Plan
6. Knowledge Transfer Approach and Plan
7. Project Team Training
   - ERP
   - Methodology and Approach

Phase 1

19. End User Training Needs Assessment
20. End User Training Plan
21. End User Training Curriculum
22. End User Training Materials
23. End User Training Environment/Data
24. Trained State Trainers
25. End User Training Assistance
26. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation
27. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Phase 2

1. End User Training Needs Assessment
2. End User Training Plan
3. End User Training Curriculum
4. End User Training Materials
5. End User Training Environment/Data
6. Trained State Trainers
7. End User Training Assistance
8. CBT Designs
9. Completed, Tested and Approved CBT Courses
10. Completed Technical and Operations Personnel Training/Knowledge Transfer Sign-Off Documentation

11. Completed Knowledge Transfer for Security, Workflow, and other Administrators Sign-Off Documentation

Task 12 Implementation and Agency Change Management Assistance

Implementation and Agency Change Management for the ERP Solution will be a shared responsibility of the Contractor and the State. Contractor responsibilities shall include the following:

W. Implementation Cutover Plan

The Contractor shall produce a detailed Implementation Cutover Plan for each project phase that includes all project activities needed for deployment of the ERP System into the production environment including specific cut-over tasks, planned dates for tasks to be started and completed, task responsibilities and assignments, task dependencies, estimated work effort required to complete each task, and the State sign-off required for each task completed.

The plan shall detail the approach for coordinating the following:

7. Data conversion activities;
8. Technical preparation and system changeover activities;
9. Development of a cutover activities checklist including activities that need to occur on the existing systems being replaced and interfaced;
10. Staffing requirements, by role and responsibilities, for both Contractor and State staff for all deployment / cut-over activities;
11. Deployment schedule; and
12. A contingency plan for identifying, communicating, resolving risks and maintaining then current production capability if the deployment is delayed.

The Contractor shall track progress against the plan and include this information in status and milestone reports submitted to the State.

X. Implementation Checklist

The Contractor shall prepare and maintain an Implementation Cutover Checklist for each phase that lists, describes, and tracks each activity required to ascertain that the ERP System and the State are ready for deployment and that related milestone criteria have been achieved. This checklist must be reviewed with the State Project Director and team leaders/managers with increasing frequency as the Go-Live date approaches to confirm in accordance with the Agreement:

25. User Acceptance and Performance Testing and Tuning have been successfully completed
26. Staff have completed staff and management training
27. Data has been converted, cleaned and accepted by the user
28. Interfaces are functioning as required
29. Reports are functioning as required
30. Site preparation requirements have been met
31. A full production schedule has been developed and approved
32. Full setup, testing, and certification of batch and print jobs on job scheduler and report distribution software have occurred
33. Effective knowledge transfer to applicable State Hosting/Managed Services personnel has occurred related to technical and administrative support for hardware, network and other infrastructure, server software, technical environments, security, and application of patches and software vendor updates

34. The Help Desk organization has been established and Help Desk personnel have been trained on the ERP and for their Help Desk roles
35. User and system supports are in place
36. Other outcomes or standards that may be identified and mutually agreed upon during implementation analysis and planning

The Contractor will track progress against the items included on the checklist and include that information in the status and milestone reports submitted to the State.

Y. Agency Implementation and Change Management Planning

The Contractor shall work with designated Agency personnel and the State Project Director to prepare implementation and change management plans for each Agency that specify:

21. Implementation of the functions and modules that will be used by the Agency
22. Agency specific system replacement (if applicable)
23. Agency specific interfaces
24. Data preparation and conversion that must be performed by the Agency
25. Policies and procedure revisions needed by the Agency
26. Participation in Training Needs Assessment
27. Role Definitions needed to establish security profiles for Agency personnel
28. Development and delivery of Agency specific training content to be included in end user training
29. Hardware, software, and network readiness tasks (as applicable to that Agency)
30. Any Agency specific legacy system modifications that the Agency needs to perform
31. Security and workflow
32. Due dates and time frames
33. Key Change Management Issues and Required Actions
34. Other agency tasks, as required

Z. Agency Implementation Guide

The Contractor shall prepare an Agency Implementation Guide that will provide a comprehensive overview of the system as configured for the State; information on forming and organizing Agency teams; producing Agency implementation and change management plans; instructions for internal Agency Implementation Teams to follow as they perform Agency tasks associated with the ERP implementation; Agency team status reporting; an overview of project tasks where Agency involvement will be required and the participation that will be needed; Agency cutover schedules and related Agency checklist items; and other pertinent information. The primary audience for this document will be the Agency Implementation Teams. In addition to information and guidance, the guide will include templates that the agencies will be able to use to support their implementation efforts.

The Agency Implementation Guide will be modular in design to allow for sections to be released as completed and as appropriate given the project timeline. The Contractor will work closely with the State Project Director to determine the contents of the Agency Implementation Guide during initial planning activities on the project.

AA. Provide Agency Implementation and Change Management Assistance

The Contractor shall organize, provide staff members, and take the lead on preparing all required documents for a Central Agency Support Team that will be staffed by both Contractor and State personnel. The Central Agency Support Team will be responsible for the following:

Task	Contractor	State
1. Producing an Agency Implementation and Change Management Assessment for each Agency prior to producing the Agency Implementation and Change Management Plan that includes: s. Documentation of planned agency usage of new system modules, transactions, processes, and functions t. Documentation of planned replacement of agency specific systems and planned Agency specific interfaces u. Creation of an Old/New Transaction Crosswalk for use by agency implementation teams, trainers, and other purposes v. Planned Agency coding block usage and chart of accounts development responsibilities w. Any need for Agency legacy system modification x. Any need for federal, state, or other externally mandated reports (at the report level) y. Agency specific data conversion issues and tasks to be performed z. Identification of Agency ERP system users aa. Other relevant factors (e.g. the Agency has a geographically disbursed workforce; the agency must coordinate ERP implementation with other initiatives, presence of significant issues, etc.)	Lead	Assist
2. Coordinating Agency specific interfaces and conversion activity with the Interfaces and Conversion Teams to schedule appropriate analysis, design, development, and testing	Shared	Shared
3. Establishing and maintaining centralized Agency issue database and escalating issues (as required) for resolution	Shared	Shared
4. Coordinating the allocation of project resources to support various Agency implementation and change management assistance efforts	Shared	Shared
5. Providing training to Agency Implementation Team members on the new system design, the role of the project and Agency teams; and on the tasks that Agency teams will be asked to perform.	Shared	Shared
6. Working with individual Agencies to develop implementation plans for each	Lead	Assist
7. Providing each Agency with a single point of contact for implementation issues and concerns		Lead
8. Developing and conducting training and information sessions for the internal Agency teams and other Agency personnel participating in the implementation	Shared	Shared
9. Assisting Agencies in organizing internal Agency Implementation Teams	Assist	Lead
10. Assist Agencies in performing their conversion and interface design, programming, and testing tasks.	Shared	Shared
11. Assisting Agencies in identifying and resolving project issues	Shared	Shared
12. Providing guidance on how to perform tasks assigned to internal Agency teams as part of their Agency Implementation and Change Management Plans	Shared	Shared
13. Producing status reports for each Agency implementation and change management effort	Shared	Shared

BB. Production Schedule

The Contractor shall document the production schedule for each phase and design, create, test, and document jobs and perform needed setup on job schedulers. The Contractor shall complete this set of tasks with sufficient lead time to allow jobs and job streams to be tested in the User Acceptance Test.

CC. Meet all requirements for Implementation Readiness Milestone Go/No-Go Decision

The Contractor shall maintain a list of Milestone requirements (approved by the State Project Executives and State Project Director) that must be met to obtain written approval from State Project Executives and the Governing Board prior to implementing the ERP solution in each phase. The Contractor shall report progress and issues related to completing the listed requirements and include that information in status and milestone reports. At the State's discretion, the list of milestone requirements may be consolidated with the Implementation Checklist.

DD. Production Turnover

Once the system has been approved, in writing, as ready for production, the Contractor must work with State to perform a production turnover procedure. Among other things, this procedure requires that the Contractor turn over all system components in a systematic fashion into the production environment. The Contractor must ready and organize applicable source code, compiled modules (where required), job streams, other components of the production environment, and documentation for the production turnover. The State will then require the Contractor to demonstrate that all compiled extension and other site specific programs have corresponding source code and validatethat all programs are present. The State will also require the Contractor to demonstrate that all components and modules of the production environment can be operated on-line or run to completion as appropriate, and that all modules, job streams (or scripts) are properly documented according to agreed upon standards.

EE.Help Desk Plan and Implementation

The Contractor shall provide ERP Help Desk Planning and Implementation Assistance in each phase. This assistance shall include:

15. Help Desk Organization Design, staffing model, and roles and responsibilities
16. Develop incident and problem management procedures
17. Select an incident reporting and tracking database and tool
18. Document incident triage approach and procedures
19. Design phone, email, and other contact procedures
20. Develop Help Desk materials and communications for ERP users
21. Provide training for State Help Desk Personnel on the ERP application

Task 12 Deliverables

Phase 1

25. Implementation Cutover Plan
26. Implementation Checklist
27. Agency Implementation and Change Management Assessment
28. Agency Implementation Guide
29. Agency Implementation and Change Management Plans
30. Approved Production and Production QA Environments
31. Completed and Approved Agency Implementation and Change Management Assistance
32. Production Job Schedule
33. Approved Batch jobs on Job Scheduler
34. Completed Production Turnover

35. Help Desk Plan
36. Help Desk Implementation Assistance

Phase 2

29. Implementation Cutover Plan
30. Implementation Checklist
31. Agency Implementation and Change Management Assessment
32. Agency Implementation Guide
33. Agency Implementation and Change Management Plans
34. Approved Production and Production QA Environments
35. Completed and Approved Agency Implementation and Change Management Assistance
36. Production Job Schedule
37. Approved Batch jobs on Job Scheduler
38. Completed Production Turnover
39. Help Desk Plan Update
40. Help Desk Implementation Update Assistance

Task 13 Post Implementation Support

The Contractor shall provide production support throughout the Project and post implementation support for a period of 12 months after the Phase 2 implementation. This production support must consist of technical, functional, and operational support and must be provided by skilled Contractor personnel who have become familiar with the State's application and MIDB design, configuration, and site specific code over the course of the implementation effort.

Contractor post implementation support shall include:

H. 'Break Fix' Support

The Contractor will provide 'break fix' support from the first implementation through a period of 12 months after the last phased implementation occurs. This support shall include returning the ERP solution (including MIDB) to working order with accurate data after a failure or problem has occurred. Such support will include correction of software and data defects directly related to a software defect in the ERP solution including those related to programming, configuration, scripting, job streams, data conversion or data inaccuracy caused by or allowed by a software or technical configuration defect. It shall also include rectification of any problems that cause ERP components to perform below agreed to standards for availability, online performance, or batch performance. Break fix support shall include investigation, correction, testing, and deployment of software, data or other 'fixes'. This shall include the application of patches available pursuant to the Proprietary Software Maintenance Agreement to application software, and those related to the DBMS, operating system, or other components required to rectify a production incident. This service will be substantially delivered in coordination with the State Project Director and production support organization(s) and may, at the State's discretion, be used to support knowledge transfer objectives.

I. Technical Support

With regard to the ERP solution software components, the Contractor shall provide software configuration management support; apply service packs from software vendors; perform any technical upgrades to COTS products comprising the ERP Solution; manage all development and testing environments; and address all application software performance issues. The Contractor shall also take responsibility for management of the production technical environment and related QA environments and will be responsible for performance issues related to hardware and infrastructure. The State and Contractor will jointly perform technical reviews associated with maintaining and deploying releases of any ERP solution component that that has been certified by its vendors for compatibility and eligibility for full support.

J. Application Development

This support will be provided after the Phase 1 implementation by the Contractor for the duration of the project including the 12 months of post implementation support following the implementation of Phase 2. The Contractor will assign a dedicated group of developers approved by the State to provide this service. The developers will report to the State and may be used for minor enhancement or report design, development, testing, documentation, and deployment or to provide information or knowledge transfer, as required.

K. Help Desk

The Contractor shall participate in the operation of the State Help Desk by:

4. Receiving and providing triage, investigation, technical, functional, operations, warranty, and other break fix support via the Help Desk organization using its procedures. Specific areas of responsibility would include:
   d. All ERP solution components (as enhanced and configured for the State)
   e. All ERP interfaces, reports, workflows, and forms
   f. MIDB data, reports, refresh and custom record building routines
5. Provide status reporting to the Help Desk and State Project Director related to ERP or MIDB incidents, pending solutions, completed fixes, and scheduled deployments to implement the fixes.
6. Supporting needed communications with State Agencies related to reported problems, workarounds, choices related to solutions, State and Contractor actions required to implement the solutions, operations impacts of any solutions, and scheduled release dates for fixes and solutions.

Contractor participation will occur at two levels in the planned Help Desk Organization: Initial triage (level 1) and investigation, work around determination, and fix (level 3). The State will be responsible for receiving and logging incidents and resetting passwords (level 1), providing functional explanations to user questions (level 2), closing incidents, and communicating 'work arounds' and fix schedules to the broad user community. The Contractor will be responsible for level 3 support related to hardware, infrastructure, and security until such time as these responsibilities are assumed under the Managed Services Agreement.

L. Functional Support

The State will take the lead on providing functional support to the user community. The Contractor shall provide 'as needed' support to State personnel in those instances where designer/developer level knowledge is required and as follows:

6. Answer questions concerning how functional needs can be met using the software or related to interpretation of processing outcomes
7. Provide functional 'workarounds' where required while defects are being addressed
8. Explain, mitigate, or rectify impact of data conversion on initial 'to dos', pending approvals, suspense items, cases, returns, bills, assessments, correspondence, and other aspects of ERP or MIDB usage that may be affected by converted data
9. Assist in the resolution of functional issues faced by ERP users (not requiring 'break fix' services)
10. Provide procedural and functional support for the first Year End Close and production of the CAFR

M. Operations Support

The Managed Services provider will take responsibility for ERP operations, but the State will require initial onsite support during the first month of operations after each 'go live' and mutually agreed upon 'as needed' support thereafter. Specific aspects of this support include the following:

6. Providing onsite support during the first month of operations (or longer if production stabilization issues affecting batch operations persist beyond two weeks)
7. Providing knowledge transfer to the Managed Services operations personnel prior to full transition of responsibilities
8. Supporting State or Managed Services operations personnel once responsibility shifts (on call but not necessarily onsite)
9. Assisting with restore, recovery, and reprocessing (as necessary) when circumstances necessitate such actions
10. Analyzing the upcoming production calendar to determine where the State needs to vary or suspend processing as part of an overall set of corrective actions related to problem resolution, software updates, or deployment of enhancements.

N. Upgrade to Latest Release

The Contractor shall provide that the State has been successfully upgraded to release 3.11 of the ERP Solution and the contractor support release of other third party application software specific to the ERP release (including all required changes to customized code) prior to the end of the final post implementation period.

Task 13 Deliverables

Phase 1

2. Phase 1 Post Implementation Support

Phase 2

7. Final Post Implementation Support (After Final Implementation)
8. 1st Quarter
9. 2nd Quarter
10. 3rd Quarter
11. 4th Quarter
12. Upgrade to latest release

Exhibit 2-1: ERP Project Milestone Definitions

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
1. PROJECT STRATEGY AND PLAN	
General Criteria: To verify that specified: • Planning and organization activities are completed • Required Staff are in place to begin design activities • Monitoring and controlling processes including status reporting, issue tracking and escalation, risk management, and scope management have been documented • Technical environments for user playground, design, and development activities in both Phase 1 and 2 have been established • Knowledge transfer approach and plans have been documented • Initial project team training on the software and the tailored methodology to be used on the project has been completed • ERP and any other application software has been installed • State participants for each requirements validation and design topic have been identified and confirmed • Schedule for all requirements and design meetings needed for phases 1 and 2 has been created and confirmed • Site specific extensions and how enhancements will be performed in order to facilitate future upgrades has been documented • Requirements validation, analysis, and design deliverable formats and content to be used in phase 1 and 2 have been reviewed and approved by the State • Required communications to agencies and other stakeholders have taken place • State roles, responsibilities and staffing needs are properly defined • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been received for required milestone criteria	**Planning Deliverables** • Project Strategy, Plan and Resource Schedule • Risk Identification, Analysis, and Management Plan • Issue Process/Database • Status Reporting Process • Scope Change Control Process • Organizational Change Management Plan • Communications Plan • SUITE Review and Mapping **Technical Services Deliverables** • Project Environment Specification • Completed Software Installation, User Playground, and Software Education Sessions • Complete Development Environment - Phase 1 - Phase 2 **System Analysis and Design Deliverables** • Site Specific Code Retrofitting Approach **Training and Knowledge Transfer Deliverables** • Project Team Training Approach and Plan • Knowledge Transfer Approach and Plan • Project Team Training - ERP - Methodology and Approach **Project Management Deliverables** • Milestone Report 1: Project Strategy and Plan
2. PHASE 1 - BUDGET PREPARATION DESIGN	
General Criteria To verify that: • A complete design for Budget Preparation has been created, reviewed, understood, and approved • Budget control design and planned usage has been determined and the budget preparation module design is in	**System Analysis and Design Deliverables** • Requirements Validation Document • Budget Preparation Design • Inventory of Transactions, Views, Reports, and Processes • Internal Control Risk Assessment • Software Configuration Plan

