



**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 **MA18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road Suite 250
	Livonia MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	<b>Program Manager</b>	Various	Various
<b>STATE</b>	<b>Contract Administrator</b>	Mecca Martin	DTMB
		5172305694	
		MartinM42@michigan.gov	

CONTRACT SUMMARY				
Aging Information System				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2017	September 30, 2020	12 - 12 Months	September 30, 2027	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$8,689,998.45	\$55,300.00	\$8,745,298.45		
DESCRIPTION				
Effective 6/5/2024 this Contract is increased by \$55,300.00 for MDHHS use.				
The following amendment is incorporated into this Contract per the attached Statement of Work to develop an importer tool for Area Agencies, enabling them to import client CTCS assessments into the NAPIS application.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.				

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov
DTMB	Pat Thelen	517-335-3910	ThelenP@michigan.gov

# STATEMENT OF WORK - IT CHANGE NOTICE

<b>Project Title:</b> NAPIS Care Transition Coordination and Support (CTCS) Importer tool	<b>Period of Coverage:</b> 06/03/24 - 10/25/24
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 05/15/2024
<b>Agency Program Manager:</b> Scott Wamsley <a href="mailto:WamsleyS@michigan.gov">WamsleyS@michigan.gov</a>	<b>Phone:</b> 517-410-4597
<b>DTMB Project Manager:</b> John Moore <a href="mailto:MooreJ7@michigan.gov">MooreJ7@michigan.gov</a>	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Ash Agarwal <a href="mailto:AAgarwal@acrocorp.com">AAgarwal@acrocorp.com</a>	<b>Phone:</b> 734-367-4591

Brief description of services to be provided:

## BACKGROUND:

This Statement of Work (SoW) is made part of a Change Notice for Contract 180000000010 (Contract) between the State of Michigan (State or SOM) and ACRO Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #180000000010) (“Agreement” or “Contract”). The Parties agree as follows:

### 1. PROJECT OBJECTIVE:

The ACLS Bureau aims to develop an importer tool for Area Agencies, enabling them to import client CTCS assessments into the NAPIS application. The program manager will provide the import specification, and Area Agency users can utilize this specification to import client CTCS assessments in NAPIS.

### 2. SCOPE OF WORK:

The following changes will be made:

#### 2.1. CTCS Assessment Questions Import Specification & Header file

- 2.1.1. Add and design a new page named 'Questions Import Specification.
- 2.1.2. Manually design and prepare the Questions Import Specification file, incorporating fixed questions in a specified order as provided to ACRO.
- 2.1.3. Download the import specification Excel file based on the fiscal year (FY). This file will encompass Vendor ID, Vendor Site ID, Region ID, Questions fields, along with sample data and Data Key.
- 2.1.4. Manually design and prepare the CTCS Questions Header CSV file, incorporating fixed questions in a specified order as provided to ACRO.

2.1.5. Download the Questions Header file based on the fiscal year (FY), as this file will include Vendor ID, Vendor Site ID, Region ID, and Questions fields.

**2.2. CTCS Assessment Questions Importer page**

- 2.2.1. Create and design a new page named 'Questions Importer'.
- 2.2.2. Verify the date range, file type, and file column size against the defined standards.
- 2.2.3. "Upload the Header file to a designated location, record import details in the history table, and generate an Import ID. The file will include fixed questions in a specified order, as provided to ACRO.
- 2.2.4. Open the CSV file and load the data into the database for processing.
- 2.2.5. Initiate a new thread to perform independent data validation in the background, specifically validating the data imported from the CSV file.
- 2.2.6. Record errors in the database table.
- 2.2.7. Retrieve and display the imported data with errors in a grid.
- 2.2.8. Retrieve and display errors in a separate page grid upon clicking the 'View Error Report' link.

**2.3. CTCS Assessment Questions Importer page --> Bind/Edit/Modify Data, Error Grid & Final SAVE to Main NAPIS**

- 2.3.1. Bind or load the imported data into both the main grid and the Errors grid.
- 2.3.2. Allow users to edit/update the records.
- 2.3.3. Enable users to delete the records.
- 2.3.4. Allow users to cancel the import process.
- 2.3.5. Initiate a new thread to transfer data from the temporary import table to the main database tables (Care Transition page) in the background.
- 2.3.6. Record errors in the database table.
- 2.3.7. Retrieve and display the imported data with errors in a grid.
- 2.3.8. Retrieve and display errors in a separate page grid upon clicking the 'View Error Report' link.
- 2.3.9. Generate and store an encrypted file containing corrected data just before displaying the success message.

**2.4. CTCS Assessment Questions Import History**

- 2.4.1. Create and design a new page named 'CTCS Questions Import History'.
- 2.4.2. Populate the dropdown with Fiscal Years (FYs).
- 2.4.3. Populate the grid with imported history details based on the Fiscal Year (FY).
- 2.4.4. Retrieve and download the decrypted file after the decryption process.

The following is out of scope:

**2.5. Out of Scope:**

- 2.5.1. The resolution of existing static scanning defects reported in the NAPIS application by the SOM team during SSP Review is considered out of scope.
- 2.5.2. The static scanning of code before delivery is not within the scope of this project.
- 2.5.3. The SSP Review is not within the defined scope.
- 2.5.4. The creation of any additional documents beyond those specified in 'Deliverables'
- 2.5.5. The ADA compliance review is not included in the scope of this project.
- 2.5.6. Any data conversion or migration is not within the defined scope of this project.

**3. TASKS:**

Technical support is required to assist with the following tasks:

#### **4. DELIVERABLES:**

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

- 4.1. Requirements Specification Document (RSD)
- 4.2. Functional Design Document (FDD)
- 4.3. Technical Design Document (TDD)
- 4.4. Test Cases with RTM
- 4.5. Test Strategy
- 4.6. Test Plan
- 4.7. Software maintenance plan

#### **5. ACCEPTANCE CRITERIA:**

- 5.1. Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 5.2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 5.3. Draft documents are not accepted as final deliverable.
- 5.4. MDHHS will review business documents within 10 days of receipt. Approvals will be written and signed by MDHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.5. MDHHS and DTMB will review technical documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.6. MDHHS and DTMB will review project documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.7. **MDHHS Completion Criteria**
  - 5.7.1. Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The MDHHS Team shall review and changes. Signoff on all the UAT Test Cases and Post Implementation Testing shall construe system acceptance.
- 5.8. **Reviews and Approvals**
  - 5.8.1. All specification and design documents will have to be reviewed and approved by the MDHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. MDHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of MDHHS.
- 5.9. **Acceptance Testing**
  - 5.9.1. The MDHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by MDHHS personnel. The Contractor may assist MDHHS to

answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If MDHHS finds problems/issues with the AIS SIGMA Payment Interface testing, the problems need to be reported to the Contractor Project Manager.

5.10. Software Deliverables listed in this statement of work will adhere to the same requirements as the “Software Deliverables” section of the current AIS contract.

5.11. Service deliverables for this statement of work will adhere to the same requirements as the current AIS contract.

**5.12. Final Acceptance:**

5.12.1. All documents, software and services are delivered and accepted by MDHHS in accordance with the requirements of this Contract Change Notice.

5.12.2. For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.

5.12.3. The Contractor will warrant the software for a period of 90 days after the go-live and assist MDHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.

5.12.4. All bills related to this contract have been submitted and approved for payment.

**6. PROJECT CONTROL AND REPORTS:**

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

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

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

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

**7. SPECIFIC DEPARTMENT STANDARDS:**

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

**8. PAYMENT SCHEDULE:**

Payment will be made on a Satisfactory Acceptance basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State’s satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

**9. EXPENSES:**

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

**10. PROJECT CONTACTS:**

**The designated Project Sponsor is:**

Steven Bendele  
Michigan Department of Health and Human Services  
Chief Financial Officer  
(989) 640-0821  
BendeleS@michigan.gov

**The designated Agency Program Manager is:**

Scott Wamsley  
Michigan Department of Health and Human Services  
Aging and Adult Services  
(517) 410-4597  
WamsleyS@michigan.gov

**The designated DTMB Program Manager is:**

Pat Thelen  
Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 282-8026  
ThelenP@michigan.gov

**The Contractor Program Manager is:**

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
aagarwal@acrocorp.com

**The Contractor Project Manager is:**

Vishwas Tare  
ACRO Service Corp  
(734)632-4265  
vtare@acrocorp.com

**11. RESERVE**

**12. LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

Version 2 (3/2021)

Consultants will work at:

12.1. Contractor staff will primarily work from Contractor’s offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

**13. EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

13.1. Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.  
 13.1.1. No overtime will be permitted.

**This purchase order is a release from Contract Number 18000000010. This purchase order, statement of work, and the terms and conditions of Contract Number 18000000010 constitute the entire agreement between the State and the Contractor.**

**14. PROJECT PLAN:**

Tasks & Deliverables	Requirements	Total Payment
Task I Planning	Project Planning and Scheduling	\$3,400.00
Task II System Analysis	Business Requirements Gathering, Analysis, Documentation, RSD Review and Approval	\$2,220.00
Task III Design	Functional & Technical Design, Documentation, FDD/TDD Review and Approval	\$6,000.00
Task IV Test Cases	Test cases with RTM, Test Strategy, Test Plan	\$5,400.00
Task V Development & Testing	Development, Unit Testing, Functional Testing	\$32,460.00
Task VI UAT	User Acceptance Testing support and Fix UAT Issues	\$4,560.00
Task VII Deployment	Deployment of Accepted Environment to Production, Develop Software maintenance plan	\$1,260.00
<b>TOTAL</b>		<b>\$55,300.00</b>





**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **14**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Mecca Martin (517) 230-5694 martinm42@michigan.gov	DTMB

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2027
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

N/A

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$8,689,998.45	\$130,290.00	\$8,820,288.45		

**DESCRIPTION**

Effective April 17, 2024 this Contract is hereby amended by the attached Statement of Work (SOW). In addition, this Contract is increased by \$56,640 to support the attached SOW. This Contract is additionally increased by \$73,650 to support costs from the SOW in Change Notice 12. Additionally, the State Contract Administrator has changed to Mecca Martin

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

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov

# STATEMENT OF WORK - IT CHANGE NOTICE

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<b>Project Title:</b> AIS SIGMA Interface for MDHHS (Aging Information System – AIS)	<b>Period of Coverage:</b> 04/01/2024 – 09/30/2024
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 03/08/2024
<b>Agency Program Manager:</b> Scott Wamsley <a href="mailto:WamsleyS@michigan.gov">WamsleyS@michigan.gov</a>	<b>Phone:</b> 517-410-4597
<b>DTMB Program Manager:</b> John Moore <a href="mailto:MooreJ7@michigan.gov">MooreJ7@michigan.gov</a>	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Ash Agarwal <a href="mailto:AAgarwal@acrocorp.com">AAgarwal@acrocorp.com</a>	<b>Phone:</b> 734-367-4591

Brief description of services to be provided:

**BACKGROUND:**

This Statement of Work (SoW) is made part of a Change Notice for Contract 180000000010 (Contract) between the State of Michigan (State or SOM) and ACRO Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #180000000010) (“Agreement” or “Contract”). The Parties agree as follows:

**1. PROJECT OBJECTIVE:**

The Michigan Department of Health and Human Services' (MDHHS) – Behavioral and Physical Health and Aging Services Administration (BPHASA) provides payments to vendors via the Aging Information System's (AIS') secure Financial Information Reporting System Technology (FIRST) Cash request module. Grantees can submit a cash request as needed to maintain an appropriate level of cash to maintain their operation.

Currently BPHASA processes payments using a manual process which is very time consuming. Payments are submitted through AIS FIRST cash request module. The Financial Quality & Grant System (FQGS) group manually reviews the cash request and manually enters the payment voucher some of the information. After all the verifications are completed, the payment voucher is sent to accounting who then keys it in manually into SIGMA. There is an upload worksheet that has very time intensive manual entries that are sent to accounting. The information already exists in the AIS FIRST system.

Also, AIS FIRST' Cash Request module has not been evaluated by the SOM's eMichigan team for compliance with federal requirements listed under the Americans with Disabilities Act (ADA).

This SoW is to add an additional \$56,640.00 to the contract for updates to FIRST listed in section 2, Scope of Work. These funds are to cover the period of 04/01/24 – 9/30/24.

## 2. SCOPE OF WORK:

The following changes will be made

2.1. Add new validation to restrict Grantees to submit multiple documents for same fund source.

2.1.1. Grantees are currently allowed to submit two separate cash requests for the same fund sources. The second cash request does not populate the correct Cash Received Year to Date (YTD) amounts. The Cash Received YTD columns do not populate until the Aging Community Living and Supports (ACLS) Bureau processes the cash request. So, the Grantee should not be allowed to create another more cash requests for the same fund source until the previous cash request document is processed by ACLS. Add this new validation with a new message.

2.1.2. New validation will be for all document types: Cash Request, Cash Adjustment and Cash Return.

2.2. Add new validation to ensure Grantees perform 'Save as Completed' action on both Federal and State tab as applicable.