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
sync in terms of the following: - elements that will be used in creating budget - extent and nature of agency expense budgeting that may use additional elements - allotment frequency - relationship of fund sources used in budgeting to fund codes - whether changes to budget lines in the production system will be initiated in budget preparation module or simply made in the production system - whether converted data from MAIN will be used as the starting point for budget preparation • Conversion and interface plans are completed and approved • All Phase 1 report, interface, and conversion designs are completed and approved • The overall security architecture and design has been completed and approved • Configuration and development tasks are documented in detail, planned, and assigned • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been received for required milestone criteria	• Chart of Accounts Design Assistance - Budget Preparation • Functional Designs • Technical Designs • Requirements Traceability Matrix **Data Conversion Deliverables** • Data Conversion Plan • Data Conversion Program Designs **Report Deliverables** • Budget Prep Report Designs **Interfaces Deliverables** • Interface Plan (covering all phases) • Interface Designs **Technical Services Deliverables** • Security Architecture and Design • Configuration Management Procedures **Project Management Deliverables** • Organizational Change Management Plan Update • Communications Plan Update Milestone Report 2: Budget Preparation Design
3. PHASE 2 - ERP CORE DESIGN	
General Criteria To verify: • A complete design for all Core functions has been created, reviewed, understood, and approved • Planned coding block usage has been finalized and meets needs of all agencies • All key system configuration options have been reviewed and decisions made • A plan to create the needed chart of accounts for all coding block elements has been reviewed and approved • Conversion and interface plans are completed and approved • How the State will meet its requirements for cash, modified accrual, and accrual accounting has been documented and approved • The approach and designs for CAFR reporting are documented and approved • How project, grant, work order, labor distribution, and cost allocation processing will work and has been designed, documented and approved • Key State processes that will be implemented using Core functions have been documented, approved, and are	**System Analysis and Design Deliverables** • Requirements Validation Document • Core Design Fundamentals Document • Process, and Transaction Mapping Analysis • Requirements Validation Document • Cost Accounting Classification and Reporting Plan • Inventory of Transactions, Views, Reports, and Processes • Internal Control Risk Assessment • FHWA Comprehensive Design • Software Configuration Plan • Chart of Accounts Plan • Chart of Accounts Design Assistance • Functional Designs • Technical Designs • Requirements Traceability Matrix **Reports Deliverables** • MIDB Design • MIDB Report Designs • Report Designs for Production ERP • CAFR Report and Publication Design

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
reflected in the approved software design • MIDB designs are completed and approved • Major Integration for ERP and other proposed applications has been designed and approved • Major integration between the ERP/other provided applications and State and external systems has been designed and approved (e.g. with HRMN, Procurement System, DOT systems, etc…) • All Phase 2 report, interface, and conversion designs are completed and approved • An FHWA comprehensive design has been created and approved by both the State and US Federal Department of Transportation representative • The overall security architecture and design for phase 2 has been completed and approved • Configuration and development tasks are documented in detail, planned, and assigned • The new Transparency & Accountability Website design has been completed and approved • The security architecture and plan for Phase 2 has been completed and approved • The technical specifications for the Phase 2 production and production QA environments has been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been given for meeting milestone completion criteria	• Transparency & Accountability Website Design **Data Conversion Deliverables** • Data Conversion Program Designs **Interface Deliverables** • Major Integration Approach Document (covering all phases) • Interface Designs **Technical Services Deliverables** • Completed Production and Production QA Specification **Project Management Deliverables** • Organizational Change Management Plan Update • Communications Plan Update • Milestone Report 3: ERP Core Design
4. PHASE 1 - BUDGET PREPARATION CONFIGURATION AND DEVELOPMENT	
General Criteria To verify that: • Budget prep configuration and development, unit, and integration testing including that for all reports, interfaces, and conversion are complete and approved • The training needs assessment, training plan, and training curriculum for Phase 1 are complete and approved • The system and recovery test environment has been created and is ready for use • The Phase 1 training environment has been created and approved • The production and production QA environment specifications have been completed and approved • The system and recovery test plan and scripts have been completed and approved • The system and recovery test environment has been loaded with data as required for testing • The Security, Vulnerability and Penetration Test Plan has been created and approved	**Configuration and Development Deliverables** • Configuration and Development Inventory • Unit Tested and Documented Configuration • Unit Tested Site Specific Code • Unit Tested and Documented Workflows **Reports Deliverables** • Tested and Approved Budget Preparation Reports **Conversion Deliverables** • Unit Tested Data Conversion Programs **Interfaces Deliverables** • Interface Tested Programs **Training Deliverables** • End User Training Needs Assessment • End User Training Plan

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• Agency implementation and change management assessments, plans, and the agency implementation guide have been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been given for meeting milestone completion criteria	• End User Training Curriculum **Technical Services** • Completed System and Recovery Test Environment • Completed Training Environment • Production and Production QA Environment Specification • Performance Testing and Tuning Plan • Approved Phase 1 Security, Vulnerability and Penetration Test Plan **System and Recovery Testing** • System and Recovery Test Plan • Approved and Loaded System and Recovery Test Environment **Implementation and Agency Change Management Assistance Deliverables** • Agency Implementation and Change Management Assessment • Agency Implementation Guide • Agency Implementation and Change Management Plans **Project Management** • End User Readiness Assessment • Milestone Report 4: Budget Preparation Configuration and Development
5. Phase 1 - Budget Preparation UAT - Go/No Go	
General Criteria To verify that: • Budget prep system and recovery test has been completed and approved • Security, vulnerability, and penetration testing has been completed and approved • Performance testing and tuning has been completed and approved • Conversion programs needed to establish beginning values for budget prep have been completed and tested • Budget prep UAT environment has been created and loaded with data needed for testing • A successful mock conversion and population of the budget prep UAT application has occurred • Budget prep UAT team members have been trained • UAT planning and scripting has been completed • Contractor personnel have been assigned to support the UAT • The report distribution system has been setup for all reports • Training for user acceptance test participants has occurred • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been completed and approved	**Technical Services Deliverables** • Production and Production QA Environments • Completed Phase 1 Performance Testing and System Tuning • Performance Testing and System Tuning Procedures • Completed Security, Vulnerability, and Penetration Test **Conversion Deliverables** • Approved Mock Conversion **Reports Deliverables** • Report Distribution System Installed, Configured, and Ready for implementation **System and Recovery Testing Deliverables** • Approved System and Recovery Test Outcomes **User Acceptance Test Deliverables** • User Acceptance Test Training • User Acceptance Test Plan and Scripting Assistance • User Acceptance Test Environment and Data

<table>
<tr><th>MILESTONE/CRITERIA FOR SUCCESS*</th><th>DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE</th></tr>
<tr><td>• Project plan and risk plan have been properly updated
• Status reports have been issued in good form and on a timely basis
• Action items are being tracked and are being addressed on a timely basis
• Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis
• Governing Board approval has been given for meeting milestone completion criteria and for starting the user acceptance test</td><td>Documentation Deliverables
• Online Help
Implementation and Agency Change Management Assistance Deliverables
• Completed and Approved Agency Implementation and Change Management Assistance
• Implementation Cutover Plan
• Implementation Checklist
• Production Job Schedule
• Approved Batch jobs on Job Scheduler
Project Management Deliverables
• Milestone Report 5: Budget Preparation UAT Go/No Go</td></tr>
<tr><td colspan="2">6. PHASE 1- BUDGET PREPARATION IMPLEMENTATION ‘GO/NO GO’</td></tr>
<tr><td>General Criteria
To verify that:
• The user acceptance test has been successfully completed
• End user training has been successfully completed
• A successful mock conversion has been completed, reviewed, and approved
• The production environment is tested, approved, and ready
• System performance and throughput has been verified as meeting the required standards
• Help Desk planning, setup, staffing, testing, and training is complete and approved.
• Implementation checklist items have been confirmed as being completed
• Project plan and risk plan have been properly updated
• Status reports have been issued in good form and on a timely basis
• Action items are being tracked and are being addressed on a timely basis
• Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis
• Governing Board approval has been given for meeting milestone completion criteria and for ‘Going Live’</td><td>User Acceptance Test Deliverables
• User Acceptance Test Assistance
Documentation Deliverables
• User Documentation
• Technical Documentation
• Operations Documentation
• System Management Guide
• Security Administration Documentation
• Workflow Administration Documentation
Training Deliverables
• End User Training Materials
• End User Training Environment/Data
• Trained State Trainers
• End User Training Assistance
• Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer
• Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators
Implementation and Agency Change Management Assitance Deliverables
• Approved Production and QA Environments
• Completed and Approved Agency Implementation and Change Management Assistance
• Help Desk Plan
• Help Desk Implementation Assistance
Project Management Deliverables
• Milestone Report 6: Budget Preparation Implementation Go/No Go</td></tr>
<tr><td colspan="2">7. PHASE 1- BUDGET PREPARATION ACCEPTANCE</td></tr>
<tr><td>General Criteria
To verify that:
• Ninety (90) days of stable use has completed with no remaining defects or performance problems that have a</td><td>Implementation Deliverables
• Completed Production Turnover
• Converted Data in Production Environment</td></tr>
</table>

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
significant impact on use, productivity, or accuracy. At least 30 consecutive calendar days have occurred without any new or previously discovered significant defect or production issue. • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been given for meeting milestone completion criteria • Production support for the Phase 1 implementation has occurred satisfactorily	**Post Implementation Support Deliverables** • Phase 1 Post Implementation Support **Project Management Deliverables** • Milestone Report 7: Budget Preparation Acceptance
8. PHASE 2 - AGENCY IMPLEMENTATION PLANNING AND ORGANIZATION (AND GUIDE)	
General Criteria To verify that: • Agency implementation and change management assessments have been completed • Agency implementation and change management plans for all agencies have been completed • Agency implementation guides have been completed • The design and launch of Agency implementation and change management status reporting has been completed • The project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria	**Implementation and Agency Change Management Assistance Deliverables** • Agency Implementation and Change Management Assessment • Agency Implementation and Change Management Plans for All Agencies • Agency Implementation Guide **Project Management Deliverables** • End User Readiness Assessment • Milestone Report 8: Agency Implementation Planning and Organization
9. PHASE 2 - ERP CORE FUNCTION CONFIGURATION AND DEVELOPMENT COMPLETE	
General Criteria To verify that: • All Phase 2 configuration and development, unit, and integration testing including that for all reports, interfaces, and conversion has been completed • The training needs assessment, training plan, and training curriculum for Phase 2 are complete and approved • The system and recovery test environment has been created and is ready for use • The Phase 2 training environment has been created and approved • The production and production QA environment specifications have been completed and approved	**Technical Services Deliverables** • Completed System and Recovery Test Environment • Approved Security, Vulnerability and Penetration Test Plan **Configuration and Development Deliverables** • Configuration and Development Inventory • Unit Tested and Documented Configuration • Unit Tested Site Specific Code • Unit Tested and Documented Workflows **Data Conversion Deliverables** • Unit Tested Data Conversion Programs

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• The system and recovery test plan and scripts have been completed and approved • The system and recovery test environment has been loaded with data as required for testing • The Security, Vulnerability, and Penetration Test Plan has been created and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Governing Board approval has been given for meeting milestone completion criteria • Production support for the Phase 1 implementation continues satisfactorily	**Interfaces Deliverables** • Completed and Tested Transportation System Integration • Completed and Tested HRMN Integration • Completed and Tested Procurement Integration • Completed and Tested Disbursement Integration • Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties • Completed and Tested EDI Interfaces • Other Interfaces - Tested Programs **Reports Deliverables** • Tested and Approved MIDB Changes • Tested and Approved MIDB Reports • Tested and Approved Reports for Production ERP • Tested and Approved CAFR Reports/Publication • Tested and Approved Transparency Website **System and Recovery Test Deliverables** • System and Recovery Test Plan • Approved and Loaded System and Recovery Test Environment **Training Deliverables** • End User Training Needs Assessment • End User Training Plan • End User Training Curriculum **Project Management Deliverables** • Milestone Report 9: ERP Core Function Configuration and Development Complete
10. PHASE 2 - ERP CORE FUNCTION UAT – 'GO/NO GO'	
General Criteria To verify that: • System and recovery test has been successfully completed • Security testing has been successfully completed • Performance testing and tuning has been successfully completed • All conversion programs needed to establish beginning values for Phase 2 have been completed and tested • Phase 2 UAT environment has been created and data loaded to that environment for testing • A mock conversion and population of the Phase 2 UAT application has been completed successfully • Phase 2 UAT team members have been trained • Phase 2 UAT planning and scripting has been completed • Contractor personnel have been assigned to support the Phase 2 UAT	**Technical Services Deliverables** • Completed Security, Vulnerability and Penetration Test Plan • Completed Security, Vulnerability, and Penetration Test • Completed Performance Testing and Tuning Plan • Completed Performance Testing and Tuning • Performance Testing and System Tuning Procedures • Completed User Acceptance Test Environment • Production and Production QA Environments **Systems and Recovery Test Deliverables** • Approved System and Recovery Test Outcomes **Data Conversion Deliverables** • Approved Mock Conversion

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• The report distribution system has been setup for all reports • Training for user acceptance testing participants has occurred and has been approved • The implementation cutover plan, implementation checklist, production job schedule, and setup of batch jobs on the job scheduler have all been completed and approved • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis • Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for starting the user acceptance test	**User Acceptance Test Deliverables** • User Acceptance Test Training • User Acceptance Test Plan and Scripting Assistance • User Acceptance Test Environment and Data **Documentation Deliverables** • Online Help **Reports Deliverables** • Report Distribution System Installed, Configured, and Ready for Implementation **Training Deliverables** • Computer Based Training (CBT) Designs • Unit Tested Computer Based (CBT) Training **Implementation and Agency Change Management Assistance Deliverables** • Completed and Approved Agency Implementation and Agency Change Management Assistance • Implementation Cutover Plan • Implementation Checklist • Production Job Schedule • Approved Batch jobs on Job Scheduler **Project Management Deliverables** • Milestone Report 10: ERP Core Function UAT Go/No Go
11. PHASE 2 - CORE IMPLEMENTATION 'GO/NO GO'	
General Criteria To verify that: • User Acceptance Test has been successfully completed • End user training has been successfully completed • A successful mock conversion has been completed, reviewed, and approved • The production environment is tested, approved, and ready • System performance and throughput has been verified as meeting the required standards • Help Desk planning, setup, staffing, testing, and training is complete and approved • Implementation checklist items have been confirmed as being completed • Project plan and risk plan have been properly updated • Status reports have been issued in good form and on a timely basis • Action items are being tracked and are being addressed on a timely basis • Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis	**User Acceptance Test Deliverables** • User Acceptance Test Assistance **Documentation Deliverables** • User Documentation • Technical Documentation • Operations Documentation • System Management Guide • Security Administration Documentation • Workflow Administration Documentation **Training Deliverables** • End User Training Materials • End User Training Environment/Data • Trained State Trainers • End User Training Assistance • Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer • Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators **Implementation and Agency Change Management Assistance Deliverables**

MILESTONE/CRITERIA FOR SUCCESS*	DELIVERABLES THAT MUST BE COMPLETED AND APPROVED IN ASSOCIATION WITH MILESTONE
• Production support for the Phase 1 implementation continues satisfactorily • Governing Board approval has been given for meeting milestone completion criteria and for 'Going Live'	• Approved Production and QA Environments • Completed and Approved Agency Implementation and Change Management Assistance • Help Desk Plan • Help Desk Implementation Assistance **Project Management Deliverables** • Milestone Report 11: Core Implementation Go/No Go
12. Not Used	
13. Phase 2 - Core Acceptance	
General Criteria To verify that: • System has been in Production for thirty (30) days after go-live and two (2) payroll cycles have been executed without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (25% of total payment) • System has been in Production for ninety (90) days after go-live without an unreasonable number of new or unresolved material defects or production issues as mutually agreed (50% of total payment) • The remaining 25% of total payment will be released upon completion of the following: o Ninety (90) days of stable use has completed with no remaining defects or performance problems that have a significant impact on use, productivity, or accuracy. At least thirty (30) consecutive calendar days have occurred without any new or previously discovered material defect or production issue o The project plan and risk plan have been properly updated o Status reports have been issued in good form and on a timely basis o Action items are being tracked and are being addressed on a timely basis o Issues/Risks are being recorded, tracked, analyzed, and resolved on a timely basis o Production support for the Phase 1 implementation continued satisfactorily o Production support for the Phase 2 implementation has occurred satisfactorily o Governing Board approval has been given for meeting milestone completion criteria and accepting the system	**Implementation and Agency Change Management Assistance Deliverables** • Completed Production Turnover • Converted Data in Production Environment **Post Implementation Support** • Phase 2 Post Implementation Support **Project Management Deliverables** • Milestone Report 13: Core Acceptance

Exhibit 2-2

Deliverable Acceptance Criteria and Procedures

This exhibit describes acceptance criteria for all Contractor Deliverables. The State shall not unreasonably delay or withhold acceptance of a deliverable, including for any issue that does not materially prevent the applicable deliverable from satisfying applicable acceptance criteria established in this exhibit. If after a reasonable number of attempts, Contractor is unable to accomplish acceptance, the State may seek remedies available to it under Article 2 of the Agreement.

1. Written Deliverable Acceptance Criteria

Written deliverables must be reviewed and approved by the State in accordance with Section 2.253. In addition, each written deliverable will be accepted based on its compliance with a Written Deliverable Definition Document that shall be prepared for each written deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Written Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable.

Section 1: Summary

- Deliverable Name/Number:
- Deliverable Submission Date:
- Interim Draft Due Date (if applicable)
- Targeted Review and Approval Times:
  - Initial Deliverable Review Period
  - Initial Deliverable Review Due Date
  - Due Date for Corrections and Revisions
  - Due Date for Second Review
- Format: (e.g. Microsoft Word, PowerPoint, Excel, Visio, ERD, Other)
- Open Issues: (Yes or No, if Yes refer to Section 4)
- Estimated Number of Pages:
- Number of Hard Copies
- Number of Soft Copies

Section 2: Deliverable Description

- Overview of Deliverable Purpose
- Document Structure and Required Content

Section 3: Deliverable Approach

- Overview of How The Deliverable Will Be Created
- Interim Draft Content (if applicable)
- Who is Involved in Creating the Deliverable
  - Contractor
  - State

Section 4: Issues

- Known Issues Related to the Deliverable (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues

- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

Section 5: Specific Acceptance Criteria

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

Section 6: Review and Approval

- State Reviewers (the names of State personnel assigned to review the deliverable)
- State Preliminary Draft Reviewers (if applicable)
- State Approvers (the names of State personnel who may approve the deliverable)

2. Service or Assistance Deliverable Acceptance Criteria

Acceptance of All Service or Assistance based Deliverables (e.g. User Acceptance Test Assistance or Completed and Approved Agency Implementation and Change Management Assistance) shall be based on a review and approval of the service or assistance provided by the Contractor against the standards documented in a Service or Assistance Deliverable Definition Document that shall prepared for each Service or Assistance deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Service or Assistance Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable. In addition to criteria for acceptance included in the applicable Service and Deliverable Definition Document, the State may also evaluate service quality and timeliness of service provision as additional acceptance criteria if those have not been defined as part of the applicable Deliverable Definition. However, the State shall be obligated to provide feedback on any such intangibles as soon as possible during the provision of related services.

Section 1: Summary

- Deliverable Name/Number
- Service or Assistance Start Date
- Expected Completion Date
- Expected Contractor Staff and Hours Required

Section 2: Deliverable Description

- Overview of Service or Assistance to Be Provided
- Components of Service or Assistance to Be Provided
- Documents or Work Products to be Produced in Association with the Service or Assistance
- Programming Needed to Provide Service or Assistance
- Technical Environments or Technical Environment Work Needed for Service or Assistance
- Tools, Templates, or other Items required to Provide Service or Assistance

Section 3: Deliverable Approach

- Service or Assistance Approach
- Coordination Required
- Who is Involved in Providing or Using the Service or Assistance
  - Contractor
  - State

Section 4: Issues

- Known Issues Related to the Service or Assistance (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues
- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

Section 5: Specific Acceptance Criteria

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

Section 6: Review and Approval

- State Reviewers (the names of State personnel assigned to review the service or assistance provided)
- State Approvers (the names of State personnel who may approve the service or assistance deliverable)

3. Data Conversion Deliverables

Data Conversion deliverables that involve data conversion outcomes (e.g. Successful Mock Conversion or Converted Data in Production Environment) shall be subject to review and approval of the State as a condition of acceptance. The review and approval will be based on compliance with the standards established in a Data Conversion Deliverable Definition Document that shall be prepared for each applicable deliverable during project planning for each phase or at agreed upon dates that are included in the project plan. The Data Conversion Deliverable Definition Document must contain the following sections, headings, and information and must be approved by the State Project Director prior to any work commencing on the deliverable. The Data Conversion Deliverable Definition may refer to sections of an approved Data Conversion Plan where applicable to avoid unnecessary duplication of information.

Section 1: Summary

- Deliverable Name/Number:
- Deliverable Related Start Date:
- Deliverable Due Date:
- Targeted Review and Approval Times
- Expected Contractor Staff and Hours Required:

Section 2: Deliverable Description

- Overview of Data Conversion to Be Performed
- Components of Service or Assistance to Be Provided
- Documents or Work Products to be Produced in Association with the Deliverable
- Programming Needed to Provide Service or Assistance
- Automated Routines to Validate Converted Data Produced by Contractor
  - Data Integrity
  - Record Count
  - Item Balance Checks
  - Overall Financial Balance Checks
  - Open Items Comparison
  - ERP Code and Other Validations
  - Other Automated Checks
- Technical Environments or Technical Environment Work Needed

- Crosswalks and Conversion Tables Needed
- State Input Needed
- Data Needed that Must Be Manually Loaded or Converted
- Known Data Cleanup Required
- Source and Target Data Structures (This may be provided via reference to another document)
- Conversion Time Window Standards
- Other

<u>Section 3: Deliverable Approach</u>

- Analysis To Be Performed
- How Conversion Tables and Crosswalks will be Created
- Mock Conversions
- Review and Correction Process
- Coordination Required
- Plan for Successful Deliverable
- Who is Involved
  - Contractor
  - State

<u>Section 4: Issues</u>

- Known Issues Related to Data Conversion (if any)
- Approach to Be Used in Resolving Known Issues
- Responsibilities Related to Resolving Issues
- Due Date for Resolving Issues and for Resubmission of Deliverable Definition

<u>Section 5: Specific Acceptance Criteria</u>

- Any acceptance criteria or standards beyond those specified in the other sections of the document (if any)

<u>Section 6: Review and Approval</u>

- State Reviewers (the names of State personnel assigned to review the converted data deliverable)
- State Approvers (the names of State personnel who may approve the converted data deliverable deliverable)

4. Software Deliverable Acceptance Criteria

All software deliverables shall be subject to testing and demonstrations of completeness and quality as a condition of acceptance by the State. The purpose of software acceptance testing is to demonstrate to the satisfaction of the State that the software performs and carries out fully and in all respects the business requirements, programmatic functions and processes represented by the Contractor, or agreed to by the State and the Contractor, and that the related documentation is accurate and complete.

Acceptance criteria for interim software deliverables are described in the table below. These criteria apply to deliverables including:

1) ERP or third party COTS application software that must be installed, tested, and verified prior to final license fee payments.

2) Custom software, configured software, software extensions, software modifications, software enhancements, interfaces, reports, forms, and workflows or other development or configured software artifact

produced during the project. For these software deliverable types, specific criteria apply to particular life cycle or testing stages (e.g. configured or developed software, system tested software, or performance tested software)

Final acceptance for software that has been implemented shall be based on both completion and approval of a User Acceptance Test and on the criteria for Acceptance described in Attachment 2, Exhibit 2-1, Milestones 7 and 13.

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
Installation Acceptance Testing	Software Installation acceptance shall be based on the Contractor demonstrating to the State that the following criteria have been met: 11. An installation testing plan has been developed and jointly agreed to by the State and the Contractor. 12. The software is installed on the test servers and network access and communications have been established. Software configuration features have been demonstrated to function properly. 13. Software security features have been demonstrated to function properly. 14. Test tables, files and databases for the development and sandbox environments have been established and populated with test data. 15. Server, database, and any client to server communications installation instructions are prepared and are demonstrated to be accurate when followed. 16. System, software application and user documentation exists in soft copy format acceptable to the State, and is shown to be complete and accurate. 17. Database backup and restoration facilities are demonstrated to function properly for test, training and production environments. 18. Software backup and restoration facilities are demonstrated to function properly for test, training and production environments. 19. The Contractor has furnished, at Contractor's expense, cases, scenarios and data sufficient to demonstrate that software units, modules, systems, integration capabilities, interface features and functions are present and operate properly. 20. Online processing client, server, database and client to server communication software is demonstrated to: g) accomplish the business functions represented by the Contractor, h) software units, modules, systems, integration capabilities, interface features and functions operate properly, i) online user aids and help services operate properly, j) processing logic or data errors are detected and accurately reported, k) audit trail capabilities, with respect to online activities exist, are complete and accurately reported, l) The existence of all modules has been documented as having success, failure or deficiencies noted during testing. 12. Batch processing server and database software for test and production environments is demonstrated to: f) accomplish the business functions represented in the Contractor's Proposal g) software units, modules, systems, job control scripts, integration capabilities, interface features and functions operate properly, h) processing logic, processing control or data errors are detected	The Contractor shall have a period of up to ten (10) calendar days to correct defects discovered during testing and to re-test and demonstrate to the satisfaction of the State that the failures or deficiencies have been in fact corrected. If, after the error correction period has passed, the Contractor is unable to correct the defects, the State may at its sole option extend the time for correction on a day to day basis, or reject the software as unacceptable. The State agrees to participate with the Contractor in re-test activities within five (5) calendar days of written notice by the Contractor. The Contractor shall have a period of fifteen (15) calendar days to correct errors or omissions in the documentation discovered during testing and to submit such corrected documentation for the evaluation of the State. The State agrees to evaluate corrected documents within five (5) days of submittal by the Contractor. Unless otherwise agreed by the parties, upon completion and CGI's initial baseline software installation test, expected to be within 4 weeks of the project start date, the license software will be deemed approved, and the state will execute and provide to contractor an acknowledgement of receipt and acceptance of the ERP Solution Software as required pursuant to the Proprietary Software License Agreement.

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	and accurately reported, i) audit trail capabilities with respect to batch processing activities exist, are complete and accurately reported for the test and production environments, j) The existence of all modules has been documented as have successes, failures, or deficiencies noted during testing. 13. The state has reviewed and approved the deliverable. The State Project Director may waive criteria 10 and/or 11 in whole or in part or require them after the start of installation acceptance testing if initial test results indicate that a full verification in those areas is required.	
Custom Software or Configured, Extended, and Modified COTS Software Acceptance	Acceptance for interim deliverables consisting of configured, extended, or modified COTS software shall be based on the Contractor demonstrating to the State that the criteria below have been met. Interim deliverables are deliverables that do not represent the final software deliverable (e.g. configured and unit tested software or developed and unit tested software, or system tested software). **General Criteria (Applies to All Deliverables in this Category)** 15. A software testing plan or plans have been developed for the applicable software by the Contractor and approved by the State. 16. The baseline software is stored separately from the extended or site specific software. (or the modified software if the software vendor has made any changes to the baseline code). 17. A standard procedure has been established and tested for the migration of software from the development, any testing, and production environments. 18. Any required server to server (and any client to server) communications have been established and have been demonstrated to work effectively. 19. Developed and/or configured software has been demonstrated to function properly and in accordance with an approved design. 20. Software security features have been demonstrated to function properly. 21. All validated and applicable state requirements have been demonstrated as met. 22. The software functions properly in concert with the hardware, storage solution, other infrastructure, DBMS, system software, security software, and other technical environment components. 23. Test tables, files and databases were established and populated with test data that was needed to meet test objectives. 24. System, software application, technical and user documentation exists and is shown to be complete and accurate. 25. Database backup and restoration facilities are demonstrated to function properly. 26. Software and configuration file backup and restoration facilities are	Same as above. However, it is expected that while all criteria will be met before accepting a deliverable, that State reviews may occur as individual modifications, enhancements, or configuration efforts are completed by the Contractor and are submitted to the State.

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	demonstrated to function properly. 27. The Contractor has furnished complete test cases, scenarios and data sufficient to demonstrate that software units, modules, systems integration capabilities, interface features and functions operate properly. 28. With respect to online custom software, as well as extensions to and modifications of existing software, the software deliverable has demonstrated that: f) the business functions documented for the software modification or extension are accomplished, g) software units, modules, systems, integration capabilities, interface features and functions operate properly, h) online user aids and help services, as applicable, operate properly, i) processing logic or data errors are detected and accurately reported, j) audit trail capabilities are complete and accurate 16. With respect to batch processing custom software, modifications, enhancements, or extensions, the batch processing server and database software has demonstrated that: e) business functions documented for the software modification or extension are accomplished f) software units, modules, systems, job control scripts, integration capabilities, interface features and functions operate properly, g) processing logic, processing control or data errors are detected and accurately reported, h) audit trail capabilities are complete and accurately reported. 20. The State has reviewed and approved the deliverable. **Configured, Developed, and Unit Tested Stage Criteria** 21. For software development and configured software deliverables, the Contractor has conducted software unit and unit integration testing, corrected any defects discovered, retested to verify that fixes were successful, and provides documentation of such testing. **System and Recovery Tested Stage Criteria (Applies only to System and Recovery Test Deliverables)** 22. For system test deliverables involving tested software. (in contrast to deliverables related to system test plans, scripts, or the testing environment), The Contractor has conducted system tests according to a system and recovery test plan approved by the State; documented the results; fixed any defects and demonstrated that such fixes were successful via retesting **Performance Tested Stage Criteria (Applies only to Performance**	

Type of Acceptance	Acceptance Criteria	Review and Approval Procedures
	Tested Software Deliverables) 23. For performance tested software deliverables, • the software has been tested in accordance with an approved performance testing and tuning plan approved by the State; • all required software changes and database tuning has been performed; • the software has demonstrated required levels of online response time, external facing web response time, and batch throughput in conditions reasonably simulating peak production volumes and system usage The State Project Director and/or his/her designee may waive demonstration of individual criteria that in his/her view have already been demonstrated 'as met' or that are of minimal relevance or importance in the case of a particular deliverable. The State Project Director and or his/her designees will meet with responsible Contractor personnel during project planning and in association with any test planning to assist the Contractor in developing a streamlined approach for design, development, testing, review, and approval that should allow for the State's software acceptance criteria to be met efficiently and within the project timeframes.	

Exhibit 2-3

Liquidated Damages for Late Implementation

Subject to Section 2.243 and the conditions set forth in this paragraph, the State shall be entitled to liquidated damages for any Contractor caused delays in the implementation of Phase 1 and Phase 2 of the ERP Project as specified below:

Phase	Liquidated Damages Amount	Criteria for Incurring Liquidated Damages
1	$200,000 per month	Implementation of Phase 1 software functionality is not achieved by August 7th, 2015 (or other date mutually agreed to by the parties) due to Contractor's failure to satisfactorily provide the services and tasks and produce the deliverables and meet the conditions required in Exhibit 2-1 milestones 1, 2, 4, 5, and 6 on a timely basis. The first $200,000 of liquidated damages shall be assessed if the actual implementation date falls after the deadline cited. The second and any subsequent $200,000 liquidated damage amounts shall be assessed for each additional full month that the actual Phase 1 implementation date is delayed
2	$500,000 per month	Implementation of Phase 2 software functionality is not achieved by October 3rd, 2016 (or other date mutually agreed to by the parties) due to Contractor's failure to satisfactorily provide the services and tasks and produce the deliverables and meet the conditions required in Exhibit 2-1 milestones 1, 3, 8, 9, 10, and 11 on a timely basis. The first $500,000 of liquidated damages shall be assessed if the actual implementation date falls after the deadline cited. The second and any subsequent $500,000 liquidated damage amounts shall be assessed for each additional full month that the actual Phase 2 implementation date is delayed.

Attachment 3: Timeline and Scope Clarifications

3.1 Summary Implementation Project Time Line

The Contractor shall be responsible for implementing the ERP System and providing post implementation and production support for the ERP system based on the phase start, implementation, and end dates listed in Exhibit 3-1 below. State responsibilities associated with the implementation project are described in Article 1, Sections 1.106 Project Governance and Section 1.201 Facilities in Attachment 2 in association with individual task areas.

Exhibit 3-1 :ERP Project and Phase Timing

Key Date	Date
Project Start Date	7/1/2014
Phase 1: Budget Preparation Implementation Start Date	7/1/2014
Phase 2: ERP Core Implementation Start Date	7/1/2014
Phase 1 Implementation Date	8/1/2015
Phase 2 Implementation Date	10/1/2016
Start Date for Phase 1 Post Implementation and Production Support	8/1/2015
Start Date for Phase 2 Post Implementation and Production Support	10/1/2016
End of Phase 1 and Phase 2 Production and Post Implementation Support	9/30/2017

3.2 Key Timeline Dates

The Contractor will be responsible for implementing the ERP software and completing key activities for which the Contractor is responsible on the schedule provided in Exhibit 3-2: Key Timeline Dates below. Milestones referenced in Exhibit 3-2 are as defined in Exhibit 2-1 in Attachment 2 of this Agreement. The project plan for the ERP project shall be created within the first six weeks of the project in close consultation with the State Project Director and other State designated personnel and shall incorporate the start and end dates listed in Exhibit 3-1 unless specific alternative dates are approved by the State Project Director or his/her designee. State responsibilities are described in Section 1.106, ERP Project Governance, Section 1.201, State Staff, Roles and Responsibilities, and in Attachment 2 in association with individual task areas.

Exhibit 3-2: Key Timeline Dates

Activity	Required Completion Dates (unless specified as Start Date in a given row)
Project Team Training on ERP and Third Party Applications	8/5/2014
Overall Planning	8/12/2014
Coding Block Mapping (overall and for each agency)	12/1/2014
Budget Chart of Accounts (including Agency specific data needs) Development	12/2/2014
All Chart of Accounts Elements (including Agency specific data needs) Development	12/26/2014
Agency Assessment (including the following) • Confirm Systems to Be Replaced and Interfaced • Determine which modules will be used by each agency • Determine whether agency budgeting (beyond appropriation level budgets) will be performed using the new budget preparation software • Determine which, if any, agency legacy systems will require modification to interface with new ERP	8/22/2014

Activity	Required Completion Dates (unless specified as Start Date in a given row)
Core Design Fundamentals Deliverable	9/22/2014
Development Start - Phase 1	12/3/2014
Development Complete - Phase 1	2/2/2015
System and Recovery Testing Start - Phase 1	2/3/2015
System and Recovery Testing End - Phase 1	3/31/2015
User Acceptance Test Start - Phase 1 (Test Execution)	4/1/2015
User Acceptance Test End - Phase 1	6/24/2015
End User Training Classroom Delivery Start - Phase 1	7/2/2015
End User Training Classroom Delivery End - Phase 1	7/22/2015
Development Start - Phase 2	4/13/2015
Development Complete - Phase 2	10/1/2015
System and Recovery Testing Start - Phase 2	10/2/2015
System and Recovery Testing End - Phase 2	1/4/2016
User Acceptance Test Start - Phase 2 (Test Execution)	1/5/2016
User Acceptance Test End - Phase 1	6/23/2016
End User Training Classroom Delivery Start - Phase 2	7/18/2016
End User Training Classroom Delivery End - Phase 2	9/22/2016
Post Implementation/Production Support Start	8/1/2015
Post Implementation Production Support End	9/30/2017
Conversion Plan Phase 1	10/29/2014
Conversion Plan Phase 2	2/26/2015
Interface Plan Phase 1	12/2/2014
Interface Plan Phase 2	2/11/2015
Milestone 1 Completed	8/12/2014
Milestone 2 Completed	12/2/2014
Milestone 3 Completed	5/29/2015
Milestone 4 Completed	4/28/2015
Milestone 5 Completed	5/27/2015
Milestone 6 Completed	7/27/2015
Milestone 7 Completed	8/1/2015
Milestone 8 Completed	12/3/2015
Milestone 9 Completed	10/1/2015
Milestone 10 Completed	2/17/2016
Milestone 11 Completed	9/26/2016
Milestone 12 (Not Used)	
Milestone 13 Completed	9/30/2017

3.3 Scope of Services Clarifications

This section of the Agreement lists and describes clarifications to Contractors required services. Language in this section shall take precedence if there is any conflict with language in Attachment 2: Implementation Tasks, Services, Deliverables, and Milestones

D. Responsibility for Meeting Requirements Listed as Being Met by 'Standard Functionality'

The Contractor is obligated to make any enhancements or modifications to the ERP software needed to provide functionality that is incorrectly listed in Attachment 8 or 9 as being met by 'standard functionality'. The State Project Director or her designee will be solely responsible for making the determination as to whether any requirement listed as being met by 'standard functionality' has been so listed incorrectly. The State Project Director or her designee will apply reasonable standards in making any such determination. If the State Project Director or her designee determine that the Contractor had a reasonable alternative understanding of a listed requirement that is consistent with the Contractor's representation that the requirement could be met with 'standard functionality', the State would not hold Contractor responsible for additional development or enhancements as part of the fixed price associated with this Agreement. Met by 'Standard functionality' shall mean that the software can meet the listed requirement with configuration but without modification or enhancement.

E. Development Pool of Hours

1. The Contractor obligation for development of ERP system modifications and or enhancements that are not listed in Attachments 8 or 9 to the ERP shall be limited to that which can be accomplished using a an agreed upon allocation of 28,100 Contractor staff hours that are included in the fixed price of this Agreement. This allocation or 'pool' of hours may be used for any ERP application enhancement or modification or other required development identified during the project that falls outside of the following list of other Contractor obligations under this Agreement:

vi. Contractor's obligation to make any enhancements or modifications needed to provide functionality that is incorrectly listed in Attachment 8 or 9 as being met by 'standard functionality'

vii. Contractor's obligation to provide development services for MIDB, interfaces, reports, data conversion or other purposes specified in Attachment 2 or elsewhere in this Agreement.

viii. Contractor's obligation to provide development of enhancements, modifications, and configuration needed to meet the State's requirements and business rules for the Time and Labor module, as specified in section 3.3C of this Attachment.

ix. Contractor's obligation to configure the software to meet State requirements as specified in Attachment 2 or as identified during requirements validation and design activities.

x. Contractor's obligation to provide requirements analysis, design, testing, and implementation services as specified in Attachment 2.