2.2.1. Grantees can submit a cash request with both federal and state funds selected. The appropriate Statement of Grant Award (SGA) errors occurred in the federal tab; however, we could click 'Save as Completed' in the State fund tab and submit to Aging and Adult Services Agency (AASA), formerly the Office of Services to the

Aging (OSA) without clicking 'Save as Completed' in the federal tab. All federal and state fund sources were submitted to AASA.

2.2.1.1. Grantees must click 'Save as Completed' in any/all tabs (Federal and/or State) that are populated before clicking 'Submit to AASA'

2.2.2. The validation message (See 2.2.2.1) will appear when the grantee hits the 'Submit to AASA' button.

2.2.2.1. The validation message will be:

The document is not marked as completed in the {insert tab name} tab. Please complete the document before clicking 'Submit to AASA'

2.3. Grantees should not be allowed to click 'Save as Completed' button before Save as Draft.

2.3.1. The 'Save as Completed' should be grayed out until the grantee saves as a draft. Grantee can submit cash requests without saving it as a draft.

2.3.1.1. 'Save as Completed' button will be enabled only for that tab in which the grantee saves as a draft.

2.4. Grantees should be allowed to do cash adjustment between the Federal and State fund sources.

2.4.1. Cash adjustments within the database currently cannot be split between two tabs, federal and state.

2.4.2. Grantees are allowed to reclass expenditures between federal and state.

2.4.3. Grantee should be allowed to adjust the cash between the Federal and State fund sources.

2.4.4. Only OAA fund sources (Program type - Agency) should be allowed to be selected for cash adjustment.

2.5. Column "B. Addition to Cash" should be disabled in Cash Request document type.

2.5.1. The cash request module is allowing to enter additions to cash. Additions to cash should only be allowed in cash adjustments.

2.6. Absolute value of amount in column "I. Amount of Request" and "H. Cash on Hand" should always be equal.

2.6.1. Populate column "I. Amount of This Request" based on the value in column "H. Cash on Hand" and make it a read-only field for the Grantee user. This will ensure the cash request amount does not exceed the SGA amount.

2.7. Add a new column on EFOR data entry page and report to show Cash Request amount.

2.7.1. Add a new column on EFOR data entry page and report to show Total Cash Request amount for the Fiscal Year (FY) for each fund source.

2.7.1.1. Use same data that is pulled into Payment tracking Summary for YTD amount

2.8. Change labels for Cash Adjustment report of CR.

- 2.8.1. Cash Adjustment report of CR – the form name for cash adjustments will be updated to “Cash Adjustment Form” and ‘Request Number’ will be updated to “Adj Number”
- 2.9. Change labels for Cash Return report of CR.
  - 2.9.1. Cash Return report of CR– the form name for cash returns will be updated to “Cash Return Form” and the ‘Request Number’ will be updated to ‘Return Number’
- 2.10. Automatic split of amount for State Alternative Care Admin and State Home-Delivered Meals Admin fund source to 4 different accounting templates based on predefined percentage.
  - 2.10.1. The proposal is that an accounting template will be established for State Alternative Care Admin and one for State Home-Delivered Meals Admin and once FIRST sees we are using one of these two templates, it will split the charges to the other lines identified on the spreadsheet.
    - 2.10.1.1. For example, whatever accounting template is created for line 2, the charges will be spread across the accounting templates created for lines 3-6 based on the percentages in column K.
    - 2.10.1.2. The new accounting templates have not been established yet but once they are, we can update and add other coding elements that are missing.
- 2.11. Crossover funds balance should also display on the Summary Cash Request Tracking and Cash Request Tracking reports
  - 2.11.1. The crossover funds balance should be brought forward in the Cash Request and Summary Cash Request reports so we can see the true cumulative balance for the crossover grant period on the report
    - 2.11.1.1. These new columns will be added and shown on screen and PDF/Excel for the Summary Cash Tracking report and screen and PDF for the Cash Tracking report
    - 2.11.1.2. Crossover funds balance for the grant year balance should be on the Summary Cash Request Tracking and Cash Request Tracking reports

### 3. **TASKS:**

Technical support is required to assist with the following tasks:

- 3.1. Bug fixes and user support for the period between 06/24/24 and 09/30/24

### 4. **DELIVERABLES:**

Deliverables will not be considered complete until the Agency Program Manager has formally accepted them.

Deliverables for this project include:

- 4.1. Business Requirements Document

- 4.2. Testing cases with Requirements Traceability Matrix
- 4.3. AIS SIGMA Interface User Manual
- 4.4. SEM-301 Maintenance Plan

**5. ACCEPTANCE CRITERIA:**

- 5.1. Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 5.2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 5.3. Draft documents are not accepted as final deliverable.
- 5.4. MDHHS will review business documents within 10 days of receipt. Approvals will be written and signed by MDHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.5. MDHHS and DTMB will review technical documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.6. MDHHS and DTMB will review project documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

**5.7. MDHHS Completion Criteria**

- 5.7.1. Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The MDHHS Team will review and changes. Signoff on all the UAT Test Cases and Post Implementation Testing will construe system acceptance.

**5.8. Reviews and Approvals**

- 5.8.1. All specification and design documents will have to be reviewed and approved by the MDHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. MDHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of MDHHS.

**5.9. Acceptance Testing**

- 5.9.1. The MDHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by MDHHS

personnel. The Contractor may assist MDHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If MDHHS finds problems/issues with the AIS SIGMA Payment Interface testing, the problems need to be reported to the Contractor Project Manager.

5.10. Software Deliverables listed in this SoW will adhere to the same requirements as the “Software Deliverables” section of the current AIS contract.

5.11. Service deliverables for this SoW will adhere to the same requirements as the current AIS contract.

**5.12. Final Acceptance:**

5.12.1. All documents, software and services are delivered and accepted by MDHHS in accordance with the requirements of this CCN.

5.12.2. For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.

5.12.3. The Contractor will warrant the software for a period of 90 days after the go-live and assist MDHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.

5.12.4. All bills related to this contract have been submitted and approved for payment.

**6. PROJECT CONTROL AND REPORTS:**

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

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

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

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

**7. SPECIFIC DEPARTMENT STANDARDS:**

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

**8. PAYMENT SCHEDULE:**



Payment will be made on a Satisfactory acceptance of each deliverable basis. DTMB will pay Contractor upon receipt of properly completed invoice(s) which must be submitted to the billing address on the State issued Delivery Order (DOIT1) not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Program Manager approvals. All invoices must reflect actual work completed by payment date and must be approved by the Agency and DTMB Program Manager prior to payment. The invoices must describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

**9. EXPENSES:**

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

**10. PROJECT CONTACTS:**

The designated Project Sponsor is:

Steven Bendele  
Michigan Department of Health and Human Services  
Chief Financial Officer  
(989) 640-0821  
[BendeleS@michigan.gov](mailto:BendeleS@michigan.gov)

The designated Agency Program Manager is:

Scott Wamsley  
Michigan Department of Health and Human Services  
Aging and Adult Services  
(517) 410-4597  
[WamsleyS@michigan.gov](mailto:WamsleyS@michigan.gov)

The designated DTMB Program Manager is:

Pat Thelen  
Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 282-8026  
[ThelenP@michigan.gov](mailto:ThelenP@michigan.gov)

The Contractor Program Manager is:

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
[aagarwal@acrocorp.com](mailto:aagarwal@acrocorp.com)

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service Corp  
(734)632-4265  
[vtare@acrocorp.com](mailto:vtare@acrocorp.com)

**11. AGENCY RESPONSIBILITIES: Reserved.**

**12. LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

12.1. Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

**13. EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

13.1. Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.  
13.2. No overtime will be permitted.

**14. PROJECT PLAN:**

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks/ Status
Task I Planning	Project Initiation and Planning Deliverable(s): Project Plan Schedule	10/3/2022	10/10/2022	\$7,520.00	Completed
Task II System Analysis	Business Requirements Gathering, Analysis, FIRST to SIGMA Interface document, Review and Approval Deliverable(s): 5.3.1.1 Aging Information System FIRST to SIGMA Interface document	10/10/2022	12/14/2022	\$36,680.00	Completed
Task III Design (Original Scope)	Functional & Technical Design, Business Requirements document, Review and Approval Deliverable(s): 5.3.1.2 Business Requirements document	12/15/2022	2/24/2023	\$31,540.00	Completed
Task III Design (CR-001)	Functional & Technical Design, Business Requirements document, Review and Approval Deliverable(s): 5.3.1.2 Business Requirements document (CR-001)	3/1/2023	4/14/2023	\$11,520.00	Completed
Task IV Test Plan and Test Cases	Detailed Test Plan, Test Strategy, Test cases with Requirements Traceability Matrix, Review and Approval Deliverable(s): 5.3.2.1 SEM-600 Testing Strategy 5.3.2.2 SEM-603 Detailed Test Plan 5.3.1.3 Testing cases with Requirements Traceability Matrix	2/27/2023	5/26/2023	\$14,640.00	Completed

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks/ Status
Task V Development & Unit Testing	Development, ADA Compliance Changes, Unit Testing Deliverable(s): Deploy code in AIS QA Environment	2/27/2023	6/30/2023	\$80,280.00	Completed
Task VI Functional Testing and ADA Compliance Testing	Functional Testing, ADA Compliance Testing Deliverable(s): Functional Testing document showing test results ADA Compliance Testing Deploy code in AIS Staging Environment	6/1/2023	8/25/2023	\$51,320.00	Completed
Task VII System Integration Testing	System Integration Testing Deliverable(s): System Integration Testing document showing test results	7/15/2023	9/15/2023	\$29,500.00	Completed
Task IX - A User Training	Aging SIGMA Interface User Manual Deliverable(s): 5.3.1.4 AIS SIGMA Interface User Manual	9/18/2023	9/22/2023	\$7,440.00	Completed
Task IX - B User Training	Aging SIGMA AASA User Training Deliverable(s): User Training Sign-off	10/16/2023	10/20/2023	\$0.00	Completed
Task X UAT	User Acceptance Testing support Deliverable(s): Fix Defects reported in User testing Deploy updated code in Staging Environment User Acceptance Testing Sign-off	10/23/2023	11/10/2023	\$21,300.00	Completed

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks/ Status
Task VIII SSP Review	SSP Review Deliverable(s): Dynamic Scan Report Fix Issues reported in Dynamic Scan	8/28/2023	12/18/2023	\$10,920.00	Completed
CR-002 Task I System Analysis & Design	Business Requirements Gathering, Analysis, Functional & Technical Design, Business Requirements document, Review and Approval Deliverable(s): 4.1 Business Requirements document	4/1/2024	4/26/2024	\$7,920.00	
CR-002 Task II Test Cases	Test cases with Requirements Traceability Matrix, Review and Approval Deliverable(s): 4.2 Testing cases with Requirements Traceability Matrix	4/29/2024	5/10/2024	\$2,760.00	
CR-002 Task III Development & Testing	Development, Unit Testing, Functional Testing, and Integration Testing Deliverable(s): Deploy code in AIS QA and Staging Environment Functional and System Integration Testing	4/29/2024	5/31/2024	\$36,000.00	
CR-002 Task IV User Training & UAT	Aging SIGMA Interface User Manual, AASA User Training, User Acceptance Testing support and Fix UAT Issues Deliverable(s): 4.3 AIS SIGMA Interface User Manual User Training Fix Defects reported in User testing User Acceptance Testing Sign-off	6/3/2024	6/17/2024	\$7,800.00	

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks/ Status
CR-002 Task V Deployment	Deployment of Accepted Environment to Production Deliverable(s): Deploy code in AIS Production Environment	6/18/2024	6/24/2024	\$2,160.00	
Task XI Deployment	Maintenance Plan, Deployment of Accepted Environment to Production Deliverable(s): 4.4 SEM-301 Maintenance Plan Deploy code in AIS Production Environment	6/18/2024	6/24/2024	\$8,580.00	
Task XII Go Live	Go Live	6/24/2024	6/24/2024	\$0.00	
Task XIII Support	Bug Fixes, User Support (Max 600 hours per year)	6/24/2024	9/30/2024	\$13,000.00	
<b>TOTAL</b>				<b>\$380,880.00</b>	



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **13**  
 to  
 Contract Number **180000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Jillian Yeates (517) 275-1131 yeatesj@michigan.gov	DTMB

CONTRACT SUMMARY				
AGING INFORMATION SYSTEM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2027	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$8,689,998.45	\$0.00	\$8,689,998.45		
DESCRIPTION				
Effective October 2, 2023, this Contract is hereby amended to include the attached Statement of Work (SOW).				
All other terms, conditions, specifications, and pricing remain the same. Per Contractor and Agency agreement and DTMB Central Procurement Services approval.				