2. Administering the Development Pool of Hours
The Contractor shall be responsible for administering the 'Development Pool' of hours described in Section 3.3B of this Attachment, as follows:

iv. Maintaining and reporting the number of hours remaining in the 'pool' including: a record of any approved development work that used hours from the 'pool'; the related and pre-agreed to deduction of hours associated with each approved use; and the balance of hours remaining after all approved uses have been deducted.

v. Providing a binding estimate of the amount of development hours required for any identified potential modification or enhancement. This 'binding estimate' of the hours shall be used to decrement the 'remaining hours available in the pool' when a modification or enhancement is approved by the State Project Director or her designee. Actual hours required to perform the modification may be higher or lower than the estimate, but will not be considered in calculating ‘remaining hours in the pool’.

vi. Working with the State Project Director or her designee to assign a priority to any potential modification or enhancement. Once a priority has been assigned, pending modifications and enhancements will be performed in priority order, with the higher priorities performed first.

F. Time and Labor

The Contractor shall develop and configure the solution to meet the State’s requirements listed as being met by ‘standard functionality, major modification, minor modification, or ‘next release’ and as needed to incorporate the State’s Time and Labor rules and provide for systematic application of those rules to employee groups as part of the fixed price associated with this Agreement.

3.4 Other Clarifications

L. The Contractor shall provide a Budget Preparation solution that provides the ability to do position and salary/benefits forecasting based budgeting using extracts from the State’ HR/Payroll system, HRMN. The Contractor will provide Phase 1 interfaces as required to implement and use these capabilities as part of the scope of services covered by the fixed price of this Agreement.

M. The Contractor shall perform all design, development, and implementation work required so that the State’s Comprehensive Annual Financial Reports (CAFR) can be produced from the ERP’s ledger tables or from a data warehouse (MIDB or other solution) with a comprehensive systematic and efficient reconciliation method. The State must approve the design solution.

N. The Contractor shall be responsible for obtaining an annual independent Type 2 SSAE-16 (SOC 1) report and an annual independent Type 2 SOC 2 attestation report specific to the State’s ERP application and its operating environment as part of the fixed price of this Agreement. The specific scope and control objectives will be reasonable and must be annually approved by the State prior to commencement of the SOC-related services.

O. The Contractor shall be responsible for implementing an ERP solution which is compliant with the Federal Information Security Management Act (FISMA) and with security policies of the State as listed in Section 1.108 of the RFP as part of the fixed price proposal.

P. The Contractor shall ensure that encryption will be provided at both the disk and database levels for all production and non-production environments including databases, backup disks, tapes and any media where the State’s data or files are stored and/or accessed.

Q. The Contractor shall provide enhancements to ensure compliance with 1099, 1042, backup withholding, foreign vendor withholding and other regulatory requirements as part of the fixed price of this Agreement.

R. The Contractor acknowledges the State's goal is to complete both the year end close and CAFR production in 80 days after the end of the fiscal year. The Contractor shall be responsible for designing, developing, and implementing CAFR reports and processes needed to meet this goal.

In addition, the Contractor will provide knowledge transfer, training, and post implementation services to assist the State in meeting this goal.

S. The Contractor shall be responsible for all design, configuration, development, and implementation services required to implement a Vendor registration/self-service portal. This portal must enable all vendors to submit form W-9, W-8, and/or 8233 registration and to add and maintain EFT information electronically in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

T. In addition to or as part of the Contractor's scope of required services described in Attachment 2, the Contractor shall include the following related to data conversion, cutover and implementation work as part of fixed price associated with this Agreement:

v. Data conversion and cutover activities necessary to load budgetary information in advance of the fiscal year for phase 2

vi. Data conversion and cutover activities necessary to ensure the integrity of time and attendance and labor distribution processes which overlap the pay period including the phase 2 go live of 10/1/2016

vii. Data conversion of time and attendance and labor distribution data to enable prior period adjustments or to provide a pre-cutover adjustment process in the new system

viii. Data conversion needed and cutover activities that ensure that detailed outstanding cash transaction reconciliation items can be reported as required for timely cash reconciliations during Phase 2 conversion.

U. Contractor will ensure that all the State's requirements listed as 'Critical' in Attachment 10 will be met as part of the proposed fixed price of this Agreement.

V. Contractor will ensure that the ERP solution is ADA (Section 508) compliant.

9.5 The Contractor shall provide any required design, development, testing, and implementation services as needed to implement a Vendor registration/self-service portal as part of the fixed price of this Agreement. The related solution must meet State requirements including the following:

C. The Vendor registration/self-service portal must enable all vendors to submit form W-9, W-8, and/or 8233 registration information electronically in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

D. The Vendor registration/self-service portal must enable all vendors to add and maintain EFT information in a manner that updates the vendor file directly (not merely submission of scanned documentation that must be entered by the State).

9.6 The Contractor shall provide enhancements and ongoing maintenance to ensure compliance with 1099, 1042, backup withholding, foreign vendor withholding and other regulatory requirements and maintain compliance as regulatory requirements change for the duration of the project.

9.7 The Contractor will baseline 80 percent of all modifications or enhancements approved by the State into release 3.11 of the Advantage ERP software product. Such incorporated or baselined modifications and enhancements shall become part of the Advantage software licensed to future customer and that is supported by under the terms of the applicable software license and maintenance agreement. The specific modifications and enhancements to be included will be mutually agreed to by the Parties and will include all proposed modifications and enhancements to the Advantage Time and Labor Module and the Advantage Labor Distribution Module and any modifications or enhancements listed in Attachment 8 or 10 that are both described as being provided in the 'Next Release' and approved by the State Project Director or her designee for inclusion in the 'Next Release'.

Attachment 4: Deliverables and Payment Schedule

4.1 Overall Payments by Project Phase

Overall payments to the Contractor under this Agreement shall be limited to the Fixed Price listed in Section 1.601. Payments to Contractor are further limited by Project Phase, as indicated in Exhibit 4-1 below:

Exhibit 4-1

ERP Project Phase	**Fixed Price**
Total Phase 1 Implementation Services	$2,483,092
Total Phase 2 Implementation Services	$32,760,146
Total Final Post Implementation Support Services	$3,590,690
Total Estimated Contract Value	$38,833,928

4.2 Deliverables and Payments

The Contractor may invoice and receive payment for a completed and approved Deliverable Group or for approved completion of a project milestone.

8) **Deliverable Group** –Contractor may qualify to invoice for and receive a payment when all Deliverables associated with a specific Payment ID in Exhibit 4-2 below have been completed, submitted, and approved by the State Project Director or her designee. The amount that may be invoiced and paid for those Deliverables associated with a specific Payment ID is listed in the Payment Amount column of Exhibit 4-2. Deliverables associated with Milestone 7: Budget Preparation Acceptance and Milestone 13: Core ERP Acceptance will not qualify for invoicing and payment until the Milestone (and Milestone Report for that Milestone) has been completed and approved by the State Project Director or her designee.

9) **Milestones** – Contractor may qualify to invoice for and receive a Milestone payment by: completing all requirements associated with the particular Milestone listed and described in Attachment 2 Exhibit 2-1 AND submitting and receiving approval for the Milestone Report associated with the completed Milestone. Payment Amounts for each Milestone are listed in the Payment Amount column of Exhibit 4-2 below (in association with Milestone Reports and related Payment IDs).

Exhibit 4.2: Payments

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Phase I					
Milestone 1					
Planning Deliverables	**1-Project Management**				
Project Strategy, Plan and Resource Schedule		P01	M1PMT-1		
Risk Identification, Analysis, and Management Plan		P02	M1PMT-1		
Issue Process/Database		P03	M1PMT-1		
Status Reporting Process		P04	M1PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Scope Change Control Process		P05	M1PMT-1		
Organizational Change Management Plan		P06	M1PMT-1		
Communications Plan		P07	M1PMT-1	30.00%	$74,492.76
Technical Services Deliverables	**2-Technical Services**				
Project Environment Specification		T01	M1PMT-2		
Completed Software Installation, User Playground, and Software Education Sessions		T02	M1PMT-2		
Complete Development Environment - Phase 1		T03	M1PMT-2		
Complete Development Environment - Phase 2		T04	M1PMT-2		
System Analysis and Design Deliverables					
Site Specific Code Retrofitting Approach	3-Systems Analysis and Design	S01	M1PMT-2	25.00%	$62,077.30
Training and Knowledge Transfer Deliverables	**11-Training and Knowledge Transfer**				
Project Team Training Approach and Plan		TK01	M1PMT-3		
Knowledge Transfer Approach and Plan		TK02	M1PMT-3		
Project Team Training -ERP		TK03	M1PMT-3		
Project Team Training - Methodology and Approach		TK04	M1PMT-3	30.00%	$74,492.76
Project Management Deliverables					
Milestone Report 1: Project Strategy and Plan	Project Mgt	PM01	M1PMT-4	15.00%	$37,246.38
Milestone 1 Total Payments				**100.00%**	**$248,309.20**
Milestone 2 - Budget Preparation Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Not Used		S04			
Requirements Validation Document		S03	M2PMT-1		
Budget Preparation Design		S04	M2PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S05	M2PMT-1		
Internal Control Risk Assessment		S06	M2PMT-1		
Software Configuration Plan		S07	M2PMT-1		
Chart of Accounts Design Assistance - Budget Preparation		S08	M2PMT-1		
Functional Designs		S09	M2PMT-1	30.00%	$89,391.31

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Technical Designs		S10	M2PMT-2		
Requirements Traceability Matrix		S11	M2PMT-2	15.00%	$44,695.66
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Plan		D01	M2PMT-3		
Data Conversion Program Designs		D02	M2PMT-3		
Report Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Budget Prep Report Designs		R01	M2PMT-3	10.00%	$29,797.10
Interfaces Deliverables	7-Interfaces				
Interface Plan (covering all phases)		I01	M2PMT-4		
Interface Designs		I02	M2PMT-4	5.00%	$14,898.55
Technical Services Deliverables	2-Technical Services				
Security Architecture and Design		T05	M2PMT-5		
Configuration Management Procedures		T06	M2PMT-5	15.00%	$44,695.66
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM02	M2PMT-6		
Communications Plan Updates		PM03	M2PMT-6	5.00%	$14,898.55
Milestone Report 2: Budget Preparation Design		PM04	M2PMT-7	20.00%	$59,594.21
Milestone 2 Total Payments				**100.00%**	**$297,971.04**
Milestone 3 ERP Core Design					
System Analysis and Design Deliverables	3-Systems Analysis and Design				
Requirements Validation Document		S11	M3PMT-1		
Core Design Fundamentals Document		S12	M3PMT-1		
Process, and Transaction Mapping Analysis		S13	M3PMT-1		
Requirements Validation Document		S14	M3PMT-1		
Cost Accounting Classification and Reporting Plan		S15	M3PMT-1		
Inventory of Transactions, Views, Reports, and Processes		S16	M3PMT-1		
Internal Control Risk Assessment		S17	M3PMT-1		
FHWA Comprehensive Design		S18	M3PMT-1		
Software Configuration Plan		S19	M3PMT-1		
Chart of Accounts Plan		S20	M3PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Chart of Accounts Design Assistance		S21	M3PMT-1		
Functional Designs		S22	M3PMT-1	35.00%	$917,284.09
Technical Designs		S23	M3PMT-2		
Requirements Traceability Matrix		S24	M3PMT-2	20.00%	$524,162.34
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
MIDB Design		R02	M3PMT-3		
MIDB Report Designs		R03	M3PMT-3		
Report Designs for Production ERP		R04	M3PMT-3		
CAFR Report and Publication Design		R05	M3PMT-3		
Transparency & Accountability Website Design		R06	M3PMT-3	10.00%	$262,081.17
Data Conversion Deliverables	5-Data Conversion				
Data Conversion Program Designs		D03	M3PMT-4		
Interface Deliverables	7-Interfaces				
Major Integration Approach Document (covering all phases)		I03	M3PMT-4		
Interface Designs		I04	M3PMT-4		
Technical Services Deliverables	2-Technical Services				
Completed Production and Production QA Specification		T07	M3PMT-4	10.00%	$262,081.17
Project Management Deliverables	1-Project Management				
Organizational Change Management Plan Updates		PM05	M3PMT-5		
Communications Plan Updates		PM06	M3PMT-5	5.00%	$131,040.58
Milestone Report 3: ERP Core Design		PM07	M3PMT-6	20.00%	$524,162.34
Milestone 3 Total Payments				**100.00%**	**$2,620,811.68**
Milestone 4 - Budget Preparation Configuration and Development					
Configuration and Development Deliverables	4-Configuration Management and Development				
Configuration and Development Inventory		CD01	M4PMT-1		
Unit Tested and Documented Configuration		CD02	M4PMT-1		
Unit Tested Site Specific Code		CD03	M4PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Unit Tested and Documented Workflows		CD04	M4PMT-1		
Unit Tested and Documented Configuration		CD05	M4PMT-1		
Reports Deliverables	6-MIDB,Reporting and Transparency & Accountability Website				
Tested and Approved Budget Preparation Reports		R07	M4PMT-1	40.00%	$248,309.20
Conversion Deliverables	5-Data Conversion	D00	M4PMT-2		
Unit Tested Data Conversion Programs		D04	M4PMT-2		
Interfaces Deliverables	7-Interfaces				
Interface Tested Programs		I05	M4PMT-2	10.00%	$62,077.30
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK05	M4PMT-3		
End User Training Plan		TK06	M4PMT-3		
End User Training Curriculum		TK07	M4PMT-3	10.00%	$62,077.30
Technical Services	2-Technical Services				
Completed System and Recovery Test Environment		T08	M4PMT-4		
Completed Training Environment		T09	M4PMT-4		
Production and Production QA Environment Specification		T10	M4PMT-4		
Performance Testing and Tuning Plan		T11	M4PMT-4		
Approved Phase 1 Security, Vulnerability and Penetration Test Plan		T12	M4PMT-4		
System and Recovery Testing	8-System and Recovery Testing				
System and Recovery Test Plan		ST01	M4PMT-4		
Approved and Loaded System and Recovery Test Environment		ST02	M4PMT-4	10.00%	$62,077.30
Implementation Deliverables	12-Implementation and Change Management Assistance				
Agency Implementation and Change Management Assessments		IM01	M4PMT-5		
Agency Implementation Guide		IM02	M4PMT-5		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Agency Implementation and Change Management Plans		IM03	M4PMT-5		
Project Management	1-Project Management				
End User Readiness Assessment		PM08	M4PMT-5	10.00%	$62,077.30
Milestone Report 4: Budget Preparation Configuration and Development		PM09	M4PMT-6	20.00%	$124,154.60
Milestone 4 Total Payments				**100.00%**	**$620,773.00**
Milestone 5: Budget Preparation UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Production and Production QA Environments		T13	M5PMT-1		
Completed Phase 1 Performance Testing and System Tuning		T14	M5PMT-1		
Performance Testing and System Tuning Procedures		T15	M5PMT-1		
Completed Security, Vulnerability, and Penetration Test		T16	M5PMT-1	20.00%	$124,154.60
Conversion Deliverables	5-Data Conversion	D05			
Approved Mock Conversion		D06	M5PMT-2	10.00%	$62,077.30
Reports Deliverables	6-MIDB,Reporting, and Transparency and Accountability Website				
Report Distribution System Installed, Configured, and Ready for implementation		R08	M5PMT-3		
System and Recovery Testing Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST03	M5PMT-3	40.00%	$248,309.20
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U01	M5PMT-4		
User Acceptance Test Plan and Scripting Assistance		U02	M5PMT-4		
User Acceptance Test Environment and Data		U03	M5PMT-4		
Documentation Deliverables	10-Documentation				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Online Help		DC01	M5PMT-4		
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed and Approved Agency Implementation and Change Management Assistance		IM04	M5PMT-4		
Implementation Cutover Plan		IM05	M5PMT-4		
Implementation Checklist		IM06	M5PMT-4		
Production Job Schedule		IM07	M5PMT-4		
Approved Batch jobs on Job Scheduler		IM08	M5PMT-4	10.00%	$62,077.30
Project Management Deliverables	1-Project Management				
Milestone Report 5: Budget Preparation UAT Go/No Go		PM10	M5PMT-5	20.00%	$124,154.60
Milestone 5 Total Payments				**100.00%**	**$620,773.00**
Milestone 6: Budget Preparation Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Assistance		U04	M6PMT-1	30.00%	$126,637.69
Documentation Deliverables	10-Documentation				
User Documentation		DC02	M6PMT-2		
Technical Documentation		DC03	M6PMT-2		
Operations Documentation		DC04	M6PMT-2		
System Management Guide		DC04a	M6PMT-2		
Security Administration Documentation		DC05	M6PMT-2		
Workflow Administration Documentation		DC06	M6PMT-2		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK08	M6PMT-2		
End User Training Environment/Data		TK09	M6PMT-2		
Trained State Trainers		TK10	M6PMT-2		
End User Training Assistance		TK11	M6PMT-2		
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK12	M6PMT-2		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-off		TK13	M6PMT-2	20.00%	$84,425.13
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and Production QA Environments		IM09	M6PMT-3		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM10	M6PMT-3		
Help Desk Plan		IM11	M6PMT-3		
Help Desk Implementation Assistance		IM12	M6PMT-3	25.00%	$105,531.41
Project Management Deliverables	1-Project Management				
Milestone Report 6: Budget Preparation Implementation Go/No Go		PM11	M6PMT-4	25.00%	$105,531.41
Milestone 6 Total Payments				100.00%	$422,125.64
Milestone 7: Budget Preparation Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM13	M7PMT-1		
Converted Data in Production Environment		IM14	M7PMT-1		
Post Implementation Support Deliverables	13-Post Implementation Support				
Phase 1 Post Implementation Support		PS01	M7PMT-1		
Project Management Deliverables	1-Project Mangement				
Milestone Report 7: Budget Preparation Acceptance		PM12	M7PMT-1	100.00%	$273,140.12
Milestone 7 Total Payments				100.00%	$273,140.12
Milestone 8: Phase 2 Agency Implementation Planning & Organization					
Implementation Deliverables	12-Implementation and Change				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
	Management Assistance				
Agency Implementation and Change Management Assessment		IM15	M8PMT-1		
Agency Implementation and Change Management Plans for All Agencies		IM16	M8PMT-1	30.00%	$982,804.38
Agency Implementation Guide		IM17	M8PMT-2	40.00%	$1,310,405.84
Project Management Deliverables	1-Project Management				
End User Readiness Assessment		PM13	M8MPT-3		
Milestone Report 8: Agency Implementation Planning and Organization		PM14	M8MPT-3	30.00%	$982,804.38
Milestone 8 Total Payments				**100.00%**	**$3,276,014.60**
Milestone 9: ERP Core Development and Configuration Complete					
Technical Services Deliverables	2-Technical Services				
Completed System and Recovery Test Environment		T17	M9PMT-1		
Approved Security, Vulnerability and Penetration Test Plan		T18	M9PMT-1	5.00%	$573,302.56
Configuration and Development Deliverables	4-Configuraton Management and Development				
Configuration and Development Inventory		CD06	M9PMT-2		
Unit Tested and Documented Configuration		CD07	M9PMT-2		
Unit Tested Site Specific Code		CD08	M9PMT-2		
Unit Tested and Documented Workflows		CD09	M9PMT-2		
Unit Tested and Documented Configuration		CD10	M9PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Unit Tested Data Conversion Programs		D07	M9PMT-2	40.00%	$4,586,420.44
Interfaces Deliverables	7-Interfaces				
Completed and Tested State Transportation System Integration		I05	M9PMT-3		
Completed and Tested HRMN Integration		I06	M9PMT-3		
Completed and Tested Procurement Integration		I07	M9PMT-3		
Completed and Tested Disbursement Integration		I08	M9PMT-3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed and Tested Banking, Credit Card Processor, and Other Financial Interfaces with External Parties		I09	M9PMT-3		
Completed and Tested EDI Interfaces		I10	M9PMT-3		
Other Interfaces - Tested Programs		I11	M9PMT-3	15.00%	$1,719,907.67
Reports Deliverables	6-MIDB,Reporting, and Transparency & Accountability Website				
Tested and Approved MIDB Changes		R09	M9PMT-4		
Tested and Approved MIDB Reports		R10	M9PMT-4		
Tested and Approved Reports for Production ERP		R11	M9PMT-4		
Tested and Approved CAFR Reports/Publication		R12	M9PMT-4		
Tested and Approved Transparency & Accountability Website		R13	M9PMT-4	15.00%	$1,719,907.67
System and Recovery Test Deliverables	8-System and Recovery Testing				
System and Recovery Test Plan		ST04	M9PMT-5		
Approved and Loaded System and Recovery Test Environment		ST05	M9PMT-5		
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Needs Assessment		TK14	M9PMT-5		
End User Training Plan		TK15	M9PMT-5		
End User Training Curriculum		TK16	M9PMT-5	10.00%	$1,146,605.11
Project Management Deliverables	1-Project Management				
Milestone Report 9: ERP Core Function Configuration and Development Complete		PM15	M9PMT-6	15.00%	$1,719,907.67
Milestone 9 Total Payments				**100.00%**	**$11,466,051.10**
Milestone 10: ERP Core Function UAT Go/No Go					
Technical Services Deliverables	2-Technical Services				
Completed Security, Vulnerability and Penetration Test Plan		T19	M10PMT-1		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed Security, Vulnerability, and Penetration Test		T20	M10PMT-1		
Completed Performance Testing and Tuning Plan		T21	M10PMT-1		
Completed Performance Testing and Tuning		T22	M10PMT-1		
Performance Testing and System Tuning Procedures		T23	M10PMT-1		
Completed User Acceptance Test Environment		T24	M10PMT-1		
Production and Production QA Environments		T25	M10PMT-1	15.00%	$835,383.72
Systems and Recovery Test Deliverables	8-System and Recovery Testing				
Approved System and Recovery Test Outcomes		ST06	M10PMT-2		
Data Conversion Deliverables	5-Data Conversion				
Approved Mock Conversion		D08	M10PMT-2		
User Acceptance Test Deliverables	9-User Acceptance Testing Assistance				
User Acceptance Test Training		U05	M10PMT-2		
User Acceptance Test Plan and Scripting Assistance		U06	M10PMT-2		
User Acceptance Test Environment and Data		U07	M10PMT-2	50.00%	$2,784,612.41
Documentation Deliverables	10-Documentation				
Online Help		DC07	M10PMT-3		
Reports Deliverables	6-MIDB, Reporting, and Transparency & Accountability Website				
Report Distribution System Installed, Configured, and Ready for Implementation		R14	M10PMT-3		
Training Deliverables	11-Training and Knowledge Transfer	TK00	M10PMT-3		
Computer Based Training (CBT) Designs		TK17	M10PMT-3		
Unit Tested Computer Based (CBT) Training		TK18	M10PMT-3		
Implementation Deliverables	12-Implementation and Change				