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



# STATEMENT OF WORK - IT CHANGE NOTICE

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<b>Project Title:</b> AIS SIGMA Interface for MDHHS (Aging Information System – AIS)	<b>Period of Coverage:</b> 03/01/2022 – 09/30/2024
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 09/05/2023
<b>Agency Program Manager:</b> Scott Wamsley <a href="mailto:WamsleyS@michigan.gov">WamsleyS@michigan.gov</a>	<b>Phone:</b> 517-410-4597
<b>DTMB Project Manager:</b> John Moore <a href="mailto:MooreJ7@michigan.gov">MooreJ7@michigan.gov</a>	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Ash Agarwal <a href="mailto:AAgarwal@acrocorp.com">AAgarwal@acrocorp.com</a>	<b>Phone:</b> 734-367-4591

Brief description of services to be provided:

## BACKGROUND:

This Statement of Work (SoW) is made part of a Change Notice for Contract 180000000010 (Contract) between the State of Michigan (State or SOM) and ACRO Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #180000000010) (“Agreement” or “Contract”). The Parties agree as follows:

### 1. PROJECT OBJECTIVE:

The Michigan Department of Health and Human Services’ (MDHHS) – Behavioral and Physical Health and Aging Services Administration (BPHASA) provides payments to vendors via the Aging Information System’s (AIS’) secure Financial Information Reporting System Technology (FIRST) Cash request module. Grantees can submit a cash request as needed to maintain an appropriate level of cash to maintain their operation.

Currently BPHASA processes payments using a manual process which is very time consuming. Payments are submitted through AIS FIRST cash request module. The Financial Quality & Grant System (FQGS) group manually reviews the cash request and manually enters the payment voucher some of the information. After all the verifications are completed, the payment voucher is sent to accounting who then keys it in manually into SIGMA. There is an upload worksheet that has very time

intensive manual entries that are sent to accounting. The information already exists in the AIS FIRST system.

Also, AIS FIRST' Cash Request module has not been evaluated by the SOM's eMichigan team for compliance with federal requirements listed under the Americans with Disabilities Act (ADA).

This Statement of Work (SOW) is to add an additional \$13,000 to the contract as the project is ahead of schedule by three months. These funds are to cover the additional 'Bug Fixes and User Support (Max 600 hours per year)' for the period of 11/27/23 – 2/28/24.

## **2. SCOPE OF WORK:**

2.1. No additional scope is being added; this SOW is to add funding for bug fixes and user support (Maintenance) for the period of 11/27/23 – 2/28/24 as the project is ahead of schedule by three months.

## **3. TASKS:**

Technical support is required to assist with the following tasks:

3.1. Bug fixes and user support for the period between 11/27/23 and 2/28/24

## **4. DELIVERABLES:**

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

4.1. Bug fixes and user support (Maintenance) for the period of 11/27/23 – 2/28/24

## **5. ACCEPTANCE CRITERIA:**

5.1. Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.

5.2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.

5.3. Draft documents are not accepted as final deliverable.

5.4. MDHHS will review business documents within 10 days of receipt. Approvals will be written and signed by MDHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

5.5. MDHHS and DTMB will review technical documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

5.6. MDHHS and DTMB will review project documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

### **5.7. MDHHS Completion Criteria**

5.7.1. Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The MDHHS Team will review any changes. Signoff on all the UAT Test Cases and Post Implementation Testing will construe system acceptance.

### **5.8. Reviews and Approvals**

5.8.1. All specification and design documents will have to be reviewed and approved by the MDHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. MDHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of MDHHS.

### **5.9. Acceptance Testing**

5.9.1. The MDHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by MDHHS personnel. The Contractor must assist MDHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If MDHHS finds problems/issues with the AIS SIGMA Payment Interface testing, the problems need to be reported to the Contractor Project Manager.

5.10. Software Deliverables listed in this statement of work will adhere to the same requirements as the "Software Deliverables" section of the current AIS contract.

5.11. Service deliverables for this statement of work will adhere to the same requirements as the current AIS contract.

### **5.12. Final Acceptance:**

5.12.1. All documents, software and services are delivered and accepted by MDHHS in accordance with the requirements of this Contract Change Notice.

5.12.2. For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this Contract. Unacceptable issues will be documented and submitted to the Contractor.

5.12.3. The Contractor will warrant the software for a period of 90 days after the go-live and assist MDHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.

5.12.4. All bills related to this contract have been submitted and approved for payment.

## **6. PROJECT CONTROL AND REPORTS:**

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

- 6.1. **Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- 6.2. **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- 6.3. **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

## 7. SPECIFIC DEPARTMENT STANDARDS:

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

## 8. PAYMENT SCHEDULE:

Payment will be made on a satisfactory acceptance of each deliverable basis. DTMB will pay Contractor upon receipt of properly completed invoice(s) which must be submitted to the billing address on the State issued Delivery Order (DOIT1) not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices must reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices must describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

## 9. EXPENSES:

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

## 10. PROJECT CONTACTS:

The designated Project Sponsor is:

Steven Bendele  
Michigan Department of Health and Human Services  
Chief Financial Officer  
(989) 640-0821  
[BendeleS@michigan.gov](mailto:BendeleS@michigan.gov)

The designated Agency Program Manager is:

Scott Wamsley  
Michigan Department of Health and Human Services  
Aging and Adult Services  
(517) 410-4597  
[WamsleyS@michigan.gov](mailto:WamsleyS@michigan.gov)

The designated DTMB Program Manager is:

Pat Thelen  
Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 282-8026  
[ThelenP@michigan.gov](mailto:ThelenP@michigan.gov)

The Contractor Program Manager is:

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
[aagarwal@acrocorp.com](mailto:aagarwal@acrocorp.com)

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service Corp  
(734)632-4265  
[vtare@acrocorp.com](mailto:vtare@acrocorp.com)

**11. AGENCY RESPONSIBILITIES:**

**12. LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

12.1. Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

**13. EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

13.1. Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.

13.2. No overtime will be permitted.

**This DOIT1 is a release from Contract Number 180000000010. This DOIT1, SOW, and the terms and conditions of Contract Number 180000000010 constitute the entire agreement between the State and the Contractor.**

**14. PROJECT PLAN:**

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks / Status
Task I Planning	Project Initiation and Planning  <b>Deliverable(s): Project Plan Schedule</b>	10/3/22	10/10/22	\$7,520	Completed / Paid
Task II System Analysis	Business Requirements Gathering, Analysis, FIRST to SIGMA Interface document, Review and Approval  <b>Deliverable(s): 5.3.1.1 Aging Information System FIRST to SIGMA Interface document</b>	10/10/22	12/14/22	\$36,680	Completed / Paid
Task III Design (Original Scope)	Functional & Technical Design, Business Requirements document, Review and Approval  <b>Deliverable(s): 5.3.1.2 Business Requirements document</b>	12/15/22	2/24/23	\$31,540	Completed / Paid
Task III Design (CR-001)	Functional & Technical Design, Business Requirements document, Review and Approval  <b>Deliverable(s): 5.3.1.2 Business Requirements document (CR-001)</b>	3/1/23	4/14/23	\$11,520	Completed / Paid
Task IV	Detailed Test Plan, Test Strategy, Test cases with Requirements Traceability Matrix, Review and Approval  <b>Deliverable(s):</b>	2/27/23	5/26/23	\$14,640	Completed / Paid

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks / Status
Test Plan and Test Cases	<b>5.3.2.1 SEM-600 Testing Strategy</b> <b>5.3.2.2 SEM-603 Detailed Test Plan</b> <b>5.3.1.3 Testing cases with Requirements Traceability Matrix</b>				
Task V	Development, ADA Compliance Changes, Unit Testing				
Development & Unit Testing	<b>Deliverable(s):</b> <b>Deploy code in AIS QA Environment</b>	2/27/23	6/30/23	\$80,280	Completed / Paid
Task VI	Functional Testing, ADA Compliance Testing				
Functional Testing and ADA Compliance Testing	<b>Deliverable(s):</b> <b>Functional Testing document showing test results</b> <b>ADA Compliance Testing</b> <b>Deploy code in AIS Staging Environment</b>	6/1/23	8/25/23	\$51,320	Completed
Task VII	System Integration Testing				
System Integration Testing	<b>Deliverable(s):</b> <b>System Integration Testing document showing test results</b>	7/15/23	9/15/23	\$29,500	In Process
Task IX - A	Aging SIGMA Interface User Manual				
User Training	<b>Deliverable(s):</b> <b>5.3.1.4 AIS SIGMA Interface User Manual</b>	9/18/23	9/22/23	\$7,440	
Task IX - B	Aging SIGMA AASA User Training				
User Training	<b>Deliverable(s):</b> <b>User Training Sign-off</b>	10/16/23	10/20/23	\$0	Training Scheduled for 10/18/23
Task X	User Acceptance Testing support				
UAT	<b>Deliverable(s):</b>	10/23/23	11/10/23	\$21,300	

Tasks / Phase	Activities and Project Deliverables	Planned Start Date	Planned End Date	Contract Amount	Remarks / Status
	<b>Fix Defects reported in User testing</b> <b>Deploy updated code in Staging Environment</b> <b>User Acceptance Testing Sign-off</b>				
Task XI Deployment	Maintenance Plan, Deployment of Accepted Environment to Production  <b>Deliverable(s):</b> <b>5.3.2.3 SEM-301 Maintenance Plan</b> <b>Deploy code in AIS Production Environment</b>	11/13/23	11/24/23	\$8,580	
Task XII Go Live	Go Live	11/27/23	11/27/23	\$0	
Task XIII Support	Bug Fixes, User Support (Max 600 hours per year) - Increased Cost	11/27/23	2/28/24	\$13,000	Requested per SoW
	Bug Fixes, User Support (Max 600 hours per year) - Cost already in Contract	3/1/24	9/30/24	\$22,750	
<b>TOTAL</b>				<b>\$346,990</b>	





**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **12**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Jillian Yeates (517) 275-1131 yeatesj@michigan.gov	DTMB

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2027
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
NET 45		N/A	
<b>ALTERNATE PAYMENT OPTIONS</b>			<b>EXTENDED PURCHASING</b>
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<b>MINIMUM DELIVERY REQUIREMENTS</b>
N/A

<b>DESCRIPTION OF CHANGE NOTICE</b>				
<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input type="checkbox"/>		<input type="checkbox"/>		N/A
<b>CURRENT VALUE</b>	<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>		
\$8,689,998.45	\$0.00	\$8,689,998.45		

**DESCRIPTION**

Effective March 30, 2023, the following attached Statement of Work (SOW) is hereby incorporated into this Contract for AIS SIGMA Interface for MDHHS (Aging Information System - AIS), supplementing the previous SOW from Change Notice 9. Existing funds will be utilized to support the costs of the SOW.

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

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**MICHIGAN DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT AND BUDGET  
IT SERVICES  
STATEMENT OF WORK FOR IT CHANGE NOTICES**

<b>Project Title:</b> AIS SIGMA Interface for MDHHS (Aging Information System – AIS)	<b>Period of Coverage:</b> 03/01/2022 – 9/30/2024
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 02/02/2023
<b>Agency Program Manager:</b> Scott Wamsley WamsleyS@michigan.gov	<b>Phone:</b> 517-410-4597
<b>DTMB Project Manager:</b> John Moore MooreJ7@michigan.gov	<b>Phone:</b> 517-242-1075
<b>Contractor Program Manager:</b> Ash Agarwal aagarwal@acrocorp.com	<b>Phone:</b> 734-367-4591

**BACKGROUND:**

This Statement of Work (SOW) is made part of a Change Notice for Contract 18000000010 (Contract) between the State of Michigan (State or SOM) and ACRO Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #18000000010) (“Agreement” or “Contract”). The Parties agree as follows:

**1.0 OVERVIEW AND BACKGROUND:**

The Michigan Department of Health and Human Services’ (MDHHS) – Behavioral and Physical Health and Aging Services Administration (BPHASA) provides payments to vendors via the Aging Information System’s (AIS’) secure Financial Information Reporting System Technology (FIRST) Cash request module. Grantees can submit a cash request as needed to maintain an appropriate level of cash to maintain their operation.

Currently BPHASA processes payments using a manual process which is very time consuming. Payments are submitted through AIS FIRST cash request module. The Financial Quality & Grant System (FQGS) group manually reviews the cash request and manually enters the payment voucher some of the information. After all the verifications are completed, the payment voucher is sent to accounting who then keys it in manually into SIGMA. There is an upload worksheet that has very time intensive manual entries that are sent to accounting. The information already exists in the AIS FIRST system.

Also, AIS FIRST’ Cash Request module has not been evaluated by the SOM’s eMichigan team for compliance with federal requirements listed under the Americans with Disabilities Act (ADA). This Statement of Work (SoW) is to implement enhancements to BPHASA’s FIRST Cash Request module, payment vouchers and other items that are required, and incorporating ADA compliance within AIS’ FIRST Cash Request module.

These cost increases for the development work are offset by a net decrease of \$16,250 in maintenance costs in Fiscal Year (FY) 2024, as development work will continue into FY24.