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
	Management Assistance				
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM18	M10PMT-3		
Implementation Cutover Plan		IM19	M10PMT-3		
Implementation Checklist		IM20	M10PMT-3		
Production Job Schedule		IM21	M10PMT-3		
Approved Batch jobs on Job Scheduler		IM22	M10PMT-3	20.00%	$1,113,844.96
Project Management Deliverables	1-Project Management				
Milestone Report 10: ERP Core Function UAT Go/No Go		PM16	M10PMT-4	15.00%	$835,383.72
Milestone 10 Total Payments				**100.00%**	**$5,569,224.82**
Milestone 11: Core Implementation Go/No Go					
User Acceptance Test Deliverables	9-User Acceptance Test Assistance				
User Acceptance Test Assistance		U08	M11PMT-1		
Documentation Deliverables	10-Documentation				
User Documentation		DC08	M11PMT-1		
Technical Documentation		DC09	M11PMT-1		
Operations Documentation		DC10	M11PMT-1		
System Management Guide		DC10a	M11PMT-1		
Security Administration Documentation		DC11	M11PMT-1		
Workflow Administration Documentation		DC12	M11PMT-1	20.00%	$1,113,844.96
Training Deliverables	11-Training and Knowledge Transfer				
End User Training Materials		TK19	M11PMT-2		
End User Training Environment/Data		TK20	M11PMT-2	10.00%	$556,922.48
Trained State Trainers		TK21	M11PMT-3		
End User Training Assistance		TK22	M11PMT-3		

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
Completed and Approved Technical and Operations Personnel Training/Knowledge Transfer Documentation Sign-Off		TK23	M11PMT-3		
Completed and Approved Knowledge Transfer for Security, Workflow, and other Administrators Documentation Sign-Off		TK24	M11PMT-3	20.00%	$1,113,844.96
Implementation Deliverables	12-Implementation and Change Management Assistance				
Approved Production and QA Environments		IM23	M11PMT-4		
Completed and Approved Agency Implementation and Agency Change Management Assistance		IM24	M11PMT-4		
Help Desk Plan		IM25	M11PMT-4		
Help Desk Implementation Assistance		IM26	M11PMT-4	30.00%	$1,670,767.45
Project Management Deliverables	1-Project Management				
Milestone Report 11: Core Implementation Go/No Go		PM17	M11PMT-5	20.00%	$1,113,844.96
Milestone 11 Total Payments				**100.00%**	**$5,569,224.82**
Milestone 13: Core Acceptance					
Implementation Deliverables	12-Implementation and Change Management Assistance				
Completed Production Turnover		IM27	M13PMT-1		
Converted Data in Production Environment		IM28	M13PMT-1		
Project Management Deliverables	1-Project Management				
Milestone Report 13: Core Acceptance		PM18	M13PMT-1	100.00%	$4,258,818.98
Milestone 13 Total Payments				**100.00%**	**$4,258,818.98**
Post Implementation Support Through September 30, 2017					
1st Calendar Quarter Period	13-Post Implementation Support	PS03	PIPMT-1	20.00%	$718,138.00

Phase/Milestone-Deliverable	Task	Deliverable Number	Payment ID	Percent of Total Milestone Payments	
2nd Calendar Quarter Period		PS04	PIPMT-2	20.00%	$718,138.00
3rd Calendar Quarter Period		PS05	PIPMT-3	20.00%	$718,138.00
4th Calendar Quarter Period		PS06	PIPMT-4	20.00%	$718,138.00
Upgrade to Latest Release		PS07	PIPMT-5	20.00%	$718,138.00
Total Post Implementation Payments				**100.00%**	**$3,590,690.00**
Total Project Payments					**$38,833,928.00**

4.3 Rates for Additional Services in Association with the ERP Implementation Project

Contractor hourly rates for services that would apply to any change orders, task orders, or additional statements of work that may be issued in association with the Agreement are listed in Exhibit 4-3: Hourly Rates for Additional Services below.

The work shall be completed on-site unless the State provides prior approval. The State does not compensate Contractors for premium overtime or holiday pay. The rates shall be firm, fixed for the duration of the Agreement. The rates are inclusive of any travel or other expenses as described in Section 1.400. The State reserves the right to negotiate lower rates and obtain a fixed price for any larger efforts it may wish to undertake using Contractor staff.

Exhibit 4-3: Hourly Rates for Additional Services

Professional Service Category (e.g. Programmer/Analyst)	Hourly Rate
Project Manager	$260
Deputy Project Manager	$235
Subject Matter Expert	$245
Security Lead	$300
Security Specialist	$220
Technical Architect	$245
Technical Lead	$195
Team Lead	$195
Senior BA	$175
BA	$135
Senior PA	$175
PA	$135
Change Management/Communications	$175
Tester	$120
Trainer	$135
System Administrator	$135
Operations Support	$135
Technical Writer	$95
Project Assistant	$70

Attachment 5: Key Personnel

5.0 Contractor Key Personnel
The personnel specified in Exhibit 5-1 have been designated as Key Personnel and are subject to the provisions of Sections 2.062 and 2.243 covering Key Personnel and Liquidated Damages. For this purpose, Key Personnel may be released from their assigned roles upon satisfactory completion of their duties under this Agreement.

Exhibit 5-1

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
Project Manager	George Schwartztrauber	7/2014	Y	Y
Financial Lead	John Jones	7/2014	Y	Y
Deputy Project Manager	Brenda Limberg	7/2014	Y	Y
Budget Preparation Lead	Jon Gingrich	7/2014	Y	Y
Projects, Grants, Cost Allocation, Labor Distribution Lead	James Rishell	7/2014	Y	Y
Asset Management Lead	David Hay	10/2014	Y	Y
Inventory Management Lead	David Hay	10/2014	Y	Y
Time and Leave Lead	Tirzah Florentine	7/2014	Y	Y
Federal Highway Billing Lead	Gary Wang	7/2014	Y	Y
Technical Lead – ERP	Satish Mokkapati	7/2014	Y	Y
Technical Lead ERP (Technical Services)	Satish Mokkapati	7/2014	Y	Y
MIDB and Transparency Lead	David Brosh	7/2014	Y	Y
Interfaces	Wael Amoudi	7/2014	Y	Y
Data Conversion	Wael Amoudi	7/2014	Y	Y
Development	Syed Waseem	7/2014	Y	Y
Configuration	Syed Waseem	7/2014	Y	Y
Training Lead	Joel Drew	5/2015	Y	Y
Implementation Services	Neal Jones	7/2014	Y	Y
Agency Implementation Lead	Neal Jones	7/2014	Y	Y
Organizational Change Management and Communication	Joan Lillich	7/2014	Y	Y
Testing Lead	Sanjay Rodrigues	7/2014	Y	N
Post Implementation Support	Syed Waseem	7/2014	Y	Y

Key or Module Lead Position	Name	Start Date	Full Time in Position 'Y' or 'N' (If 'N', percentage of time allocated)	Key Personnel 'Y' or 'N'
On-Site Operations Manager for Hosting	Syed Waseem	7/2014	Y	Y
Delivery Project Executive	Kim Thorn	10/2014	25%	Y
Service Delivery Manager	Nick Kimberlin	10/2014	Y	Y

10.1 Use of CGI Product Team

All enhancements and modifications to the Advantage ERP and Budget Preparation Products will be performed by CGI's Product Team using experienced and qualified professionals. Development required for reports, interfaces, data conversion and other purposes will be performed onsite.

Selected members of the CGI Product Team will also provide services to the State onsite in Lansing, Michigan during the planning, analysis, design, activities on the project. These Product Team members are listed in Exhibit 5-2 below:

Exhibit 5-2: CGI Product Team Members

Name, Project Role	Qualifications	
Howard Dryver, Product Support – Cost Accounting	▪ Advantage ERP Director of Product Management ▪ Over 17 years' experience delivering Advantage implementations in State and Local Government ▪ One (1) statewide Advantage implementation, State of Illinois	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed
Daniel Bruetting, Product Support – Time & Leave	▪ Advantage HRM/Payroll Product Manager with extensive product knowledge in Time and Leave and Labor Distribution ▪ Over 15 years' experience delivering Advantage implementations in State and Local Government ▪ One (1) statewide Advantage implementation at Missouri	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed
Dale Kress, Product Support – Inventory	▪ Advantage Procurement, Inventory, & Vendor/Grantor Self Service Product Manager ▪ Over 10 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) state Advantage implementations, in Arizona and Virginia	▪ As needed, onsite ▪ Ongoing as needed
Jeremy Krishnan, Product Support - Financial, MIDB & Transparency, Financial SME	▪ Advantage Business Intelligence Product Manager, Advantage Financial Subject Matter Expert ▪ Over 18 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations at Massachusetts and Maine	▪ 50% allocation during core design fundamentals, a portion of this will be onsite ▪ Ongoing as needed

Name, Project Role	Qualifications	
Trey McClendon, Product Support - Financial	▪ Chief Advantage Solution Architect for General Accounting, Chart of Accounts, Treasury, and Payroll Accounting Management. ▪ Over 14 years' experience delivering Advantage implementations in State and Local Government ▪ Worked on almost every Advantage Implementation since 2002 including Massachusetts and California DOT	▪ 50% allocation for Chart of Accounts and Coding Block Mapping, onsite ▪ Ongoing as needed
Joe Murray, Product Support – Cost Accounting, Financial, Federal Highway Billing, Asset Management	▪ Advantage Financial Product Manager ▪ Over 13 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations including California DOT and Utah ▪ Support multiple large scale Advantage implementations including West Virginia and Arizona	▪ 50% allocation during core design fundamentals, onsite ▪ Ongoing as needed
Louise Oliver, Product Support – Performance Budgeting	▪ Advantage Budgeting Product Manager ▪ Over 10 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations including Vermont and West Virginia ▪ Project Advisor on multiple Performance Budgeting implementations including Los Angeles County	▪ 50% allocation during Core Design, performance budgeting Fundamentals, onsite ▪ Ongoing as needed
Alden Jamison	▪ Over 12 years' experience delivering Advantage implementations in State and Local Government ▪ Two (2) statewide Advantage implementations, including Idaho and Wyoming ▪ Over 10 years' experience implementing STARS in the states of California, Maryland, Idaho, Kansas and North Dakota	▪ 50-60% allocation for Cost Accounting and other business and functional support as needed, onsite ▪ Ongoing as needed

Attachment 6: Interfaces

The Contractor will be responsible for development and deployment of a set of standard inbound and outbound interfaces to enable agencies to process transactions from and to those agency administrative systems not replaced by the new ERP system. Standard inbound and outbound interface types and roles and responsibilities are listed in Exhibit 6-1 below. The list of interfaces to be developed and implemented by the Contractor is included in Exhibit 6-2. This list will be finalized and documented in the Agency Assessment and Project Strategy, Plan, and Resource deliverables. Thereafter changes may be made with the approval of the State Project Director. Interface responsibilities of the Contractor listed in this Attachment are in addition to those listed and described in Attachment 2, Task 7: Interfaces.

Exhibit 6-1 Standard Interface Types

SENDING SYSTEM	RECEIVING SYSTEM	INFORMATION	CONTRACTOR – RESPONSIBILITY	STATE– RESPONSIBILITY	AGENCY – RESPONSIBILITY	MAIN INTERFACE TYPE
Agency System	ERP	Single and Multi-Payee Invoice, with capability to update Encumbrance (inbound)	Provide a standard inbound invoice file format.	Assist agency with producing an extract in a format acceptable to the State	Produce extract from the agency system in a format acceptable to the State	Accounting Transaction
Agency System	ERP	Journal Voucher (inbound)	Provide a standard inbound journal voucher file format.	Assist agency with producing an extract in a format acceptable the State	Produce extract from the agency system in a format acceptable the State	Accounting Transaction & Remittance Advice Information
Agency System	ERP	Accounts Receivable (inbound)	Provide a standard inbound accounts receivable file format.	Assist agency with producing an extract in a format acceptable the State	Produce extract from the agency system in a format acceptable the State	Accounting Transaction
Agency System	ERP	Cash Receipt (inbound)	Provide a standard inbound cash receipt file format.	Assist agency with producing an extract in a format acceptable the State	Produce extract from the agency system in a format acceptable the State	Accounting Transaction

SENDING SYSTEM	RECEIVING SYSTEM	INFORMATION	CONTRACTOR – RESPONSIBILITY	STATE– RESPONSIBILITY	AGENCY – RESPONSIBILITY	MAIN INTERFACE TYPE
ERP	Agency System	Warrants Issued and Cancelled (outbound)	Produce a warrant extract file from the ERP system that is similar in structure and format as the file produced by MAIN.	Assist agency with any needed file adjustments	Receive extract file from the ERP system and adjust as needed to accomplish agency purpose.	Request Warrant cancellations
ERP	Agency System	Summary Expenditures and Revenues (outbound)	Produce a summary expenditure and revenue extract file from the new ERP system that is similar in structure and format as the file produced by MAIN.	Assist agency with any needed file adjustments	Receive extract file from the ERP system and adjust as needed to accomplish agency purpose.	Expenditures and/or Revenues at summary level
Agency System	ERP	Time Entry (inbound)	Provide a standard inbound time entry file format.	Assist agency with producing an extract in a format acceptable the State	Produce extract from the agency system in a format acceptable the State	Time Records
ERP	Agency System	Time Entry (outbound)	Provide a standard outbound time entry file format.	Assist agency with any needed file adjustments	Receive extract file from the ERP system and adjust as needed to accomplish agency purpose.	Time Records
Agency System	ERP	CEPAS credit card receipts	Provide a standard inbound credit card file format	Assist agency with producing an extract in a format acceptable the State	Produce extract from the agency system in a format acceptable the State	Credit Card Receipt Processing

Exhibit 6-2: List of Interfaces to be Developed and Implemented

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
1	Technology, Management, and Budget	DTMB Access Database	MAIN	Internal Service Fund Billing to Other State Agencies - Reproduction Services	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Service Provided / Used	Access Database	Batch	State	Simple
2	Technology, Management, and Budget	DTMB Access Database	MAIN	Internal Service Fund Billing to Other State Agencies - Agency Services / Mailing Services	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Service Provided / Used	Access Database	Batch	State	Simple
3	Technology, Management, and Budget	DTMB Access Database	MAIN	Internal Service Fund Billing to Other State Agencies - Vehicle & Travel Services Billings	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Service Provided / Used	Access Database	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
4	Technology, Management, and Budget	DTMB Excel File	MAIN	Distribute Credit Card Purchases to Purchasing Agencies - Procurement Card Interagency Billing	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Credit Card Use	Excel Spreadsheet	Batch	State	Simple
5	Technology, Management, and Budget	DTMB Access Database	MAIN	Post Building Occupancy Charges for State Owned Bldgs. to Other Agencies - Rental / Lease Billings	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Monthly Rent	Access Database	Batch	State	Simple
6	Technology, Management, and Budget	DTMB Access Database	MAIN	Internal Service Fund Billing to Other State Agencies - Natural Gas Interagency Billings	Accounting Coding Block for Sending & Receiving Agencies	Accounting Transaction	Service Provided / Used	Access Database	Batch	State	Simple
7	Licensing and Regulatory Affairs	CRS	MAIN	Deposit of assessments and other revenues, associate	Accounting entries and detail for all cash receipts	Accounting Transaction	User execution in CRS	Microsoft Access 2010	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				receipts to AR							
8	Licensing and Regulatory Affairs	C3 System	MAIN	Daily cash receipts	Accounting information for daily cash receipts	Accounting Transaction	FTP	Oracle	Batch	State	Average
9	Michigan State Police	SmartScan	MAIN	Monthly distribution of costs, and offsetting reduction of inventory GL associated with requisitions for items from MSP Distribution Center.	Accounting Transaction	Accounting Transaction	Not Provided	Not Provided	Not Provided	Not Provided	Not Provided
10	Michigan State Police	MAGIC	MAIN	Monthly grant reimbursements for the Byrne Justice Assistance Grant (JAG) program.	Accounting Transaction	Accounting Transaction	Not Provided	Not Provided	Not Provided	Not Provided	Not Provided
11	Treasury	Office of Financial Services Access	MAIN	Treasury - Receipt Processing -	Accounting transactions	Accounting Transactio	Part of Treasury daily processi	Unisys, Access	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
		DB		Bank Deposits		n	ng				
12	Treasury	TC02 Collections STAR	MAIN	State Agency Collections - Report General Ledger transactions	Accounting transactions	Accounting Transaction	Part of Collections daily cycle	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
13	Treasury	TC76	MAIN	Bottle Deposit Refund - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
14	Technology, Management, and Budget	DCDS	MAIN	DCDS Labor Distribution Journal Voucher	Accounting transactions for labor distribution	Accounting Transaction	Payroll Processing/ FTP	COBOL	Batch	State	Average
15	Technology, Management, and Budget	HRMN	MAIN	Payroll Third Party Payments	Accounting transactions to generate third party payments	Accounting Transaction	Payroll Processing/ FTP	COBOL	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
16	Human Services	SACWIS	MAIN	Case Management. Payments to parents and providers of adoptive children.	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
17	Human Services	SACWIS	MAIN	Case Management. Payments to Foster care Parents	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
18	Human Services	SACWIS	MAIN	Case Management. Payments to Adoption/ Foster care Vendors	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
19	Human Services	DDS	MAIN	Payments for provide services during process of determining if a customer is disabled.	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	COBOL	Batch	State	Complex
20	Human Services	CTP	MAIN	Contractor Tracking System. Yearly Account	Client/ Provider/ Vendor Payment	Accounting Transaction	Scheduled	ASP.NET and Oracle	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				Payable.	Data						
21	Human Services	BRIDGES	MAIN	Payments to People with Disabilities	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
22	Human Services	CTP	MAIN	Payments for Medical Adoption Subsidy & Human Service Contracts	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	ASP.NET and Oracle	Batch	State	Complex
23	Human Services	SWSS	MAIN	Case Management. Payments to parents and providers of adoptive children.	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	Visual Basic 6	Batch	State	Complex
24	Human Services	SWSS	MAIN	Case Management. Payments to Foster care Parents	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	Visual Basic 6	Batch	State	Complex
25	Human Services	BRIDGES	MAIN	Payments for State Disability Assistance	Client/ Provider/ Vendor	Accounting Transactio	Scheduled	JAVA	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				clients living in Adult Foster Care.	Payment Data	n					
26	Human Services	BRIDGES	MAIN	Case Management. Payments to Energy/ Medical Vendors	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
27	Human Services	BRIDGES	MAIN	Client Manual issuance for payments State Disability Assistance/Family Independence Program	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
28	Human Services	BRIDGES	MAIN	Payments to Shelter Vendors/ large energy vendors	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
29	Human Services	BRIDGES	MAIN	Payments for Supplemental Security Income.	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
30	Human Services	BRIDGES	MAIN	Case Management. Payments to Child Daycare Providers	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex
31	Human Services	AWARE- Manually sent	MAIN	Case Management.	Client/ Provider/ Vendor Payment Data	Accounting Transaction	Scheduled	Microsoft Transaction SQL and .NET	Batch	State	Complex
32	DNR	751 DNR - CASHIERING SYSTEM	RPS	Interfaces to MAIN, transmit all revenue, reclass, and EJV to MAIN	Coding Blocks, Deposit Tickets	Accounting Transaction	DAILY	SQL/FTP	Batch	RPS- 3rd party, FTP- State	Complex
33	DNR	DNR CRDT RCPT INTF	URI	Interfaces to RPS and then sent to MAIN, interface PARKS CRS (camping reservation system) to RPS	Coding Blocks, Deposit Tickets	Accounting Transaction	DAILY	FTP	Batch	Active Network - 3rd Party, FTP- State	Complex
34	State	IRP System	MAIN	Automatically records cash receipts and the related revenue distribution	Coding Blocks and $	Accounting Transaction	IRP transaction	C# 3.5, FTP Batch Interface	Batch	3rd party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				entries for transactions processed by IRP (International Registration Plan).							
35	State	AR/Cash Receipting	MAIN	Automatically records cash receipts collected in our central cashier office and generates all of the related revenue distribution entries based on the type of payment received. Also records the revenue refunds processed in ARS/RPS.	Coding Blocks, Deposit Ticket Number, Customer Name and Address for Refunds and $	Accounting Transaction	Receipt of payment in Cashier or revenue refund	VB.net 1.1/ SQL Server Job, FTP Batch Interface	Batch	3rd party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
36	State	Branch Office System	MAIN	Automatically records cash receipts collected in our branch offices and generates all of the related revenue distribution entries based on the type of branch transaction processed. (i.e., Driver License, License Plate, etc.)	Coding Blocks, Deposit Ticket Numbers and $	Accounting Transaction	Branch office transaction	XGEN & COBOL, DMSII database	Batch	State	Complex
37	Technology, Management, and Budget	MOST	MAIN	Post Data Exchange Gateway (DEG) Billing Charges (revenue and expense) into Statewide Accounting System	DEG Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
38	Education	MIDB	OFMCore - FLOC	Download data corresponding to federal expenditures, revenue, accruals & encumbrances. In addition, it downloads associated data tables containing grant, grant control, appropriation, PCA & index data.	Download General Ledger data (expenditure/revenue) and other associated tables.	Accounting Transaction	Done on Mondays before processing the draw based on expenditure/ revenue posted as of previous Friday.	C# SQL*Server Stored Procedures	near real time	State	Complex
39	Transportation	PAB (Project accounting and billing)	MAIN	Equipment Credit JV (Data originates in different system, PAB packages data and sends to MAIN)	Expenditure/ Expenditure credits	Accounting Transaction	UC4	Pro-C	Batch	State	Average
40	Technology, Manage	Clarety	MAIN	Get Summary level Transaction for Pension	Expenditures at summary level	Accounting Transaction	Pension / Investment	JAVA	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
	ment, and Budget			Plans into Statewide Accounting System - Pension Investment Activity			Activity				
41	Lottery	Gaming system for Lottery prize payments	MAIN	Records prize winner payments	Fund, tran code, index, PCA, COBJ, $ amt, ck #	Accounting Transaction	Outgoing payment	Visual Studio VB.NET	Batch	State	Complex
42	Transportation	ARS/Navision	MAIN	Accounts Receivable System (ARS) /Navision receipts processing ARS – Account Receivable System processes MDOT invoices, receipts, credit memos, refund, Loan and Rent information. This portion of	G/L Cash Receipts, expenditure credits	Accounting Transaction	UC4	ARS - PowerBuilder; Navision - Microsoft Business Solution proprietary language C/AL	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				its functions have been replaced with Navision. ARS also provides information for Signal Energy re-billing. ARS signal energy re-billing process functions will be in a new application which is in the Project planning phase.							
43	Transportation	PAB (Project accounting and billing)	MAIN	PAB Project transactions, Year-end entries (Data originates in different system, PAB packages data and sends to MAIN)	G/L Expenditures, revenues	Accounting Transaction	UC4	Pro-C	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
44	Transportation	PAB (Project accounting and billing)	MAIN	Reclassify Inventory Usage (Data originates in different system, PAB packages data and sends to MAIN)	G/L Inventory and expenditures	Accounting Transaction	UC4	Pro-C	Batch	State	Average
45	MEDC	MARS	MAIN	inat file - is the file that sends payment and coding data to MAIN for interfaced payments (VZG doc's)	Basic fields needed are effective date, document number, vendor id, accounting codeblock, amount.	Receive request for payment in MARS system	Nightly	Flat File	Batch	3rd party	Average
46	MEDC	MARS	MAIN	remt file - is the file that sends payment identification data related to the payments sent on the related inat interface	Basic fields needed are document number, vendor identification, and explanation. This is where the information for the	Receive request for payment in MARS system	Nightly	Flat File	Batch	3rd party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
					remittance advice comes from on the interfaced payment.						
47	MEDC	MAIN	Salesforce	A MEDC Salesforce client requests a disbursement; the MEDC enters a request in MAIN for the disbursement/ payment. Salesforce is updated once MAIN has completed this task.	Main Data is Warrant No., Invoice No., Document Date, Current Document, Number Suffix, Transaction Amt, Invoice Description, and Vendor Name.	MEDC Salesforce System Disbursement Request manually entered into MAIN	Nightly	Windows Task, MS SSIS	Batch	MEDC	Average
48	MEDC	MAIN	BI360	Financial data is pulled using Business Objects - Financial Universe (all fields) and loaded into our MEDC BI360 Data	Financial Universe - All Fields	Manual or Scheduled BO job	Weekly	Business Objects and/or Microsoft SQL Server Integration Services	Batch	MEDC	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				Warehouse. Financial reports are then generated from the BI360 Data Warehouse.							
49	Technology, Management, and Budget	MOST	MAIN	Post LMAN Agency Charges (usage, services, etc.) (revenue and expense) into Statewide Accounting System	LMAN Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple
50	Technology, Management, and Budget	MOST	MAIN	Post Operator Charges (revenue and expense) into Statewide Accounting System	Operator Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple
51	Judiciary	Judiciary Finance System/ MAIN R*STARS	MAIN R*STARS/ Judiciary Finance System	Daily batch upload of payment, deposit, and journal voucher	Payment and deposit transactions	Accounting Transaction	Batches are sent at the end of each day	.NET, C#	Batch	state	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				information entered by judicial branch employees on the internal Judiciary Finance System to MAIN R*STARS.							
52	Education	SAMS	MAIN	Disbursement of State Aid to school districts (conventional school districts, charter schools & Intermediate School Districts)	Payment Amounts for districts/ loan trustees (Vendor Number, Mail Code, Index, Transaction Code, etc)	Accounting Transaction	Interface file sent to MAIN after payments for the current has been calculated and verified.	C# SQL*Server Stored Procedures	Batch	State	Average
53	Community Health	CHAMPS	MAIN	Healthcare payments fee for service	Payment transactions	Accounting Transaction	TBD	TBD	TBD	TBD	TBD
54	Community Health	WIC Online (M-TRACX)	MAIN	Payments for women, infants & children (WIC) coupons	Payments	Accounting Transaction	Scheduled Job	FTP	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				submitted by food vendors							
55	Community Health	Egrams	MAIN	Makes contractual payments	Payments	Accounting Transaction	Scheduled Job	FTP	Batch	State	Average
56	Community Health	MSA Manual Payment	MAIN	Misc payments, including Children's Special Health Care Services (CSHCS)	Payments	Accounting Transaction	Scheduled Job	Oracle	Batch	State	Average
57	Community Health	COBRA	MAIN	Make payments to insurance or employment companies	Payments	Accounting Transaction	Scheduled Job	Access	Batch	State	Simple
58	MDARD	LICENSE 2000	ERP	Used to license Food Establishments and Nursery/Plant Grower/Dealer licenses	Payments	Accounting Transaction	Daily	Oracle	Batch	DTMB	Not Provided
59	Community ity	CHAMPS	MAIN	Payments to medical service	Payments & Journal	Accounting Transactio	Scheduled Job	Oracle	Batch	3rd party	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
	Health			providers	Vouchers	n					
60	MDARD	ARS/RPS	ERP	Used to receipt all other MDARD funds for licenses, inspections, fines, etc.	Payments / Creates Invoices	Accounting Transaction	Daily	Oracle	Batch	DTMB	Not Provided
61	Technology, Management, and Budget	MOST	MAIN	Post RDBC Billing Charges (revenue and expense) into Statewide Accounting System	RDBC Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple
62	Education	OFMCore - FLOC	MAIN	1) Setup Receivables prior to drawing funds from the FEDS. 2) Send Revenue Collection entries after receipt of funds from	Receivable entries, Revenue Collection entries.	Accounting Transaction	AE file for creating the receivables are sent to MAIN after draw for the current week has	C# SQL*Server Stored Procedures	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				FEDS.			been calculated. GS files for revenue collection are sent after receipt of "GRANT" & "ADMIN" money from the FEDS.				
63	Community Health	Michigan Cashiering and Receivables System (MiCaRS)	MAIN	Sends revenue receipt and accounts receivable information	Revenue Receipts and Accounts Receivable	Accounting Transaction	Not Provided	Not Provided	Not Provided	Not Provided	Not Provided
64	Technology, Management, and	MOST	MAIN	Post Server/Storage Area Network (SAN) Billing Charges	Server/ SAN Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
	Budget			(revenue and expense) into Statewide Accounting System							
65	Technology, Management, and Budget	MOST	MAIN	Post Telecom Billing charges (revenue and expense) into Statewide Accounting System	Telecom Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	Cobol	Batch	3rd party	Simple
66	Technology, Management, and Budget	MOST	MAIN	Post UNISYS Billing Charges (revenue and expense) into Statewide Accounting System	Unisys Agency Charges (usage, services, etc.)	Accounting Transaction	Due Date	MySql	Batch	3rd party	Simple
67	Human Services	BRIDGES	MAIN	Recurring payment system. Ensures DHS pays OfficeMax timely and earns discount.	Vendor Payment Data	Accounting Transaction	Scheduled	JAVA	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
68	Michigan State Police	MCOLES Fox Pro database	MAIN	Semiannual Law Enforcement Distribution (LED) payments to public safety agencies for officer training	Vendor payment information	Accounting Transaction	MCOLES staff initiate	FTP process/ database export	Batch	3rd party	Average
69	Michigan State Police	ARS	MAIN	Manual and automated invoicing for multiple State Police program areas centralized cashiering/ deposit transactions, journal voucher corrections and revenue allocation from undistributed receipts, revenue refund transactions for narcotics and Voluntary Benefit	Vendor payment information, journal voucher distribution detail, deposit and accounts receivable transactions	Accounting Transaction	Financial Services staff initiate	FTP process/ ODBC driver	Batch	3rd party	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				Program cases.							
70	MSHDA	Desktop PC	MAIN	Down Payment Assistance and Refinance Grant	ACH payments	Accounting Transaction	As Needed	Not Provided	Batch	Not Provided	Simple
71	Licensing and Regulatory Affairs	System 7	MAIN	Bureau of Services for Blind Persons Clients payments for clients	Accounting data to record expenditure	Accounting Transaction & Remittance Advice Information	FTP	Microsoft .NET Framework 3.5 on the Windows platform	Batch	3rd Party	Simple
72	Treasury	TC02 Collections STAR	MAIN	Payments to Counties - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
73	Treasury	TC88 Online Refund System	MAIN	Star TC02 - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
74	Treasury	TL56	MAIN	Revenue Sharing - Request payments (Vendor warrants and EFT conversions and EFT front door)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
75	Treasury	TC17 and TC88 Online Refund System	MAIN	Single Business Tax - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
76	Treasury	TC10 and TC88 Online Refund	MAIN	Fiduciary - Request refund payments (Vendor	Accounting transactions and remittance	Accounting Transaction & Remittanc	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
		System		warrants)	records	e Advice Information					
77	Treasury	TC07 IIT Energy Assistance	MAIN	Energy Draft Subsystem - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
78	Treasury	TC03 and TC88 Online Refund System	MAIN	SUW Refunds - Request refund payments (Vendor warrants) and report other General Ledger transactions	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	On Demand	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
79	Treasury	TE11	MAIN	MET - Request payments (Vendor warrants and EFT conversions)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
80	Treasury	TC88 Online Refund System	MAIN	AUPD TC75 - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
81	Treasury	TL06	MAIN	Principal Residence Exemption - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
82	Treasury	TM01 Collections GAL	MAIN	Pay Garnishments and Levies (GAL) -Courts & Attorneys - Request third party payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
83	Treasury	TM01 Collections GAL	MAIN	Vend GAL- Courts & Attorneys - Request third party	Accounting transactions and remittance	Accounting Transaction & Remittanc	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				payments (Vendor warrants)	records	e Advice Information					
84	Treasury	TM01 Collections GAL	MAIN	Vend GAL-Plaintiffs - Request third party payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
85	Treasury	TI10 Customer Financials and TC88 Online Refund System	MAIN	Cigarette Tax Refund - Request refund payments (Vendor warrants) and report other General Ledger transactions	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
86	Treasury	TC88 Online Refund System	MAIN	Misc Refunds (1054'S) - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
87	Treasury	TC88 Online Refund System	MAIN	Inheritance Tax Refunds - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
88	Treasury	TC88 Online Refund System	MAIN	Estate Tax Refunds TC43 - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
89	Treasury	TM01 Collections GAL	MAIN	Income Tax Garnishment - Request third party payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
90	Treasury	TM01 Collections GAL	MAIN	Income Tax Offset - FOTC - Request third party payments (EFT conversions)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Informatio	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				and report other General Ledger transactions		n					
91	Treasury	TC88 Online Refund System	MAIN	Individual Income Tax Refunds (1054S) - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
92	Treasury	TI10 Customer Financials and TC88 Online Refund System	MAIN	Motor Fuel Refunds (NOT STATUTORY) - Request refund payments (Vendor warrants and EFT conversions) and report other General Ledger transactions	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
93	Treasury	TC88 Online Refund	MAIN	Motor Carrier Refunds - Request refund	Accounting transactions and remittance	Accounting Transaction &	Need to request payment	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
		System		payments (Vendor warrants)	records	Remittance Advice Information	s				
94	Treasury	TC88 Online Refund System	MAIN	Motor Fuel Statutory Refunds - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
95	Treasury	TC88 Online Refund System	MAIN	Motor Fuel International Fuel Tax Agreement (IFTA) Payments - Request refund payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request payments	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
96	Treasury	SAP	MAIN	Michigan Business Tax - Request refund payments (Vendor warrants) and report other	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request a payment or send other accounting	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				General Ledger transactions		n	transactions				
97	Treasury	Higher Education	MAIN	Michigan Campus - Based Programs - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request a payment	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
98	Treasury	Higher Education	MAIN	Scholarships and Grants - Treasury - Request payments (Vendor EFT front door)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request a payment	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
99	Treasury	Higher Education	MAIN	Michigan Merit and Promise - Treasury - Request payments (Vendor warrants)	Accounting transactions and remittance records	Accounting Transaction & Remittance Advice Information	Need to request a payment	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
100	Treasury	MAIN	Unclaimed Property	Send Escheated warrant information to Unclaimed Property	Warrant information	Periodic escheat process	Annual	Not Provided	Batch	State	Simple
101	Environmental Quality	Navision	MAIN	Send deposit information to Main - Cashiering System	Deposit	Accounting Transaction & Remittance Advice Information	Build intrans from Navision to be sent by FTP to Main	SQL/ FTP	Batch	3rd party	Complex
102	Licensing and Regulatory Affairs	LCC Licensing & Enforcement System	MAIN	To distribute returnable liquor license fee revenue to local governmental units in accordance with the law.	Dollar amounts of license fee revenue to be paid to local governments.	Accounting Transaction & Remittance Advice Information	Staff interaction	A file is exported from the Oracle database that is manually ftp'd to MAIN.	Batch	State	Simple
103	Lottery	Great Plains Microsoft Dynamics	MAIN	Process vendor payments	Fund, tran code, index, PCA, COBJ, $ amt, ck #	Accounting Transaction & Remittance Advice Informatio	Outgoing payment	Visual Studio VB.NET	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
						n					
104	Lottery	Gaming system for Lottery offsets on prize payments and federal taxes.	MAIN	Records prize offsets and federal taxes	Fund, tran code, index, PCA, COBJ, $ amt, ck #	Accounting Transaction & Remittance Advice Information	Outgoing payment	Visual Studio VB.NET	Batch	State	Complex
105	Transportation	PAB (Project accounting and billing)	MAIN	MTF Distributions, Local Agency Payment System (LAPS) Payments, Contractor Payments (Data originates in different systems, PAB packages data and sends to MAIN)	G/L Cash disbursements, Expenditures	Accounting Transaction & Remittance Advice Information	UC4	Pro-C	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
106	Education	OFMCore - LOM	MAIN	Disbursement of State Aid to public libraries	Payment Amounts for libraries (Vendor Number, Mail Code, Amount, Index, Transaction Code etc.)	Accounting Transaction & Remittance Advice Information	The applications for State Aid from the libraries are verified for eligibility in the order in which they are submitted. Typically, the payments are made in 2 installments. The first one is made right after the eligibility for a library has been	C# SQL*Server Stored Procedures	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
							ascertained. The second payment is made almost at the same time for all libraries whose eligibilities were established prior to first payment.				
107	Education	CMS	MAIN	Interface is used to send payments from Education's Cash Management System (CMS) to MAIN via ftp	Payment data in the form of a flat file	Accounting Transaction & Remittance Advice Information	Manual	FTP, .NET	Batch	State	Average
108	Community Health	Family Support Subsidy	MAIN	Payments to families caring for family members	Payments	Accounting Transaction &	Scheduled Job	FTP	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
						Remittance Advice Information					
109	Community Health	Crime Victims Compensation Claims	MAIN	Payments to non-profits, local gov'ts, crime victims & health providers	Payments	Accounting Transaction & Remittance Advice Information	Scheduled Job	FTP	Batch	State	Average
110	Community Health	Breast & Cervical Medical Billing	MAIN	Payments to medical service providers	Payments	Accounting Transaction & Remittance Advice Information	Scheduled Job	FTP	Batch	State	Average
111	Community Health	Adult Services Authorized Payments (ASAP)	MAIN	Payments for adult home help and adult foster care	Payments & Journal Vouchers	Accounting Transaction & Remittance Advice Information	Scheduled Job	JAVA	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
112	Licensing and Regulatory Affairs	FAIS	MAIN	Payment of workers' compensation claim benefits and expenses	Payments to Workers' Compensation claimants and third party providers	Accounting Transaction & Remittance Advice Information	User execution in FAIS	PowerBuilder	Batch	State	Average
113	House	House System	MAIN	Payments to MAIN - House of Representatives	Pymt Info. (Vendor, Accounting Codes, $ Amounts, Etc.)	Accounting Transaction & Remittance Advice Information	Manual	Foxpro	Batch	State	Low
114	House	House System	MAIN	Payments to MAIN - House Fiscal Agency	Pymt Info. (Vendor, Accounting Codes, $ Amounts, Etc.)	Accounting Transaction & Remittance Advice Information	Manual	Foxpro	Batch	State	Low
115	Senate	Senate System	MAIN	Payments to MAIN	Pymt Info. (Vendor, Accounting Codes, $ Amounts, Etc.)	Accounting Transaction & Remittance Advice Informatio	Manual	COBOL	Batch	State	Low