## 2.0 PROJECT OBJECTIVE:

### 2.1 Cash Request:

- 2.1.1 (Grantee Users) - Modify the CR data entry screen to restrict the grantee so they cannot enter the data for Cash Request, Cash Adjustment, and Cash Return together.
- 2.1.2 Pre-populate the distributed amount into the "A. Cash Received YTD" column from the "G. Actual Disbursements YTD" of the fund source and disable the entry for this field in the CR data entry screen. For this column, the value will be Zero (0) in new Fiscal Year because there is no previous request in the new FY.
- 2.1.3 Before transfers, no cash requests should be allowed to be submitted that are greater than the most recent SGA except Title III-B Services, Title III-C1 Services, and Title III-C2 Services. A message would pop up that informs the grantee they cannot submit a cash request that exceeds their SGA amount. After transfers are reflected in the SGA module in the SGA tab, no cash requests should be allowed to be submitted that are greater than the most recent SGA for Title III-B Services, Title III-C1 Services, and Title III-C2 Services.
- 2.1.4 Provide the ability to enter the Contract# for each fund source in the Cash Request module. Currently the Contract# is on Grantee Management screen and due to that a grantee has multiple contract numbers. Change/update the reference from old contract field (which is on the Agency Management Screen) with this field at all places.
- 2.1.5 Disable the "E. Cash Requests in Process" column from the Cash Request screen.

### 2.2 Payment Voucher Changes:

- 2.2.1 For FIRST Team Users: Display a new column for Document Type, allow PV generation for Cash Request and Cash Adjustment. Restrictions of PV generation for Cash Return.
- 2.2.2 Allow Payment Voucher generation for Cash Adjustment.
- 2.2.3 Payment Voucher Amount distribution popup screen is currently not displayed if the fund source in Cash Request is mapped to one Acct template. This popup always needs to be displayed when generating payment voucher.
- 2.2.4 "Ability to do adjustments of PCA amount by allowing negative numbers into different Accounting Lines (across fund sources) and perform the validation so that the total of Accounting Line should match to Fund Source total amount which is zero in the case of MD9W. Each Fund Source should have some value. Check all 3 scenarios (cash request, cash adjustment, cash return)
  - 2.2.4.1 Auto populate the amount from CR if there is only one PCA.
  - 2.2.4.2 If the Fund Source does not have any amount, then it will not show in the grid."
- 2.2.5 Apply the validation on Payment Voucher generation so that PV can be generated only for valid vendor address (Validation for LOC\_CD) (Zip and State)
- 2.2.6 Add BFY, FY, and Period input boxes for PV generation screen and allow users to choose a value from the drop-down list. Users (FIRST team) can choose the value from drop down list for MD9W documents only.

### 2.3 EFOR Changes

- 2.3.1 The EFOR amount should not be allowed to be less than the grantee's YTD expenditures in cash request or more than their SGA award amount

### 2.4 Report Changes

- 2.4.1 Add two columns "Stmt of Grant Amount (SGA)" and "Amount Remaining" in Cash Request Tracking Report. "Stmt of Grant Amount (SGA)" will be the last SGA amount that is used in EFOR and "Amount Remaining" will be a formula (Difference of "Cumulative Amount" and "Stmt of Grant Amount (SGA)" value).

### 2.5 GAA9 Changes

- 2.5.1 "Allow modifications to GAA9 and send modified GAA9 document to SIGMA:
  - 2.5.1.1 Provide the ability for FIRST team to do the modification in the GAA9 Account Payable Amount for one or more Acct. Templates and send the modified GAA9 document to SIGMA. Show the revision summary with details of all the versions of the GAA9 sent to SIGMA."

### 2.6 Common Changes

- 2.6.1 The Fund Sources are currently duplicated in FIRST CR, EFOR, and SGA modules. Make the Fund Source common in all these modules.
- 2.6.2 The fund source should remain intact for all the previous CR documents after applying new common logic/mapping.

2.6.3 The CR, EFOR and SGA modules should have a consistent naming convention for Grantee Name and Fund Source name/Program Title on the screen and reports.

## 2.7 ADA Compliance

2.7.1 Contractor, in conjunction with the State's eMichigan team will test AIS' FIRST Cash Request Module to confirm it meets ADA standards set by the US federal government.

2.7.1.1 If eMichigan identifies any areas where FIRST does not conform to ADA standards, the vendor will make updates to AIS to ensure compliance.

2.7.1.1.1 The FIRST application uses the Crystal Report to show the report on the screen. There would be some limitations to make the Crystal Report Viewer screen fully ADA compliant.

2.7.1.1.2 To implement the ADA compliance, the vendor (ACRO) may need to change the Theme of the Cash Request module as per UI Checklist provided by SOM ADA Compliance guidelines.

2.7.1.1.2.1 This will cause the Cash Request module's look and feel to likely differ from other FIRST application modules.

2.7.1.2 The following screens will be reviewed (and modified, if not ADA compliant at time of review):

2.7.1.2.1 Cash Request Screens for ACLS Bureau:

2.7.1.2.1.1 FIRST Home Page

2.7.1.2.1.2 Cash Request Home Page (Message Center Page)

2.7.1.2.1.3 System Settings:

2.7.1.2.1.3.1 Active FY Management

2.7.1.2.1.3.2 Agency Management

2.7.1.2.1.3.3 Message Center

2.7.1.2.1.3.4 PCA/Acct Template Management

2.7.1.2.1.3.5 Fund Source

2.7.1.2.1.3.6 AASA Notification

2.7.1.2.1.3.7 Authorized MDHHS Employees

2.7.1.2.1.4 Payment Voucher tab

2.7.1.2.1.4.1 Review Screen

2.7.1.2.1.4.2 Distribution of Amount to PCAs/Acct Template Screen

2.7.1.2.1.4.3 View PV report (UI) Screen – PDF/excel report is not included.

2.7.1.2.1.5 Cash Request tab

2.7.1.2.1.5.1 Review Screen

2.7.1.2.1.5.2 View CR report (UI) Screen – PDF/excel report is not included.

2.7.1.2.2 Cash Request Screens for Grantees:

2.7.1.2.2.1 FIRST Home Page

2.7.1.2.2.2 Cash Request Home Page (Message Center Page)

2.7.1.2.2.3 Document Status tab

2.7.1.2.2.3.1 CR Document Status (Default page)

2.7.1.2.2.3.2 Create a New Document

2.7.1.2.2.3.3 Document Details

2.7.1.2.2.3.4 Select Signature

2.7.1.2.2.4 Federal tab

2.7.1.2.2.5 State tab

2.7.1.2.2.6 Report tab

2.7.1.2.2.6.1 Only report (UI) Screen

2.7.1.2.2.6.2 PDF/excel report is not included.

2.7.1.2.2.7 System Settings tab

2.7.1.2.3 SIGMA Interface:

2.7.1.2.3.1 GAA9 Setup Screen

2.7.1.2.3.2 CR Tracking Report

2.7.1.2.3.3 Summary CR Tracking Report

2.7.1.2.3.4 XML File Generation Tracking Report

## 2.8 Documentation

2.8.1 The following documents will be created over the course of this project:

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- 2.8.1.1 Project Plan Schedule
- 2.8.1.2 Aging Information System FIRST to SIGMA Interface document
- 2.8.1.3 Business Requirements document
- 2.8.1.4 Business Requirements document (CR-001)
- 2.8.1.5 SEM-600 Testing Strategy
- 2.8.1.6 SEM-603 Detailed Test Plan
- 2.8.1.7 Testing cases with Requirements Traceability Matrix
- 2.8.1.8 Functional Testing document showing test results
- 2.8.1.9 System Integration Testing document showing test results
- 2.8.1.10 Dynamic Scan Report(s)
- 2.8.1.11 AIS SIGMA Interface User Manual
- 2.8.1.12 SEM-301 Maintenance Plan

### **3.0 SCOPE OF WORK:**

Work includes requirements definition and updates to the information system documents, development of the enhancement within AIS' FIRST application, delivery of the enhancement into the lower environments for testing, testing of the interface, and implementation of the enhancements into production. See Section 16 Project Plan, for a complete outline of the work.

### **4.0 OUT OF SCOPE**

The following features are out of scope for the AIS SIGMA Interface:

- 4.1 A dynamic schedule for the XML file transfer.
- 4.2 Any exception/data correction after the XML file is processed by SIGMA.
- 4.3 2-way communication between AIS and SIGMA system.
- 4.4 GAX9R - Implement validation rule for referencing GAA9 payable amount for payment voucher.
- 4.5 The Cash Return request will be handled manually as done today.
- 4.6 MD9W for miscellaneous vendors.
- 4.7 No history data import of GAA9 or GAA1, history data will not be referenced in payment voucher.
- 4.8 Any data conversion/migration will be out of scope.
- 4.9 No other documents will be created other than those listed in section 2.8

### **5.0 TASKS**

- 5.1 Deliverables will not be considered complete until the DTMB Program Manager and MDHHS Agency Business Owner formally accept them.
- 5.2 Changes to the below schedule will be managed by the established Project Change Request approval process.
- 5.3 Contractor will provide the following documentation in support of the implementation:
  - 5.3.1 The template/format of the following documents will be same as what has been agreed and provided in previous AIS projects to SoM
    - 5.3.1.1 Aging Information System FIRST to SIGMA Interface document
    - 5.3.1.2 Business Requirements document
    - 5.3.1.3 Testing cases with Requirements Traceability Matrix
    - 5.3.1.4 AIS SIGMA Interface User Manual
    - 5.3.1.5 The template/format of the following documents will be the State Unified Information Technology Environment (SUITE) format:
      - 5.3.1.5.1 SEM-600 Testing Strategy
      - 5.3.1.5.2 SEM-603 Detailed Test Plan
      - 5.3.1.5.3 SEM-301 Maintenance Plan
- 5.4 Non-Functional Requirements:
  - 5.4.1 The Recovery Time Objective (RTO) for the AIS Interface must align with the current AIS RTO.
  - 5.4.2 The Recovery Point Objective (RPO) or maximum data loss for the AIS SIGMA Interface must align with the current AIS RPO.
  - 5.4.3 DTMB Business Analyst will work with knowledgeable Contractor staff in updating the System Security Plan (SSP).
- 5.5 Software Delivery:
  - 5.5.1 All systems software releases or implementations must be thoroughly tested by the vendor and the business area prior to implementation. This testing must include:
    - 5.5.1.1 Unit Testing
    - 5.5.1.2 Functional Testing
    - 5.5.1.3 ADA Compliance Testing

## **6.0 ACCEPTANCE CRITERIA:**

- 6.1 Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 6.2 Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 6.3 Draft documents are not accepted as final deliverable.
- 6.4 MDHHS will review business documents within 10 days of receipt. Approvals will be written and signed by MDHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.5 MDHHS and DTMB will review technical documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.6 MDHHS and DTMB will review project documents within 10 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.7 MDHHS Completion Criteria
  - 6.7.1 Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The MDHHS Team shall review and changes. Signoff on all the UAT Test Cases and Post Implementation Testing shall construe system acceptance.
- 6.8 Reviews and Approvals
  - 6.8.1 All specification and design documents will have to be reviewed and approved by the MDHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. MDHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of MDHHS.
- 6.9 Acceptance Testing
  - 6.9.1 The MDHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by MDHHS personnel. The Contractor may assist MDHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If MDHHS finds problems/issues with the AIS SIGMA Payment Interface testing, the problems need to be reported to the Contractor Project Manager.
- 6.10 Software Deliverables listed in this statement of work will adhere to the same requirements as the "Software Deliverables" section of the current AIS contract.
- 6.11 Service deliverables for this statement of work will adhere to the same requirements as the current AIS contract.
- 6.12 Final Acceptance:
  - 6.12.1 All documents, software and services are delivered and accepted by MDHHS in accordance with the requirements of this Contract Change Notice.
  - 6.12.2 For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.
  - 6.12.3 The Contractor will warrant the software for a period of 90 days after the go-live and assist MDHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.
  - 6.12.4 All bills related to this contract have been submitted and approved for payment.

## **7.0 PROJECT CONTROL AND REPORTS:**

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

- 7.1 Accomplishments: Indicate what was worked on and what was completed during the current reporting period.
- 7.2 Funds: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

## **8.0 ISSUE MANAGEMENT**

8.1 An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget. The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

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

## **9.0 CHANGE RELEASE MANAGEMENT**

9.1 The purpose of the Change and Release Management is to ensure that standardized methods and procedures are used for efficient and prompt handling of all IT changes, within the SOM. In addition to this, the DTMB CMCoE has implemented Release Management processes to help ensure that DTMB and its stakeholders can meet audit requirements:

9.1.1 Vendor Partners Responsibilities: Vendor must comply with DTMB Change & Release Management (CRM) policies before implementing every release. This includes submitting all System Engineering Methodology (SEM) equivalent documents indicated in section 5.3. The documents can be in the contractor's Project Management Methodology (PMM). After the Business Owner signs off the documents and approves the implementation timeframes, the vendor will follow their standard release process for implementation.

9.2 DTMB process for Vendor managed applications can be found here:

[https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

9.3 DTMB Responsibilities: DTMB Business Analyst Resource will be responsible to review the SEM or equivalent documents from vendor for each release. The DTMB resource will be responsible to follow the RFC process if necessary for Approvals and notifications as specified in the below documents.