	Agency	Sending System	Receiving System	Interface Purpose/Des cription	Type of Data	MAIN Interface Type, if applicabl e	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
						n					
1 1 6	Technolo gy, Manage ment, and Budget	Clarety	MAIN	Get Summary level Transaction for Pension Plans into Statewide Accounting System - Retirement Refund	Return of Member Receipts	Accountin g Transactio n & Remittanc e Advice Informatio n	Pension / Investme nt Activity	JAVA	Batch	State	Simpl e
1 1 7	Treasury	TC06 IIT	MAIN	Individual Income Tax Refunds (NON-1054S) - Request refund payments (Vendor warrants) and report other General Ledger transactions	Accounting transactions and remittance records	Accountin g Transactio n & Payments from Other Systems	Whenev er IIT tax processi ng is run	COBOL, XGEN, Unisys, DMSII	Batch	State	Aver age
1 1 8	Technolo gy, Manage ment,	HRMN	MAIN	Post payroll transactions related to Net Pay and deductions	Accounting transactions to transfer deductions, and	Accountin g Transactio n & Payments	Payroll Processi ng/ FTP	COBOL	Batch	State	Aver age

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
	and Budget			related to National Guard	adjustment net pay related to National Guard payroll.	from Other Systems					
119	Technology, Management, and Budget	HRMN	MAIN	Post payroll transactions related to Net Pay, Deductions and Vendor Payments	Accounting transactions to transfer deductions, Net Pay, EFT, generate employee payments and generate third party payments	Accounting Transaction & Payments from Other Systems	Payroll Processing /FTP	COBOL	Batch	State	Average
120	Technology, Management, and Budget	Clarety	MAIN	Get Summary level Transaction for Pension Plans into Statewide Accounting System - Common Pension Payroll - Michigan Public School	Expenditures at summary level	Accounting Transaction & Payments from Other Systems	Monthly Pension Payments	JAVA	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				Employees Retirement System (MPSERS)							
121	Technology, Management, and Budget	Clarety	MAIN	Get Summary level Transaction for Pension Plans into Statewide Accounting System - Common Pension Payroll - State Employee Retirement System (SERS) & Other	Expenditures at summary level	Accounting Transaction & Payments from Other Systems	Monthly Pension Payments	JAVA	Batch	State	Simple
122	Technology, Management, and Budget	Clarety	MAIN	Get Summary level Transaction for Pension Plans into Statewide Accounting System - MPSERS,	Expenditures at summary level	Accounting Transaction & Payments from Other Systems	Pension / Investment Activity	JAVA	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
				SERS, & Other Daily Payroll							
123	DTMB	Excel File	RSTARS	State Aid Payments to College & Universities	Appropriation Expenditures for Payments to College & Universities	Appropriation Act	Monthly	Not Provided	Batch	State	Simple
124	Education	MAIN	CMS	Interface is used to get Grant Budget data from MAIN to CMS	Grant budget data that is from Oracle	Budget & Grant related data	Visual Studio 2008	.NET, Oracle, SQL	Batch	State	Average
125	Treasury	TC88 Treasury MAIN Interface	MAIN	Credit Card Receipts	Credit Card Receipts	Credit Card Receipt Processing	Not Provided	Not Provided	Not Provided	Not Provided	Not Provided
126	Community Health	DCH CRDT RCPT INTF	MAIN	CEPAS credit card receipts	Receipts	Credit Card Receipt Processing	Scheduled Job	FTP	Batch	State	Average
127	Environmental Quality	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue	SKU Number, Quantity Sold and $	Credit Card Receipt Processin	On-line Business Licensing transacti	Not Provided	Not Provided	Not Provided	Not Provided

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				distribution entries for Business Licensing transactions processed on-line.		g	on				
128	Natural Resources	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line. DNR eStore	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided
129	Natural Resources	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Com-plexity
				line. DNR Parks							
130	Licensing and Regulatory Affairs	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line.	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided
131	Licensing and Regulatory Affairs	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line.	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
132	Licensing and Regulatory Affairs	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line.	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided
133	Licensing and Regulatory Affairs	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line.	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided
134	Licensing and Regulatory Affairs	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	Not Provided	Not Provided	Not Provided	Not Provided

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				Business Licensing transactions processed on-line. Business One Stop							
135	State	On-line Licensing System	MAIN	Automatically records cash receipts and related revenue distribution entries for Business Licensing transactions processed on-line.	SKU Number, Quantity Sold and $	Credit Card Receipt Processing	On-line Business Licensing transaction	L2K - Power builder with an Oracle database, MyLicense - .Net with and Oracle Database	Batch	State	Average
136	DNR	DNR CRDT RCPT INTF	E-STORE	Sent to Treasury and dumped in DNRs 4000 fund and Treasury distributes funds to correct depts,	Sales of Products	Daily purchases are made, funds are interfaced to MAIN	DAILY	Not Provided	Real Time	DTMB/ Treas	Complex
13	Treasury	MAIN	TC06 IIT	IIT EFT Rejects - Receive IIT	EFT Reject information, including	EFT Reject	EFT payments are	COBOL, XGEN, Unisys, DMSII	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
7				EFT Rejects	reason		returned by the bank				
138	Treasury	MAIN	TC06 IIT	IIT EFT Returns - Receive IIT EFT Returns	EFT Return information, including reason	EFT Return	EFT payments are returned by the bank	COBOL, XGEN, Unisys, DMSII	Batch	State	Simple
139	Treasury	TC02 Collections GAL	MAIN	GAL Offset - Report Taxpayer ID Numbers that may have collectible offsets in Treasury Garnishment and Levy (GAL) system	ID numbers (SSN, FEIN)	Garnishment and Levy Offset	Part of MAIN and Treasury daily batch schedule	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
140	Judiciary	Judiciary Finance System/ MAIN R*STARS	MAIN R*STARS/ Judiciary Finance System	information from MAIN R*STARS through the DAFR9940 in order to populate the Judiciary Finance System with payroll,	Accounting Event table information (DAFR 9940)	History File Extract	DAFR 9940 information is downloaded monthly	.NET, C#	Batch	state	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				MiTES, and certain other information (primarily DTMB forced postings related to state vehicle usage, mail and copy charges).							
141	Senate	MAIN	Senate System	History File Extract	Text file with transactions histories in MAIN, downloaded to our internal system as an inbound interface.	History File Extract	Manual	COBOL	Batch	State	Low
142	Technology, Management, and Budget	MAIN	IRS	1099 Reporting to the Internal Revenue Service through their Filing Information Returns Electronically (FIRE) system	1099 Reporting information	N/A	Schedule - Original file sent annually; Corrections file sent monthly	COBOL	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
				Original and Corrected 1099 files submitted in separate file formats							
143	Treasury	TF08 Treasury Warrant Print	Filenet	Filenet alternate indexes - Additional indexes for Filenet warrant images	Additional data fields for Filenet	N/A	Warrants are printed	COBOL, XGEN, Unisys, DMSII	Batch	State	Simple
144	Treasury	NEW	TC88 Treasury MAIN Interface	Vendor EFT Returns/Rejects - Receive Vendor EFT returns/Rejects	EFT Returns and Rejects, including reason	N/A	EFT payments are returned by the bank	COBOL, XGEN, Unisys, DMSII, Monarch	Batch	State	Simple
145	Technology, Management, and Budget	Changepoint	NEW	Employee activity reporting	Employee activity reporting	N/A	TBD	Proprietary Software	TBD	3rd Party	TBD
146	Technology, Manage	HRMN	DCDS	Employee Demographics	Employee Demographics	N/A	Payroll Processing	COBOL	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor-ting Entity	Com-plexity
	ment, and Budget										
147	Transportation	Legacy Billing	RASPS (Feds)	Bill FHWA for Federal share of project expenditures	Exp/Exp cr	N/A	Manual	COBOL	Batch	State	Average
148	Transportation	MFOS	MPINS/PAB	Send project data to PAB and MPINS	Exp/Obligations/Fed required fields	N/A	Scheduled	Pro-C	Batch	State	Average
149	Transportation	TRANSP*RT	PAB and MFOS	Send contractor activity details	Expenditure and activity details	N/A	Scheduled Daily	Pro-C	Batch	State	High
150	Transportation	MFOS	FMIS	Send federal project initial obligation request, subsequent changes and financial closure requests	Federal Obligation Info, STIP details, Other required federal data	N/A	Scheduled 4x daily	Pro-C	Batch	State	High
151	Technology, Management, and	MAIN	Comerica	EFT Payment, Prenotes, & Payment Cancellation Requests transmitted to	Financial Information	N/A	Daily	COBOL	Batch	State	Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor-ting Entity	Com-plexity
	Budget			the State's contracted Originating Depositing Financial Institution (ODFI), Comerica							
152	Technology, Management, and Budget	Comerica	MAIN	EFT Payment, Prenotes, & Payment Cancellation Requests responses transmitted to the State from the State's contracted Originating Depositing Financial Institution (ODFI), Comerica	Financial Information	N/A	Daily	COBOL	Batch	State	Complex
153	Corrections	NEW	grants.ojp.usodj.gov/gmsexternal	Request and receive funds from Federal Grant Management System	Grant Funds	N/A	End of Quarter	TBD	Near Real Time	3rd Party	Average to Complex

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
154	Corrections	NEW	mdoe.state.mi.us/ cms	Request and receive funds from MI Dept of Education Cash Mgt System	Grant Funds	N/A	End of Quarter	TBD	Near Real Time	3rd Party	Average to Complex
155	Technology, Management, and Budget	HRMN	DCDS	Gross Payroll Expenditures	Gross Payroll Expenditures	N/A	Payroll Processing	COBOL	Batch	State	Average
156	House	House System	HRMN	Travel Expense Reimbursements to HRMN	HRMN ID, Pay Type, $ Amount	N/A	Manual	Foxpro	Batch	State	Low
157	Senate	Senate System	HRMN	Travel Expense Reimbursements to HRMN	HRMN ID, Pay Type, $ Amount	N/A	Manual	VB.NET	Batch	State	Low
158	Technology, Management, and Budget	HRMN	DCDS	Pay, Deduction, and Demographic Set-up Information	Pay, Deduction, and Demographic Set-up Information	N/A	Payroll Processing	COBOL	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
159	Treasury	TC88 Treasury MAIN Interface	NEW	Results of Vendor payment offset - Report results of Vendor payment offsets	Payment and offset information	N/A	Payments are reported to Treasury for possible offset	COBOL, XGEN, Unisys, DMSII, Access	Batch	State	Complex
160	Corrections	GTL	NEW	Global Tel*Link (GTL)prisoner telephone system – GTL is a phone company providing the service	Prisoner Funds	N/A	Nightly Download	TBD	ONLINE-REAL TIME	State	Average to Complex
161	Corrections	TRUST	NEW	Maintains inmate receipt and disbursements of funds including prisoner store purchases by inmates	Prisoner Funds	N/A	TBD	TBD	ONLINE-REAL TIME	State	Average to Complex
162	Technology, Management,	Buy4Michigan	MAIN	Update MAIN with procurement related	Purchase Orders, Vouchers, Payment Status,	N/A	Posting of a procurement activity	JAVA called by a web service / Proprietary Software	Real Time	State / 3rd Party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Support-ing Entity	Com-plexity
	and Budget			transactions	Accounting Event, Credit Memo, and Accounting Profile information		with accounting impact				
163	Corrections	Inventory system	NEW	Maintains revolving fund inventory purchase, usage and balance	Revolving Fund / General Fund	N/A	TBD	TBD	ONLINE-REAL TIME	State	Average to Complex
164	Technology, Management, and Budget	DCDS	HRMN	Time & Expense Records	Time & Expense Records	N/A	Payroll Processing	POWERBUILDER	Batch	State	Average
165	Technology, Management, and Budget	Buy4Michigan	MAIN	Keep vendor related data in sync between the State's eProcurement solution and MAIN. Data is sent both to and from Buy4Michigan.	Vendor ID, Mail Code, Address, Etc.	N/A	Scheduled nightly process	COBOL / Proprietary Software	Batch	State / 3rd Party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
166	Treasury	JPMC	Filenet	Bank Cash Letter - Report cashed warrants	X9 format contains data and images	N/A	Bank reports cashed warrants	Tidal, COBOL, XGEN, Unisys,	Batch	State	Complex
167	Technology, Management, and Budget	HRMN	Treasury	Report details of Payroll warrants issued by HRMN	PFOS process - currently Treasury systems print Payroll warrants. HRMN system sends details of each to MAIN. New process is for HRMN to send payments for printing	Payments for printing	Bi-weekly Payroll Process	COBOL	Batch	State	Average
168	Treasury	TC06 IIT	MAIN	Report details of Individual Income Tax (IIT) warrants issued by Treasury	Payment detail	Payments From Other Systems	Whenever IIT tax processing is run	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
169	Technology, Manage	HRMN	MAIN	Payroll Prenotes	Prenoting of a bank account prior to issuing an	Prenote	Payroll Processing/ FTP	COBOL	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
	ment, and Budget				EFT to that account						
170	Treasury	TC06 IIT	MAIN	Individual Income Tax Remittance - Report remittance information for IIT warrants	Payment Remittance	Remittance Information	Whenever IIT tax processing is run	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
171	Technology, Management, and Budget	HRMN	Treasury	Report remittance information for Payroll warrants	PFOS process - Payroll remittance is not currently sent to MAIN	Remittance Print Information	Bi-weekly Payroll Process	COBOL	Batch	State	Average
172	Treasury	TC88 Treasury MAIN Interface	MAIN	Treasury Redemption - Report warrants redeemed	Warrant status change	Report warrants redeemed	Part of MAIN and Treasury daily batch schedule	COBOL, XGEN, Unisys, DMSII, Access	Batch	State	Simple
173	Treasury	TC88 Treasury MAIN Interface	MAIN	Treasury Cancellation - Request Warrant cancellations	Warrant status change with cancellation reason code	Request Warrant cancellations	Part of MAIN and Treasury daily batch	COBOL, XGEN, Unisys	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Com-plexity
							schedule				
174	Treasury	TC02 Collections STAR	MAIN	State Treasury Accounts Receivable (STAR) Offset - Report Taxpayer ID Numbers that may have collectible offsets in the STAR system	ID numbers (SSN, FEIN)	State Treasury Accounts Receivable Offset	Part of MAIN and Treasury daily batch schedule	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
175	Community Health	Ultratime software	DCDS	The system downloads employee records on a biweekly basis to DCDS.	Inbound to DCDS from Timeclock systems	Time Records	Payroll Processing	16 bit windows application. Dbase architecture	Batch	3rd party	Average
176	Human Services	Ultratime software	DCDS	The system downloads employee records on a biweekly basis to DCDS.	Inbound to DCDS from Timeclock systems	Time Records	Payroll Processing	16 bit windows application. Dbase architecture	Batch	3rd party	Average
177	Agriculture and Rural Develop	MDARD	DCDS	The system downloads employee records on a	Inbound to DCDS from Timeclock	Time Records	Payroll Processing	Not Provided	Batch	State	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Suppor t-ing Entity	Com - plexi ty
	ment			biweekly basis to DCDS.	systems						
178	Corrections	Ultratime software	DCDS	The system downloads employee records on a biweekly basis to DCDS. One file is sent which includes all correction agencies.	Inbound to DCDS from Timeclock systems	Time Records	Payroll Processing	16 bit windows application. Dbase architecture	Batch	3rd party	Average
179	Military and Veterans Affairs	DMVA	DCDS	The system downloads employee records on a biweekly basis to DCDS. D.J. Jacobetti Home for Veterans, Systems Manager	Inbound to DCDS from Timeclock systems	Time Records	Payroll Processing	Not Provided	Batch	State	Average
180	Military and Veterans Affairs	Ultratime software	DCDS	The system downloads employee records on a biweekly basis to DCDS. Grand Rapids Home for	Inbound to DCDS from Timeclock systems	Time Records	Payroll Processing	16 bit windows application. Dbase architecture	Batch	3rd party	Average