9.4 DTMB Process for Vendor supported applications:

[https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

## **10.0 PAYMENT SCHEDULE:**

10.1 Payment will be made on satisfactory acceptance of each of the Tasks & Deliverables mentioned in Project Plans.

10.2 DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly.

10.2.1 DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals.

10.3 All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment.

10.3.1 The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees.

10.3.2 When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

## **11.0 EXPENSES:**

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

## **12.0 PROJECT CONTACTS:**

The designated Project Sponsor is:

Steven Bendele



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Michigan Department of Health and Human Services  
Chief Financial Officer  
(989) 640-0821  
BendeleS@michigan.gov

The designated Agency Program Manager is:

Scott Wamsley  
Michigan Department of Health and Human Services  
Aging and Adult Services  
(517) 410-4597  
WamsleyS@michigan.gov

The designated DTMB Program Manager is:

Pat Thelen  
Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 282-8026  
ThelenP@michigan.gov

The Contractor Program Manager is:

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
aagarwal@acrocorp.com

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service Corp  
(734)632-4265  
vtare@acrocorp.com

**13.0 LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

13.1 Contractor staff will primarily work from Contractor’s offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. As defined within the Contract section 2.080, SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

**14.0 EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

14.1 Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted.

**15.0 CONTRACTOR STAFF: ROLES & RESPONSIBILITIES**

- 15.1 The Contractor will identify the staff who will be involved in this project and describe in detail their roles and responsibilities.
- 15.2 The contractor will commit that staff identified will perform the assigned work. And if there are any changes will notify both DTMB and BPHASA.
- 15.3 The Contractor will identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:
  - 15.3.1 Supporting the management of the Contract.
  - 15.3.2 Facilitating Issue resolution.
  - 15.3.3 Advising the State of performance under the terms and conditions of the Contract.

Staff	Role	Responsibility
Ash Agarwal	Program Manager	Project Implementation (Project Management, Client Engagement, Project Resources)
Beena Shah	Business Analyst	Project Implementation (Business Requirement Gathering, Project Management)

Navin Kumar	Lead Developer	<ul style="list-style-type: none"> <li>• Enable quality and timely customer project delivery through guidance and mentoring of the other developers and enforces development best practices.</li> <li>• Main point of contact for communication with the product team and is expected to perform IT support tasks as needed.</li> </ul>
Vishwas Tare	AIS SIGMA Interface Project Manager	Project Manager for AIS.

15.4 DTMB and MDHHS – Roles and Responsibilities:

Role	Responsibility	Agency
Agency Business Owner (User Point of Contact (POC)) (AKA Product Owner)	<ul style="list-style-type: none"> <li>• Is the authorized approver for all application changes</li> <li>• Represents MDHHS as the single POC for application changes unless otherwise noted in SEM-301 (Maintenance Plan) and SEM 0931 (System Maintenance Document) or equivalent documents.</li> <li>• Approves the results of User Acceptance Testing.</li> </ul>	MDHHS/BPHASA
User Acceptance Tester	<ul style="list-style-type: none"> <li>• Performs User Acceptance Testing based on the documented plan</li> <li>• Cannot be performed by the developer/Business Analyst of the change.</li> </ul>	MDHHS/BPHASA
DTMB Program Manager	<ul style="list-style-type: none"> <li>• Represents DTMB as the POC for project level execution and approvals.</li> </ul>	DTMB
Project Manager	<ul style="list-style-type: none"> <li>• Coordinates with the business leadership team and Contractor project team to ensure overall project success.</li> </ul>	DTMB
DTMB- Technical Owner/User Point of Contact (POC)	<ul style="list-style-type: none"> <li>• Represents DTMB as the single POC for project assignments.</li> <li>• Coordinates with Agency business leads.</li> </ul>	DTMB
Quality Analysts/Business Analysts	<ul style="list-style-type: none"> <li>• Define business requirements, maintain PMM documentation, complete QA testing, and analyze data.</li> <li>• Review deliverables from a QA perspective. Provide guidance and assistance on process matters.</li> <li>• Coordinate Requirements Gathering sessions, Document Requirements and Design SEM documents.</li> <li>• Perform Unit Testing, System Testing, E2E testing and coordinate UAT testing.</li> </ul> <p>Create RFC's and performs change builder roles.</p>	DTMB
Solutions Architect	<ul style="list-style-type: none"> <li>• Develops, Designs and Supports system architecture for SOM system integration.</li> </ul>	DTMB

15.5 Web or Hyperlinks:

15.5.1 In the event Contractor is unable to access or view any of the web links (also known as hyperlinks) contained within this Contract, Contractor must promptly notify the DTMB Project Manager. An inaccessible or non-working web link will not excuse the Contractor of its duties and obligations under this Contract. Contractor is responsible for ensuring its personnel and/or subcontractors have reviewed all State and DTMB policies under this contract.

15.6 Entire Agreement:

15.6.1 This SOW, together with the existing Contract, constitutes the Parties' complete and exclusive statement regarding work requirements and procedures. Apart from the amendments made in this SOW, all Contract terms and conditions must remain in full force and effect.

**16.0 PROJECT PLAN:**

On the following sheets is a spreadsheet the vendor has provided with a breakdown of the phases of the project. Please note that only the following phases are impacted by this change notice: III – B, IV – VIII, and X – XII.

ADA		\$38,400
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CR-001		\$51,480
SSP Review		\$20
Maintenance Reduction		-\$16,250
<b>Total Contract Change</b>		<b>\$73,650</b>
Change per New Project plan		\$73,650
<b>Unexplained Difference</b>		<b>\$0</b>

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Task	Activities and Project Deliverables	Estimated Start Date	Estimated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Total Payment	Contract Amount	Net Change
<b>Task I</b>	Project Initiation and Planning	10/3/22	10/10/22	Project Manager	Project Planning & Scheduling	40	\$90	\$3,600	\$7,520	\$7,520	\$0
Planning	<b>Deliverable(s):</b> 2.8.1.1: - Project Plan Schedule			Program Manager		8	\$115	\$920			
				Technical Lead		40	\$75	\$3,000			
<b>Task II</b>	Business Requirements Gathering, Analysis,	10/10/22	12/14/22	System Analyst	Document Requirements, Interface Specifications, Develop User Stories	160	\$75	\$12,000	\$36,680	\$36,680	\$0
System Analysis	FIRST to SIGMA Interface document, Review and Approval			Technical Lead		160	\$75	\$12,000			
	<b>Deliverable(s):</b> 2.8.1.2: Aging Information System			Programmer	Project Management	60	\$60	\$3,600			
	FIRST to SIGMA Interface document			Project Manager	Program Management	60	\$90	\$5,400			
				Program Manager		32	\$115	\$3,680			
<b>Task III - A</b>	Functional & Technical Design, Business	12/15/22	2/24/23	System Analyst	Functional Design	120	\$75	\$9,000	\$31,540	\$31,540	\$0
Design (Original Scope)	Requirements document, Review and Approval			Technical Lead	Technical Design	160	\$75	\$12,000			
	<b>Deliverable(s):</b> 2.8.1.3: Business Requirements document			Programmer	Design User Interfaces	60	\$60	\$3,600			
				Tester	Functional Design	10	\$60	\$600			
				Project Manager	Project Management	50	\$90	\$4,500			
				Program Manager	Program Management	16	\$115	\$1,840			
<b>Task III - B</b>	Functional & Technical Design, Business	3/1/23	4/14/23	System Analyst	Functional Design	40	\$75	\$3,000	\$11,520	\$0	\$11,520
Design (CR-001)	Requirements document, Review and Approval			Technical Lead	Technical Design	24	\$75	\$1,800			
	<b>Deliverable(s):</b> 2.8.1.4: Business Requirements document (CR-001)			Programmer	Design User Interfaces	8	\$60	\$480			
				Tester	Functional Design	8	\$60	\$480			
				Project Manager	Project Management	64	\$90	\$5,760			
				Program Manager	Program Management	0	\$115	\$0			

Task	Activities and Project Deliverables	Estimated Start Date	Estimated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Total Payment	Contract Amount	Net Change
<b>Task IV</b>	Detailed Test Plan, Test Strategy, Test cases with Requirements Traceability Matrix, Review and Approval			System Analyst	Test Plan, Test Strategy, Test cases with RTM	70	\$75	\$5,250			
Test Plan Test Cases	<b>Deliverable(s):</b> 2.8.1.5: SEM-600 Testing Strategy 2.8.1.6: SEM-603 Detailed Test Plan 2.8.1.7: Testing cases with Requirements Traceability Matrix	2/27/23	5/26/23	Technical Lead Tester Project Manager	Project Management	26 94 20	\$75 \$60 \$90	\$1,950 \$5,640 \$1,800	\$14,640	\$12,540	\$2,100
<b>Task V</b>	Development, ADA Compliance Changes, Unit Testing			Programmer Tester	Code development & Unit Testing Functional Testing	960 0	\$60 \$60	\$57,600 \$0			
Development Unit Testing	<b>Deliverable(s):</b> Deploy code in AIS QA Environment	2/27/23	8/31/23	Technical Lead Project Manager Program Manager	Technical Review/ Configuration/ Deployments Project Management Program Management	140 120 12	\$75 \$90 \$115	\$10,500 \$10,800 \$1,380	\$80,280	\$93,960	-\$13,680
<b>Task VI</b>	Functional Testing, ADA Compliance Testing			Programmer Tester	Bug fixing & Unit Testing Functional Testing	200 530	\$60 \$60	\$12,000 \$31,800			
Functional Testing ADA Compliance Testing	<b>Deliverable(s):</b> 2.8.1.8 - Functional Testing document showing test results 2.7 - ADA Compliance Testing Deploy code in AIS Staging Environment	9/1/23	11/30/23	Technical Lead Project Manager Program Manager	Technical Review/ Configuration/ Deployments Project Management Program Management	40 40 8	\$75 \$90 \$115	\$3,000 \$3,600 \$920	\$51,320	\$0	\$51,320
<b>Task VII</b>	System Integration Testing (SIT)			Programmer Tester	Bug fixing & Unit Testing System Integration Testing	120 260	\$60 \$60	\$7,200 \$15,600			
SIT	<b>Deliverable(s):</b> 2.8.1.9 - SIT document showing test results	12/1/23	1/17/24	Technical Lead Project Manager Program Manager	Technical Review/ Configuration/ Deployments Project Management Program Management	40 36 4	\$75 \$90 \$115	\$3,000 \$3,240 \$460	\$29,500	\$0	\$29,500

Task	Activities and Project Deliverables	Estimated Start Date	Estimated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Total Payment	Contract Amount	Net Change
<b>Task VIII</b>	System Security Plan Review			Technical Lead	SSP Review (Dynamic Scanning, Reporting, Fixes & Re-scanning)	80	\$75	\$6,000			
SSP Review	<b>Deliverable(s):</b> 2.8.1.10 - Dynamic Scan Report Fix Issues reported in Dynamic Scan	12/1/23	2/21/24	Programmer Tester Project Manager		24 10 32	\$60 \$60 \$90	\$1,440 \$600 \$2,880	\$10,920	\$10,900	\$20
<b>Task IX</b>	Aging SIGMA Interface User Manual, AASA User Training			System Analyst	User Manual	40	\$75	\$3,000			
User Training	<b>Deliverable(s):</b> 2.8.1.11 - AIS SIGMA Interface User Manual User Training Sign-off	1/20/24	1/31/24	Technical Lead Project Manager	User Training Project Management	40 16	\$75 \$90	\$3,000 \$1,440	\$7,440	\$7,440	\$0
<b>Task X</b>	User Acceptance Testing (UAT) Support			Technical Lead	UAT Deployment/Support	120	\$75	\$9,000			
UAT	<b>Deliverable(s):</b> Fix Defects reported in User testing Deploy updated code in Staging Environment User Acceptance Testing Sign-off	2/3/24	2/21/24	Programmer Tester Project Manager	Project Management	50 50 70	\$60 \$60 \$90	\$3,000 \$3,000 \$6,300	\$21,300	\$14,400	\$6,900
<b>Task XI</b>	Maintenance Plan, Deploy to Production			System Analyst	Maintenance Plan, Software Configuration Management Plan, Installation Plan, Prod Deployment	20	\$75	\$1,500			
Production Deploy	<b>Deliverable(s):</b> 2.8.1.12 - SEM-301 Maintenance Plan Deploy code in AIS Production Environment	2/24/24	3/3/24	Technical Lead Project Manager	Project Management	56 32	\$75 \$90	\$4,200 \$2,880	\$8,580	\$6,360	\$2,220
<b>Task XII</b>	Bug Fixes, User Support (Max 600 hours per year)	3/4/24	9/30/24					\$22,750	\$22,750	\$39,000	-\$16,250
Support											
<b>TOTAL</b>								<b>\$333,990</b>	<b>\$333,990</b>	<b>\$260,340</b>	<b>\$73,650</b>



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **11**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Jillian Yeates	DTMB
		(517) 275-1131 yeatesj@michigan.gov	

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2027
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

N/A

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$8,600,498.45	\$89,500.00	\$8,689,998.45		

**DESCRIPTION**

Effective March 7, 2023, the following amendment is hereby incorporated into this Contract, per the Attached Statement of Work (SOW) for AIS NAPIS Care Transition Coordination Support. In addition, this Contract is increased by \$89,500.00 to support the costs of the SOW.

Please note, the State's Contract Administrator has been changed to Jillian Yeates (i.e., Contract Terms, Section 30.10 and Schedule A, Section 1.202).

All other terms, conditions, specifications, and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services Approval.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov





**MICHIGAN DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT AND BUDGET  
IT SERVICES  
STATEMENT OF WORK FOR IT CHANGE NOTICES**

<b>Project Title:</b> AIS NAPIS Care Transition Coordination Support	<b>Period of Coverage:</b> 4/3/23-8/31/23
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 1/25/23
<b>Agency Program Manager:</b> Scott Wamsley WamsleyS@michigan.gov	<b>Phone:</b> 517-284-0161
<b>DTMB Program Manager:</b> John Moore Moorej7@michigan.gov	<b>Phone:</b> 517-242-1075
<b>Contractor Program Manager:</b> Ash Agarwal Agarwal@acrocorp.com	<b>Phone:</b> 734-367-4591

## **BACKGROUND:**

This Statement of Work (SOW) is made part of a Change Notice to Contract No. 18000000010 (Contract) between the State of Michigan (State or SOM) and Acro Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract # 18000000010) (“Agreement” or “Contract”). The Parties agree as follows:

### **1. OVERVIEW AND BACKGROUND:**

- 1.1. The Michigan Department of Health and Human Services’ (MDHHS’) Bureau of Aging, Community Living, and Supports (ACLS Bureau) provides support for older adults to help them maintain their independence as they age by offering older adult and family caregiver services through a partnership between the state of Michigan, 16 regional area agencies on aging, and more than 1,300 local community-based agencies.
- 1.2. ACLS has requested enhancements to National Aging Program Information System (NAPIS) which will add questions for NAPIS clients who receive the Care Transition Coordination and Support (CTCS) service.

### **2. PROJECT OBJECTIVE:**

- 2.1. Enhance the NAPIS application to add a new tab with questions for NAPIS clients who receive the CTCS service. The user should be able to respond to the questions with details and generate a report based on those questions for the client.

### **3. SCOPE OF WORK:**

- 3.1. The Scope of Work includes the following:
  - 3.1.1. In NAPIS Partner Channel:
    - 3.1.1.1. In a Client Tab, a new link “Care Transition” will be added inside “Care Recipient Info” Section.
    - 3.1.1.2. If user select the service “Care Transition Coordination and Support (CTCS)” and save, then new link “Care Transition” will be enabled for data entry.
    - 3.1.1.3. On Care Transition link the question added by AASA will display for data entry.
    - 3.1.1.4. User can disassociate the service “Care Transition Coordination and Support (CTCS).” If it is disassociated, then the entry made from “Care Transition” link will be logically deleted.
    - 3.1.1.5. In Admin tab a new link “Care Transition Management” will be added.
    - 3.1.1.6. On “Care Transition Management” user can add/update question dynamically.
    - 3.1.1.7. On “Care Transition Management” question will be added based on FY (Fiscal Year).
    - 3.1.1.8. On “Care Transition Management” added question can be deleted, if it is not associate with any client.
    - 3.1.1.9. On “Care Transition Management” added question will be editable, either it is associate with client, but rule of the question cannot modify.
    - 3.1.1.10. On “Care Transition Management” if FY changed then previous year question will move into current FY. There will be no impact of previous FY question if any modification applied on Current FY question.
    - 3.1.1.11. On Merge tab, if we make client secondary to primary, then Care Transition Coordination information will move as well.
  - 3.1.2. In NAPIS PUB:
    - 3.1.2.1. A new link “Care Transition” will be added inside “Care Recipient Info” Section.
    - 3.1.2.2. If user selects the service “Care Transition Coordination and Support (CTCS)” and clicks on “Submit” button, then new link “Care Transition” will be enabled for entry.
    - 3.1.2.3. On Care Transition link, the question added by AASA will display for entry.
    - 3.1.2.4. In Print area, a new section “Care Transition Coordination and Support” will be added, and Care Transition Coordination information will be displayed in this section.
  - 3.1.3. In NAPIS (Registration List Tab):
    - 3.1.3.1. Same functionality as NAPIS Pub.
    - 3.1.3.2. In this tab, AASA can approve client; If AASA approves the information the client moves into NAPIS application, the addition of “Care Transition Coordination” information will be moved.
  - 3.1.4. In Reports Section:

- 3.1.4.1. On Report Tab a new link “Care Transition Coordination” will be added in “Advanced Filter” section.
  - 3.1.4.2. On Report Tab when user clicks on a new link, “Care Transition Coordination”, then the questions which are configured in Admin module will display for filter selection.
  - 3.1.4.3. Only Yes/No response-type questions will be available for “Care Transition Coordination” filters. Subjective response-type will not be available in the filters or in the report output.
  - 3.1.4.4. AASA can see Detail and Summary report for “Care Transition Coordination” for Report Types a. “Enrollment Report” and b. “Unit Report (Cluster I and Cluster V)”
  - 3.1.4.5. AASA can see Summary, Detail and Advanced report for “Care Transition Coordination” filter.
  - 3.1.4.6. AASA can download the Care Transition Coordination and Support Service question responses provided by clients in Excel.
- 3.2. The Following is Out of Scope for this Project:
- 3.2.1. Care Transition Coordination and Support information will not be captured through NAPIS file importer.
  - 3.2.2. Care Transition Coordination and Support information will not be reflected in Federal AOA Report (SPR) and Federal AOA Report (OAAPS).
  - 3.2.3. Fixing of existing Static and Dynamic scanning defects reported in NAPIS application by SOM team during SSP Review is out of scope.
  - 3.2.4. Static scanning of code before delivery is out of scope.
  - 3.2.5. SSP Review is out of scope.
  - 3.2.6. Creating any other documents other than mentioned in the Section 4 (WORK and DELIVERABLES) is out of scope.
  - 3.2.7. ADA compliance review is out of scope.
  - 3.2.8. Any data conversion/migration is out of scope.

#### **4. WORK and DELIVERABLES:**

- 4.1. Deliverables will not be considered complete until the DTMB Program Manager and MDHHS Agency Business Owners formally accept them.
- 4.2. Changes to the below schedule will be managed by the established Project Change Request approval process.
- 4.3. Contractor will provide the following documentation in accordance with State of Michigan State Unified Information Technology Environment (SUITE) standard:
  - 4.3.1. Requirements Specification Document (RSD)
  - 4.3.2. Functional Design Document (FDD)
  - 4.3.3. Technical Design Document (TDD)
  - 4.3.4. Test Cases with Requirements Traceability Matrix (RTM)
  - 4.3.5. Test Strategy
  - 4.3.6. Test Plan
  - 4.3.7. Software Maintenance Plan

#### **5. ACCEPTANCE CRITERIA:**

- 5.1. Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 5.2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 5.3. Draft documents are not accepted as final deliverable.
- 5.4. MDHHS will review business documents within 5 days of receipt. Approvals will be written and signed by MDHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.5. MDHHS and DTMB will review technical documents within 5 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.6. MDHHS and DTMB will review project documents within 5 days of receipt. Approvals will be written and signed by MDHHS, the Contractor and DTMB. Unacceptable issues will be documented and

submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

**5.7. MDHHS Completion Criteria**

**5.7.1.** Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The MDHHS Team shall review and test the project changes against the specifications. Signoff on all the UAT Test Cases and Post Implementation Testing shall construe system acceptance.

**5.8. Reviews and Approvals**

**5.8.1.** All specification and design documents will have to be reviewed and approved by the MDHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. MDHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of MDHHS.

**5.9. Acceptance Testing**

**5.9.1.** The MDHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by MDHHS personnel. The Contractor may assist DHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If MDHHS finds problems/issues with the changes, the problems need to be reported to the Contractor Project Manager.

**5.10. Final Acceptance:**

**5.10.1.** All documents, software and services are delivered and accepted by MDHHS in accordance with the requirements of this Contract Change Notice.

**5.10.2.** For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.

**5.10.3.** The Contractor will warrant the software for a period of 6 months after the go-live and assist MDHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.

**5.10.4.** All bills related to this Contract have been submitted and approved for payment.

**6. PROJECT CONTROL AND REPORTS:**

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

- 6.1. Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- 6.2. Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- 6.3. Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

**7. ISSUE MANAGEMENT:**

**7.1.** An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget. The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- 7.1.1.** Description of issue
- 7.1.2.** Issue identification date
- 7.1.3.** Responsibility for resolving issue.
- 7.1.4.** Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- 7.1.5.** Resources assigned responsibility for resolution
- 7.1.6.** Resolution date

**7.1.7. Resolution description**

**8. CHANGE AND RELEASE MANAGEMENT (CRM):**

- 8.1.** The purpose of the Change and Release Management is to ensure that standardized methods and procedures are used for efficient and prompt handling of all IT changes, within the SOM. In addition to this, the DTMB Change Management Center of Excellence (CMCoE) has implemented Release Management processes to help ensure that DTMB and its stake holders can meet audit requirements:
- 8.1.1.** Vendor Partners Responsibilities: Vendor must comply with DTMB CRM policies before implementing every release. This includes providing release tickets for each release and submitting all System Engineering Methodology (SEM) equivalent documents as per CMCoE check list. The documents can be in the Contractor's Project Management Methodology (PMM). After the Business Owner signs off the documents and approves the implementation timeframes, the DTMB Business Analyst will create and initiate the RFC process.
- 8.2.** DTMB process for Vendor managed applications can be found here:
- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)
- 8.3.** DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:
- A sample CMCoE checklist is available to the vendor partner upon request.
- 8.4.** DTMB Responsibilities: DTMB Business Analyst Resource will be responsible to review the SEM or equivalent documents from vendor for each release and complete the CMCoE check list. The DTMB resource will be responsible to follow the RFC process for Approvals and notifications as specified in the below documents.
- 8.4.1.** DTMB Process for Vendor supported applications:
- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)
- 8.4.2.** DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:
- A sample CMCoE checklist is available to the vendor partner upon request.

**9. PAYMENT SCHEDULE:**

- 9.1.** Payment will be made on satisfactory acceptance of each of the milestones listed in the Task/Deliverable column of the table in Section 19. DTMB will pay Contractor upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued Delivery Order (DOIT1), not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect the actual milestone(s) completed and must be approved by the Agency and DTMB Project Manager prior to payment. When invoicing for a milestone, the invoice amount must not exceed the amount listed in the "Total Payment" column of the table in Section 19.
- 9.2.** Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

**10. EXPENSES:**

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

## **11. PROJECT CONTACTS:**

The designated Agency Program Manager is:

Scott Wamsley

Michigan Department of Health and Human Services

Aging and Adult Services

(517) 241-0624

[WamsleyS@michigan.gov](mailto:WamsleyS@michigan.gov)

The designated DTMB Program Manager is:

John Moore

Michigan Department of Technology, Management and Budget

Agency Services supporting Medicaid

(517) 242-1075

[MooreJ7@michigan.gov](mailto:MooreJ7@michigan.gov)

The Contractor Project Manager is:

Vishwas Tare

Acro Service Corp

(734)632-4265

[vtare@acrocorp.com](mailto:vtare@acrocorp.com)

The Contractor Program Manager is:

Ash Agarwal

Acro Service Corp.

(734) 367-4591

[aagarwal@acrocorp.com](mailto:aagarwal@acrocorp.com)

## **12. LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

- 12.1.** Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. As defined within the Contract section 2.080, SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

## **13. EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

- 13.1.** Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted.

## **14. CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES:**

- 14.1.** The Contractor will identify the staff who will be involved in this project and describe in detail their roles and responsibilities.
- 14.2.** The Contractor will commit that staff identified will perform the assigned work. And if there are any changes will notify both DTMB and AASA.
- 14.3.** The Contractor will identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:
- 14.3.1.** Supporting the management of the Contract.
  - 14.3.2.** Facilitating Issue resolution
  - 14.3.3.** Advising the State of performance under the terms and conditions of the Contract.

Role	Responsibility
Program Manager	Project Implementation (Project Management, Client Engagement, Project Resources)
Business Analyst	Project Implementation (Business Requirement Gathering, Project Management)
Lead Developer	Enable quality and timely customer project delivery through guidance and mentoring of the other developers and enforces development best practices. Lead is the main contact for communication with the product team and be expected to perform IT support tasks as needed.
AIS Project Manager	Project Manager for the AIS systems.