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Complexity
				Veterans							
181	Treasury	MAIN	TC88 Treasury MAIN Interface	Vendor File Extract - MAIN Vendor File (C&PE) extract used for EFT processing	MAIN Vendor file records	Vendor File Extract	Part of MAIN and Treasury daily batch schedule	COBOL, XGEN, Unisys, DMSII	Batch	State	Complex
182	House	MAIN	House System	Vendor File Upload from MAIN	Vendor ID, Mail Code, Address, Etc.	Vendor File Extract	Manual	Foxpro	Batch	State	Low
183	Judiciary	Judiciary Finance System/ MAIN R*STARS	MAIN R*STARS/ Judiciary Finance System	Vendor information in the Judiciary Finance System is updated monthly through a download of the DAFR7202.	vendor information (DAFR7202)	Vendor File Extract	DAFR7202 information is downloaded monthly	.NET, C#	Batch	State	Average
184	Treasury	TC88 Treasury MAIN Interface	MAIN	Vendor File Updates - Contains original addresses of	MAIN C&PE update transactions	Vendor File Mail Code Update	Payments are converted to EFT by TC88	COBOL, XGEN, Unisys, DMSII	Batch	State	Simple

	Agency	Sending System	Receiving System	Interface Purpose/Description	Type of Data	MAIN Interface Type, if applicable	Trigger Event	Technology	Batch/ Near Real Time /Real time	Supporting Entity	Com-plexity
				payments converted to EFT by TC88 system			system				
185	Treasury	MAIN	TC88 Treasury MAIN Interface	Warrant Print Files - Warrants for potential offset	Warrant information	Warrant	Payments are requested by State agencies	COBOL, XGEN, Unisys, DMSII	Batch	State	Average
186	Treasury	MAIN	TC88 Treasury MAIN Interface	Warrant Feedback - MAIN DAFR9980 extract used for Stop Payment information to Office of Financial Services database, warrant feedback information to MIPC database, and IIT warrant information to CRM.	Warrant information	Warrant	Part of MAIN and Treasury daily batch schedule	COBOL, XGEN, Unisys, DMSII	Batch	State	Average

Attachment 7: Systems to Be Replaced

This Attachment lists existing State systems self-identified by the Agencies as candidates for replacement as part of the ERP implementation project. Additional systems to be replaced may be identified during the initial planning stages of the project and during Agency Assessment activities. The Contractor, in coordination with the state project team and affected agencies, will confirm and finalize the systems to be replaced and obtain State Project Director approval. For each system listed in this Attachment, the following information is provided:

- Agency – name of the agency that uses the system. For statewide and other systems used by multiple agencies, the name of the agency is listed as "Core"
- System Name – name of the system as it is referred to by the agency
- System Description – a variety of available information such as the business purpose of the system
- Functionality – codes indicating the functional areas supported by the system:

→ AM = Asset Management	→ GL = General Ledger
→ AP = Accounts Payable	→ GM = Grants Management
→ AR = Accounts Receivable	→ IN = Inventory Management
→ BC = Budgetary Control	→ PS = Project Systems
→ BP = Budget Preparation	→ TC = Time Collection & Labor Distribution
→ CA = Cost Allocation	
→ CM = Cash Management	
→ ER = Expense Reimbursement	

#	Agency	System Name	System Description	Functionality							
1.	Core	MAIN	Statewide accounting and comprehensive financial management information system	GL	AP	AR	CA	BC	CM	GM	PS
2.	Core	DCDS / Time & Expense	DCDS captures time records, travel expenses and distributes payroll expenses for the primary categories of data collection (time and attendance, equipment usage, and activity reporting)	TC	ER	CA	PS	-	-	-	-
3.	Department of Community Health	Document Tracking	Access database used to determine who was responsible for entries into MAIN	GL	-	-	-	-	-	-	-
4.	Department of Community Health	E-Grants	End to end electronic application system that includes application, application review, award, financial and progress reporting, etc.	GM	GL	-	-	-	-	-	-
5.	Department of Community Health	Grants	Access database used to account for grant money coming into the department	GM	GL	-	-	-	-	-	-
6.	Department of Community Health	Michigan Cashiering and Receivables System (MiCARS)	Michigan Cashiering and Receivables System (MiCARS) formerly known as the Remittance Processing System (RPS) is used by several State agencies for cash receipting and A/R functions	AR	GL	-	-	-	-	-	-
7.	Department of Community Health	Newborn Screening Accounts Receivable	Accounts receivable system used to track newborn screening A/R	AR	GL	-	-	-	-	-	-
8.	Department of Community Health	Warrant Cancellation	Access database used to systematically send stale warrants to Treasury for cancellation	CM	-	-	-	-	-	-	-
9.	Department of Environmental Quality	Navision	Navision is the software used to manage DEQ's cash receipts and invoicing transactions for environmental programs	AR	-	-	-	-	-	-	-
10.	Department of Environmental Quality	One Stop Invoicing and Payment Service	Retrieves invoicing information for use in One Stop forms. Also receives payment notification when the fee is paid in One Stop	AR	-	-	-	-	-	-	-

#	Agency	System Name	System Description	Functionality							
11.	Department of Human Services	Carpe Diem (CD)	Time Management Application DHS	TC	PS	-	-	-	-	-	-
12.	Department of Human Services	CDC Internet Billing	Internet billing process used for CDC Daycare centers	AP	-	-	-	-	-	-	-
13.	Department of Human Services	Chargeback	Used by DHS Payment Document Control to determine the amount of money the State bills each county for the cost of children in foster care, detention, delinquency or training programs	AP	-	-	-	-	-	-	-
14.	Department of Human Services	Child Care Fund Tracking	Wayne/Macomb/Oakland County Application: Tracks Child Care Fund Payments	AP	-	-	-	-	-	-	-
15.	Department of Human Services	Contract Payments, CFDA Numbers and FFP	Web application that accepts inputs of Contract Payment information and schedules and sends payments for contracts	AP	BC	-	-	-	-	-	-
16.	Department of Human Services	DHS Report Access (RAP) System	Standard HR and Accounting Reports from MiDB	BC	BP	-	-	-	-	-	-
17.	Department of Human Services	DHS Vendor Payment System (ML/MF)	ML/MF builds MAIN batch headers and documents. It makes it possible for all of DHS interfaces to flow through a central area to be reconciled and approved for MAIN to processing	AP	-	-	-	-	-	-	-
18.	Department of Human Services	Fiscal Tracking	Wayne/Macomb/Oakland County Application: Tracks invoices and payments for providers in District Offices	AP	-	-	-	-	-	-	-
19.	Department of Human Services	LASR - CHILD SUPPORT	Record daily receipt & disbursement activity from the MiSDU vendor and from the Michigan Child Support Enforcement System (MiCSES) via journal entries and account payable and accounts receivable entries	AP	AR	CM	-	-	-	-	-

#	Agency	System Name	System Description	Functionality							
20.	Department of Human Services	Local Accounting System Replacement - (LASR)	This is a County-based accounting that is not included in Bridges All LASR processes are to be carried under this application	AM	AP	AR	-	-	-	-	-
21.	Department of Natural Resources	Electronic Journal Voucher (EJV) System	Provide general user assistance and support for the Electronic Journal Voucher System	-	-	-	-	-	-	-	-
22.	Department of Natural Resources	Remittance Processing System (RPS)	Vendor (KLA) application and SOM SQLServer database	AR	AR	-	-	-	-	-	-
23.	Department of Technology, Management, and Budget	CoreIMS	Materials Management Inventory	IN	-	-	-	-	-	-	-
24.	Department of Technology, Management, and Budget	ITBF	Tracks agency invoicing for Budget and Finance	AR	-	-	-	-	-	-	-
25.	Department of Technology, Management, and Budget	M4 - VTS Billing	Fleet / Vehicle Inventory & Billing System	AR	FL	-	-	-	-	-	-
26.	Department of Technology, Management, and Budget	MIRS - DTMB - 084	MIDB Inquiry and Reporting System	BC	BP	-	-	-	-	-	-
27.	Department of Technology, Management, and Budget	PIMS	Project Information Management System	PS	AR	-	-	-	-	-	-
28.	Licensing and Regulatory Affairs	LARA - WCA - Funds Administration - Cash Receipts System (CRS)	Cash Receipts System (CRS) provides bookkeeping/depositing functions for assessment and claim-related revenue collections	AR	CM	-	-	-	-	-	-

#	Agency	System Name	System Description	Functionality							
29.	Michigan Department of Education	R01	Miscellaneous applications to support finance management; budget projections	GM	-	-	-	-	-	-	-
30.	Michigan Department of Transportation	NAVISION	AR Support - Accounting	AR	-	-	-	-	-	-	-
31.	Michigan Department of Transportation	Aesthetic Project Opportunity Inventory Admin	Support - Manage Inventory	IN	-	-	-	-	-	-	-
32.	Michigan Department of Transportation	Commission Audit Time Reporting System	Support - Accounting	TC	-	-	-	-	-	-	-
33.	Michigan Department of Transportation	Finance Warehouse Maintenance System	Inventory Support - Accounting	IN	-	-	-	-	-	-	-
34.	Michigan Department of Transportation	FINDLYUP - Old Project History Transactions Report	Support - Accounting	PS	-	-	-	-	-	-	-
35.	Michigan Department of Transportation	Grant Funding Application System for Transportation	Support - Accounting	GM	-	-	-	-	-	-	-
36.	Michigan Department of Transportation	Highways Operations - Financial Reporting	Support - Accounting	BC	-	-	-	-	-	-	-
37.	Michigan Department of Transportation	Inventory Tracker	Support - Manage Inventory	IN	-	-	-	-	-	-	-
38.	Michigan Department of Transportation	ITS Asset MGMT System	Support - Accounting	IN	-	-	-	-	-	-	-
39.	Michigan Department of Transportation	Legacy Federal Billing	AR Support - Accounting	AR	-	-	-	-	-	-	-
40.	Michigan Department of Transportation	Local Agency Reimbursement System	AP Support - Intergovernmental Relations	AP	-	-	-	-	-	-	-
41.	Michigan Department of Transportation	MAIN - PAB - Automated Journal Voucher	Project Support - Accounting	PS	-	-	-	-	-	-	-

#	Agency	System Name	System Description	Functionality							
42.	Michigan Department of Transportation	MDOT Grant System	Support - Accounting	GM	PS	-	-	-	-	-	-
43.	Michigan Department of Transportation	MFOS-MAP Financial Obligation System	Maintain Transportation Facilities and Services	PS	-	-	-	-	-	-	-
44.	Michigan Department of Transportation	Phase Financial Closeout	Project Systems Support - Accounting	PS	-	-	-	-	-	-	-
45.	Michigan Department of Transportation	Project Accounting and Billing (PAB)	Project Systems Support - Accounting	PS	-	-	-	-	-	-	-
46.	Michigan Department of Transportation	Travel Expense Reimbursement System	Support - Accounting	ER	-	-	-	-	-	-	-
47.	Michigan Department of Transportation	Viking Data Entry tool for FEDBILL	MDOT-wide Fund Acquisition and Management	AR	-	-	-	-	-	-	-
48.	Michigan Department of Transportation	Wasp MobileAsset	Support - Manage Inventory	IN	-	-	-	-	-	-	-
49.	Michigan Department of Transportation	WebFANCY	Budget Control Support - Budgeting	BC	BP	-	-	-	-	-	-
50.	Michigan State Police	MSP - MAGIC	Grant management and subrecipient monitoring	GM	-	-	-	-	-	-	-
51.	Michigan State Police	MSP - ARS	Cashiering, Revenue Distribution & Billing	AR	AP	-	-	-	-	-	-
52.	Michigan State Police	MSP - SmartScan	Warehouse Inventory tracking and cost distribution System	IN	-	-	-	-	-	-	-
53.	Treasury	Asset Management	MS Access Database used for asset management: AssetTracking.mdb	AM	-	-	-	-	-	-	-

#	Agency	System Name	System Description	Functionality							
54.	Treasury	Cash Reconciliation Databases	Various MS Access Databases used for Cash Reconciliation to include: DB0010.mdb DB0018.mdb DB0020.mdb DB0021.mdb DB0025_SAP.mdb DB3000.mdb DB3000_Period13.mdb DB4000.mdb DailyCrCard.mdb Dafr305X.mdb dafr2261.mdb Dafr2261DCCB.mdb dafr2261pwt.mdb dafr3111.mdb dafr3641.mdb Inv_CommonCashActivity.mdb	CM	-	-	-	-	-	-	-
55.	Treasury	Microfiche (TC88)	Microfiche of warrants and cross-reference reports	AP	-	-	-	-	-	-	-
56.	Treasury	MIRS - MIDB Inquiry & Reporting System	Agency expenditure tracking and reporting system	BC	-	-	-	-	-	-	-
57.	Treasury	Warrant Reconciliation	Various MS Access Databases used for Warrant Reconciliation to include: DB0015.mdb DB0016.mdb DAFR3801.mdb DAFR8161.mdb	AP	CM	-	-	-	-	-	-
58.	Treasury	Warrant Writing	Quality control and reporting on warrant transactions from the MI Administrative Information System (MAIN) and the Consolidated Print Center (TF08)	AP	-	-	-	-	-	-	-
59.	Treasury	Warrant/Cash Reconciliation	Reconciliation of the State's checkbook: issued against redeemed (CheckFree & TF09)	CM	-	-	-	-	-	-	-

Attachment 8: Functional and Technical Requirements Clarifications

2. Next Release

The current release of CGI Advantage is 3.10, and it was made generally available in June 2013. The Contractor will be performing the initial Envision Phase analysis leveraging the 3.10 release of the software. The State will ultimately go live with the next release, which is CGI Advantage 3.11.

CGI Advantage 3.11 is scheduled to be generally available in October 2015. This release date aligns with the State's project delivery code-drop date. The Contractor will incorporate the State's baseline enhancements into CGI Advantage release 3.11 so that the State is implementing the latest software. In addition to the baseline enhancements there will be new functionality included in release 3.11 that the State can choose to implement at a later date. This additional functionality, unless identified in the requirements checklist, is not included in the initial implementation. In the event that release 3.11 is not available within the timeframe required by the project plan or release 3.11 does not contain all required baselined enhancements as specified elsewhere in this Agreement, the Contractor is still required to make any enhancements proposed or agreed to during the project as part of their proposed fixed price.

Status reporting baseline development efforts is required along with all other status reporting as outlined in Attachment 2, Task 1.

The Contractor will make any enhancements needed to meet functional requirements listed as being 'critical' in Attachment 10 as part of their proposed fixed price.

Attachment 9: Severity Level Definitions

Severity	Definition
1 - Critical	A problem with the ERP Solution that causes critical impact to the State's business operation if the ERP is in production or would cause such an impact if it were in production. No workaround is immediately available and the State could not continue work, perform User Acceptance Testing, conduct training, or make use of the ERP Solution for other important purposes.
2 - Serious	A problem with the ERP Solution that causes significant impact to the client's business operation, User Acceptance Testing, training, or other important uses of the ERP Solution. A workaround is available but is unacceptable on a long term basis.
3 - Moderate	A problem with the ERP Solution that impairs some functionality, but a practical workaround exists.
4 - Minor	A problem that does not affect any functionality of the ERP Solution.

Attachment 10: Functional and Technical Requirements

See File 4300138 – Attachment 10.xlsx