**15. DTMB and MDHHS–AASA ROLES AND RESPONSIBILITIES:**

Role	Responsibility	Agency
Agency Business Owner (User Point of Contact (POC)) (AKA Product Owner)	<ul style="list-style-type: none"> <li>Is the authorized approver for all application changes</li> <li>Represents MDHHS as the single POC for application changes unless otherwise noted in SEM-301 (Maintenance Plan) and SEM 0931 (System Maintenance Document) or equivalent documents.</li> <li>Approves the results of User Acceptance Testing.</li> </ul>	MDHHS/AASA
User Acceptance Tester	<ul style="list-style-type: none"> <li>Performs User Acceptance Testing based on the documented plan</li> <li>Cannot be performed by the developer/Business Analyst of the change.</li> </ul>	MDHHS/AASA
DTMB Program Manager	<ul style="list-style-type: none"> <li>Represents DTMB as the POC for project level execution and approvals.</li> </ul>	DTMB
Project Manager	<ul style="list-style-type: none"> <li>Coordinates with the business leadership team and Contractor project team to ensure overall project success.</li> </ul>	DTMB
DTMB- Technical Owner/User Point of Contact (POC)	<ul style="list-style-type: none"> <li>Represents DTMB as the single POC for project assignments.</li> <li>Coordinates with Agency business leads.</li> </ul>	DTMB
Quality Analysts/Business Analysts	<ul style="list-style-type: none"> <li>Define business requirements, maintain PMM documentation, complete QA testing, and analyze data.</li> <li>Review deliverables from a QA perspective. Provide guidance and assistance on process matters.</li> <li>Coordinate Requirements Gathering sessions, Document Requirements and Design SEM documents.</li> <li>Perform Unit Testing, System Testing, E2E testing and coordinate UAT testing.</li> <li>Create RFC's and performs change builder roles.</li> </ul>	DTMB
Solutions Architect	<ul style="list-style-type: none"> <li>Develops, Designs and Supports system architecture for SOM system integration.</li> </ul>	DTMB

**16. WEB or HYPERLINKS:**

**16.1.** In the event Contractor is unable to access or view any of the web links (also known as hyperlinks) contained within this Contract, Contractor must promptly notify the DTMB Project Manager. An inaccessible or non-working web link will not excuse the Contractor of its duties and obligations under this Contract. Contractor is responsible for ensuring its personnel and/or subcontractors have reviewed all State and DTMB policies under this contract.

**17. ENTIRE AGREEMENT:**

**17.1.** This SOW, together with the existing Contract, constitutes the Parties' complete and exclusive statement regarding work requirements and procedures. Apart from the amendments made in this SOW, all Contract terms and conditions must remain in full force and effect.

**18. PROJECT PLAN**

Tasks	Activities and Project Deliverables	Estimated Start Date	Estimated End Date	Contractor Staff	Role	Hours	Rate	Total	Total Payment
Task I Planning	Project Initiation and Planning  <b>Deliverable(s): Project Plan Schedule</b>	4/3/23	4/6/23	Project Manager System Analyst Program Manager Technical Lead	Project Planning & Scheduling	16 8 4 12	\$90 \$75 \$115 \$75	\$1,440 \$600 \$460 \$900	\$3,400
Task II System Analysis	Business Requirements Gathering, Analysis, Documentation, RSD Review and Approval  <b>Deliverable(s): 4.3.1 Requirements Specification Document (RSD)</b>	4/10/23	4/28/23	System Analyst Technical Lead Project Manager	Document Requirements, Develop User Stories	24 12 4	\$75 \$75 \$90	\$1,800 \$900 \$360	\$3,060
Task III Design	Functional and Technical Design, FDD Review and Approval  <b>Deliverable(s): 4.3.2 Functional Design document (FDD) 4.3.3 Technical Design Document (TDD)</b>	5/1/23	5/26/23	System Analyst Technical Lead Programmer Project Manager	Functional Design System Design Design User Interfaces Project Management	48 40 12 12	\$75 \$75 \$60 \$90	\$3,600 \$3,000 \$720 \$1,080	\$8,400
Task IV Test Cases	Detailed Test Plan, Test cases with Requirements Traceability Matrix, Review and Approval  <b>Deliverable(s): 4.3.4 Testing cases with Requirements Traceability Matrix 4.3.5 Test Strategy 4.3.6 Test Plan</b>	5/30/23	6/16/23	Tester System Analyst Project Manager	Test Cases with RTM, Test Plan Review and update Project Management	42 40 8	\$60 \$75 \$90	\$2,520 \$3,000 \$720	\$6,240
Task V Development  Testing	Development, Unit Testing, Functional Testing  <b>Deliverable(s): Deploy code in AIS Staging Environment Functional Testing document showing test results</b>	5/30/23	8/11/23	Programmer Tester Technical Lead System Analyst Project Manager	Code development, Unit Testing System Testing Technical Review/ Configuration/ Deployments Internal demo Project Management	660 220 48 24 16	\$60 \$60 \$75 \$75 \$90	\$39,600 \$13,200 \$3,600 \$1,800 \$1,440	\$59,640
Task VI UAT	User Acceptance Testing support  <b>Deliverable(s): Fix Defects reported in User testing Deploy updated code in Staging Environment User Acceptance Testing Sign-off</b>	8/14/23	8/25/23	Technical Lead Programmer Tester Project Manager	UAT Deployment/Support	40 16 16 8	\$75 \$60 \$60 \$90	\$3,000 \$960 \$960 \$720	\$5,640
Task VII Deployment	Deployment of Accepted Environment to Production  <b>Deliverable(s): 4.3.7 Software Maintenance Plan Deploy code in AIS Production Environment</b>	8/28/23	8/31/23	Technical Lead System Analyst Project Manager	Prod Deployment	20 12 8	\$75 \$75 \$90	\$1,500 \$900 \$720	\$3,120
<b>TOTAL</b>						<b>1370</b>		<b>\$89,500</b>	<b>\$89,500</b>





**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number 10  
 to  
 Contract Number 18000000010

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	<b>Program Manager</b>	Various	MDHHS
	<b>Contract Administrator</b>	Katelyn LaHaye	DTMB
		(517) 388-7422 lahayek@michigan.gov	

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2027
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
<b>ALTERNATE PAYMENT OPTIONS</b>			<b>EXTENDED PURCHASING</b>
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

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**DESCRIPTION OF CHANGE NOTICE**

<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2027
<b>CURRENT VALUE</b>	<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>		
\$8,340,158.45	\$260,340.00	\$8,600,498.45		

**DESCRIPTION**

Effective November 15, 2022, this Contract is increased by \$260,340.00 for the ACRO SERVICE CORP Master Agreement #18000000010, to replenish the \$260,340.00 used for the SIGMA Post-Implementation Stabilization and Optimization Statement of Work on Change Notice 9.

All other terms, conditions, specifications, and pricing remain the same. Per contractor, agency, DTMB Central Procurement and State Administrative Board approval on November 15, 2022.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**STATE OF MICHIGAN**  
**CENTRAL PROCUREMENT SERVICES**  
 Department of Technology, Management, and Budget  
 320 S. WALNUT ST., LANSING, MICHIGAN 48933  
 P.O. BOX 30026 LANSING, MICHIGAN 48909

**CONTRACT CHANGE NOTICE**

Change Notice Number **9**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	Ash Agarwal
	734-367-4591
	aagarwal@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Katelyn LaHaye	DTMB
		(517) 388-7422 lahayek@michigan.gov	

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	12 - 1 Year	September 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

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**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$8,340,158.45	\$0.00	\$8,340,158.45		

**DESCRIPTION**

Effective 9/13/2022, the following amendment is hereby incorporated into this contract, per the attached Statement of Work. Additional cost for this amendment is \$260,340.00. Existing funds from Acro Master Agreement 18000000010 will be utilized.

- Develop the AIS SIGMA Interface to electronically send Payment Vouchers and Accounts Payable information to SIGMA using the appropriate interface formats.

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

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**MICHIGAN DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT AND BUDGET  
IT SERVICES  
STATEMENT OF WORK FOR IT CHANGE NOTICES**

<b>Project Title:</b> AIS SIGMA Interface for MDHHS (Aging Information System – AIS)	<b>Period of Coverage:</b> 10/1/2022 – 9/30/2024
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 8/30/2022
<b>Agency Program Manager:</b> Scott Wamsley WamsleyS@michigan.gov	<b>Phone:</b> 517-410-4597
<b>DTMB Project Manager:</b> John Moore MooreJ7@michigan.gov	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Vishwas Tare vtare@acrocorp.com	<b>Phone:</b> 248-755-0485

**Brief Description of Services to be provided:**

**BACKGROUND:**

This Statement of Work (SOW) is made part of a Change Notice to Contract No. 17118000000010 (Contract) between the State of Michigan (State or SOM) and Acro Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #17118000000010) (“Agreement” or “Contract”). The Parties agree as follows:

**1.0 OVERVIEW AND BACKGROUND**

- 1.1 The “Michigan Department of Community Health (MDCH)” and “Michigan Department of Human Services” (MDHS), in this SOW and the existing Contract mean collectively “Michigan Department of Health and Human Services” (MDHHS). Under the effectuated State Executive Order No. 2015–4, the entities formerly known as separate departments have merged to become one department named “MDHHS”.
- 1.2 The MDHHS – Health and Aging Services Agency (HASA) provides payments to vendors via the secure Financial Information Reporting System Technology (FIRST) Cash request module. Grantees can submit a cash request as needed to maintain an appropriate level of cash to maintain their operation.
- 1.3 Currently HASA process payments a manual process which is very time consuming. Payments are submitted through AIS FIRST cash request module. The Financial Quality & Grant System (FQGS) group manually reviews the cash request and manually enters into the payment voucher some of the information. After all the verifications are completed, the payment voucher is sent to accounting who then keys it in manually into SIGMA. There is an upload worksheet however, that would also include very time intensive manual entry to fill out and send to accounting. The information already exists in the AIS FIRST system.
- 1.4 For payables, HASA sets up a spreadsheet that is sent to MDHHS to set up the payables and is manually keyed in by FQGS First group. From there accounting uploads it into SIGMA. Currently, when a cash request comes through for the previous year the FQGS First group manually enters in the numbers for the Dept Obj into the pdf. Accounting then enters the numbers manually.
- 1.5 This Contract Change Notice is to develop the AIS SIGMA Interface to electronically send Payment Vouchers and Accounts Payable information to SIGMA using the appropriate interface formats.

**2.0 PROJECT OBJECTIVE:**

- 2.1 Develop AIS SIGMA Interface to electronically send the Payment Vouchers and Accounts Payable information to SIGMA using GAX9R, GAA9 and MD9W Payment Interface formats. ACRO will send the data in XML file format on every weekday. Payment Vouchers will be processed through SIGMA on a daily basis. The Financial Quality & Grant Support group will receive tracking reporting daily

### 3.0 SCOPE OF WORK:

3.1 The Contractor will develop an interface to send XML files to FQGS.

- 3.1.1 Interface will generate XML files for GAX9R (Payment Request for Registered Vendors Document - GAX9R).
- 3.1.2 Interface will generate XML files for GAA9 (General Accounting Accrual Document - GAA9).
- 3.1.3 Interface will generate XML files for MD9W (Manual Disbursement for Wires - MD9W).
- 3.1.4 Interface will fetch data to generate GAX9R, GAA9, MD9W XML files from AIS FIRST Cash Request (CR) module after the CR is processed and Payment Voucher is generated by HASA as per below interface specifications.



AIS SIGMA Interface  
Specifications Map

3.1.5

3.2 Interface will send XML files to FQGS through FTS (SFTP) on fixed schedule (M-F) at 2 PM EST.

3.3 Interface will send e-mail notification to FQGS about XML files sent with following information.

- 3.3.1 Number of documents/records in a file and total amount in file.
- 3.3.2 Server connection errors.
- 3.3.3 If no records present, then send email as No data to be sent.

3.4 Modify AIS FIRST application on Payment Voucher entry screen to add below listed fields to generate data for GAX9R.

- 3.4.1 Service Date From
- 3.4.2 Service Date To
- 3.4.3 Effective Date
- 3.4.4 PPC Code
- 3.4.5 GAA9 Ref Doc ID
- 3.4.6 GAA9 Ref Accounting Line #

3.5 Modify AIS FIRST application on Payment Voucher (PV) Report to add below listed fields.

- 3.5.1 Service Date From
- 3.5.2 Service Date To
- 3.5.3 Effective Date
- 3.5.4 PPC Code
- 3.5.5 GAA9 Ref Doc ID
- 3.5.6 GAA9 Ref Accounting Line #

3.6 Internal job tracking for the for XML file generation for GAX9R, GAA9 and MD9W (Job Running Status, Error Status, Number of Records in File, Download the File, Dollar Amount)

3.7 Correct the XML file if any exceptions are found by the FQGS team.

3.8 Modify AIS FIRST application to restrict user to modify Payment Voucher after approval.

3.9 Develop new screen under AIS FIRST application which will display calculated values to be sent to GAA9 XML file. The calculation will be based on AIS FIRST Cash Request, Payment Voucher, Estimated Final Obligation Report (EFOR) data.

- 3.9.1 Process to allow modification to calculated fields before sending it to GAA9.
- 3.9.2 Functional process flow for payable closing and updating.
- 3.9.3 Payable closing process creation.
- 3.9.4 Action based file transfer, along with schedule based.
- 3.9.5 Report generation for data review.

3.10 Develop 3 new reports in AIS FIRST application Cash Request module.

- 3.10.1 Cash Request Tracking Report
- 3.10.2 Summary Cash Request Tracking Report
- 3.10.3 Payable Tracking Report

#### 4.0 OUT OF SCOPE

- 4.1 The following features are out of scope for the AIS SIGMA Interface:
- 4.1.1 A dynamic schedule for the XML file transfer.
  - 4.1.2 Any exception/data correction after the XML file is processed by SIGMA.
  - 4.1.3 2-way communication between AIS and SIGMA system.
  - 4.1.4 GAX9R - Implement validation rule for referencing GAA9 payable amount for payment voucher.
  - 4.1.5 The Cash Return request will be handled manually as done today.
  - 4.1.6 MD9W for miscellaneous vendors.
  - 4.1.7 No history data import of GAA9 or GAA1, history data will not be referenced in payment voucher.
  - 4.1.8 Any data conversion/migration will be out of scope.
  - 4.1.9 No other documents will be created other than listed in the section 5.3
  - 4.1.10 ADA Compliance review will be out of scope.

#### 5.0 TASKS:

- 5.1 Deliverables will not be considered complete until the DTMB Program Manager and MDHHS Agency Business Owner formally accept them.
- 5.2 Changes to the below schedule will be managed by the established Project Change Request approval process.
- 5.3 Contractor will provide the following documentation in support of the implementation:
- 5.3.1 The template/format of the following documents will be same as what has been agreed and provided in previous AIS projects to SoM:
    - 5.3.1.1 Aging Information System FIRST to SIGMA Interface document
    - 5.3.1.2 Business Requirements document
    - 5.3.1.3 Testing cases with Requirements Traceability Matrix
    - 5.3.1.4 AIS SIGMA Interface User Manual
  - 5.3.2 The template/format of the following documents will be the State Unified Information Technology Environment (SUITE) format:
    - 5.3.2.1 SEM-600 Testing Strategy
    - 5.3.2.2 SEM-603 Detailed Test Plan
    - 5.3.2.3 SEM-301 Maintenance Plan
- 5.4 Non-Functional Requirements:
- 5.4.1 The Recovery Time Objective (RTO) for the AIS Interface must align with the current AIS RTO.
  - 5.4.2 The Recovery Point Objective (RPO) or maximum data loss for the AIS SIGMA Interface must align with the current AIS RPO.
  - 5.4.3 DTMB Business Analyst will work with knowledgeable Contractor staff in updating the System Security Plan (SSP).
- 5.5 Software Delivery:
- 5.5.1 All systems software releases or implementations must be thoroughly tested by the vendor and the business area prior to implementation. This testing must include:

- 5.5.1.1 Unit Testing – Contractor staff test each document, module or unit to ensure the GAX9R, GAA9 and MD9W Payment Interface changes adhere to all applicable SIGMA requirements.
- 5.5.1.2 System Integration Testing – Contractor staff test the entire system to ensure all integrations work properly and the GAX9R, GAA9 and MD9W Payment Interface changes adhere to all requirements. This testing must be documented to verify all requirements identified in the approved Business Requirements document have been met.
- 5.5.1.3 User Acceptance Testing – Contractor assists the HASA Business Area in testing the Interfaces and resolving any defects to ensure the GAX9R, GAA9 and MD9W Payment Interfaces meet all the requirements identified in the approved Business Requirements document.
- 5.5.1.4 Post Implementation Testing – Contractor in conjunction with the HASA Business Area test the system, post-implementation to confirm it is functioning properly in the production environment.

## **6.0 ACCEPTANCE CRITERIA:**

- 6.1 Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 6.2 Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 6.3 Draft documents are not accepted as final deliverable.
- 6.4 DHHS will review business documents within 10 days of receipt. Approvals will be written and signed by DHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.5 DHHS and DTMB will review technical documents within 10 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.6 DHHS and DTMB will review project documents within 10 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 6.7 DHHS Completion Criteria
  - 6.7.1 Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The DHHS Team shall review and test the GAX9R, GAA9 and MD9W Payment Interface against the specifications. Signoff on all of the UAT Test Cases and Post Implementation Testing shall construe system acceptance.
- 6.8 Reviews and Approvals
  - 6.8.1 All specification and design documents will have to be reviewed and approved by the DHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. DHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of DHHS.
- 6.9 Acceptance Testing
  - 6.9.1 The DHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by DHHS personnel. The Contractor may assist DHHS to answer any queries and fix any problems. The schedule will identify the



duration of acceptance testing in the timeline. If DHHS finds problems/issues with the AIS SIGMA Payment Interface testing, the problems need to be reported to the Contractor Project Manager.

6.10 Software Deliverables for the GAX9R, GAA9 and MD9W Payment Interface project will adhere to the same requirements as the "Software Deliverables" section of the current AIS contract.

6.11 Service deliverables for the GAX9R, GAA9 and MD9W Payment Interface project will adhere to the same requirements as the current AIS contract.

6.12 Final Acceptance:

6.12.1 All documents, software and services are delivered and accepted by DHHS in accordance with the requirements of this Contract Change Notice.

6.12.2 For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.

6.12.3 The Contractor will warrant the software for a period of 90 days after the go-live and assist DHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.

6.12.4 All bills related to this contract have been submitted and approved for payment.

## 7.0 PROJECT CONTROL AND REPORTS:

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

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

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

## 8.0 ISSUE MANAGEMENT:

8.1 An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget. The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

8.1.1 Description of issue

8.1.2 Issue identification date

8.1.3 Responsibility for resolving issue.

8.1.4 Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)

8.1.5 Resources assigned responsibility for resolution

8.1.6 Resolution date

8.1.7 Resolution description

## 9.0 CHANGE AND RELEASE MANAGEMENT (CRM):

9.1 The purpose of the Change and Release Management is to ensure that standardized methods and procedures are used for efficient and prompt handling of all Information Technology (IT) changes, within the State of Michigan (SOM). In addition to this, the DTMB Change Management Center of Excellence (CMCoE) has

implemented Release Management processes to help ensure that DTMB and its stakeholders can meet audit requirements:

9.1.1 Vendor Partners Responsibilities: Vendor must comply with DTMB Change & Release Management (CRM) policies before implementing every release. This includes submitting all System Engineering Methodology (SEM) equivalent documents indicated in section 5.3. The documents can be in the contractor's Project Management Methodology (PMM). After the Business Owner signs off the documents and approves the implementation timeframes, the vendor will follow their standard release process for implementation.

9.2 DTMB process for Vendor managed applications can be found here:  
[https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

9.3 DTMB Responsibilities: DTMB Business Analyst Resource will be responsible to review the SEM or equivalent documents from vendor for each release. The DTMB resource will be responsible to follow the RFC process if necessary for Approvals and notifications as specified in the below documents.

9.3.1 DTMB Process for Vendor supported applications:  
[https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

## **10.0 PAYMENT SCHEDULE:**

10.1 Payment will be made on satisfactory acceptance of each of the Tasks & Deliverables mentioned in Section 16. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

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

## **11.0 EXPENSES:**

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

## **12.0 PROJECT CONTACTS:**

The designated Project Sponsor is:

Steven Bendele  
Michigan Department of Health and Human Services  
Chief Financial Officer  
(989) 640-0821  
BendeleS@michigan.gov

The designated Agency Program Manager is:

Scott Wamsley  
Michigan Department of Health and Human Services  
Aging and Adult Services  
(517) 410-4597  
WamsleyS@michigan.gov

The designated DTMB Program Manager is:

Pat Thelen

Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 282-8026  
ThelenP@michigan.gov

The Contractor Program Manager is:

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
aagarwal@acrocorp.com

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service Corp  
(734)632-4265  
vtare@acrocorp.com

### **13.0 LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

13.1 Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. As defined within the Contract section 2.080, SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

### **14.0 EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

14.1 Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted.

### **15.0 CONTRACTOR STAFF, ROLES AND RESPONSIBILITIES:**

- 15.1 The Contractor will Identify the staff who will be involved in this project and describe in detail their roles and responsibilities.
- 15.2 The contractor will commit that staff identified will perform the assigned work. And if there are any changes will notify both DTMB and HASA
- 15.3 The Contractor will identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:
  - 15.3.1 Supporting the management of the Contract.
  - 15.3.2 Facilitating Issue resolution
  - 15.3.3 Advising the State of performance under the terms and conditions of the Contract.

Staff	Role	Responsibility
Ash Agarwal	Program Manager	Project Implementation (Project Management, Client Engagement, Project Resources)
Beena Shah	Business Analyst	Project Implementation (Business Requirement Gathering, Project Management)
Navin Kumar	Lead Developer	Enable quality and timely customer project delivery through guidance and mentoring of the other developers and enforces development best practices. Lead is the main contact for communication with the product team and be expected to perform IT support tasks as needed.
Vishwas Tare	AIS SIGMA Interface Project Manager	Project Manager for the AIS systems.

**15.4 DTMB and MDHHS – HASA ROLES AND RESPONSIBILITIES:**

Role	Responsibility	Agency
Agency Business Owner (User Point of Contact (POC)) (AKA Product Owner)	<ul style="list-style-type: none"> <li>Is the authorized approver for all application changes</li> <li>Represents MDHHS as the single POC for application changes unless otherwise noted in SEM-301 (Maintenance Plan) and SEM 0931 (System Maintenance Document) or equivalent documents.</li> <li>Approves the results of User Acceptance Testing.</li> </ul>	MDHHS/HASA
User Acceptance Tester	<ul style="list-style-type: none"> <li>Performs User Acceptance Testing based on the documented plan</li> <li>Cannot be performed by the developer/Business Analyst of the change.</li> </ul>	MDHHS/HASA
DTMB Program Manager	<ul style="list-style-type: none"> <li>Represents DTMB as the POC for project level execution and approvals.</li> </ul>	DTMB
Project Manager	<ul style="list-style-type: none"> <li>Coordinates with the business leadership team and Contractor project team to ensure overall project success.</li> </ul>	DTMB
DTMB- Technical Owner/User Point of Contact (POC)	<ul style="list-style-type: none"> <li>Represents DTMB as the single POC for project assignments.</li> <li>Coordinates with Agency business leads.</li> </ul>	DTMB
Quality Analysts/Business Analysts	<ul style="list-style-type: none"> <li>Define business requirements, maintain PMM documentation, complete QA testing, and analyze data.</li> <li>Review deliverables from a QA perspective. Provide guidance and assistance on process matters.</li> <li>Coordinate Requirements Gathering sessions, Document Requirements and Design SEM documents.</li> <li>Perform Unit Testing, System Testing, E2E testing and coordinate UAT testing.</li> <li>Create RFC's and performs change builder roles.</li> </ul>	DTMB
Solutions Architect	<ul style="list-style-type: none"> <li>Develops, Designs and Supports system architecture for SOM system integration.</li> </ul>	DTMB

**15.5 WEB or HYPERLINKS:**

**15.5.1** In the event Contractor is unable to access or view any of the web links (also known as hyperlinks) contained within this Contract, Contractor must promptly notify the DTMB Project Manager. An inaccessible or non-working web link will not excuse the Contractor of its duties and obligations under this Contract. Contractor is responsible for ensuring its personnel and/or subcontractors have reviewed all State and DTMB policies under this contract.

**15.6 ENTIRE AGREEMENT:**

**15.6.1** This SOW, together with the existing Contract, constitutes the Parties' complete and exclusive statement regarding work requirements and procedures. Apart from the amendments made in this SOW, all Contract terms and conditions must remain in full force and effect.

**16.0 PROJECT PLAN:**

Tasks & Deliverables	Requirements	Anticipated Start Date	Anticipated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Acceptance / Signoff	Total Payment
Task I Planning	Project Plan Schedule	10/3/2022	10/14/2022	Project Manager Program Manager Technical Lead	Project Planning & Scheduling	40 8 40	\$ 90.00 \$ 115.00 \$ 75.00	\$ 3,600.00 \$ 920.00 \$ 3,000.00	State PM & Project Sponsor	\$ 7,520.00
Task II System Analysis	Business Requirements Gathering, Analysis, <b>FIRST to SIGMA Interface document</b> , Review and Approval	10/17/2022	12/14/2022	System Analyst Technical Lead Programmer Project Manager Program Manager	Document Requirements, Interface Specifications, Develop User Stories	160 160 60 60 32	\$ 75.00 \$ 75.00 \$ 60.00 \$ 90.00 \$ 115.00	\$ 12,000.00 \$ 12,000.00 \$ 3,600.00 \$ 5,400.00 \$ 3,680.00	State PM & Project Sponsor	\$ 36,680.00
Task III Design	Functional & Technical Design, <b>Business Requirements document</b> , Review and Approval	12/15/2022	2/14/2023	System Analyst Technical Lead Programmer Tester Project Manager Program Manager	Functional Design Technical Design Design User Interfaces Functional Design Project Management Program Management	120 160 60 10 50 16	\$ 75.00 \$ 75.00 \$ 60.00 \$ 60.00 \$ 90.00 \$ 115.00	\$ 9,000.00 \$ 12,000.00 \$ 3,600.00 \$ 600.00 \$ 4,500.00 \$ 1,840.00	State PM & Project Sponsor	\$ 31,540.00
Task IV Test Plan and Test Cases	<b>Detailed Test Plan, Test Strategy, Test cases with Requirements Traceability Matrix</b> , Review and Approval	2/15/2023	4/14/2023	System Analyst Technical Lead Tester Project Manager	Test Plan, Test Strategy, Test cases with RTM Project Management	70 22 70 16	\$ 75.00 \$ 75.00 \$ 60.00 \$ 90.00	\$ 5,250.00 \$ 1,650.00 \$ 4,200.00 \$ 1,440.00	State PM & Project Sponsor	\$ 12,540.00
Task V Development & Testing	Development, Unit Testing, Functional Testing and Integration Testing	2/15/2023	7/28/2023	Programmer Tester Technical Lead Project Manager Program Manager	Code development & Unit Testing System Testing Technical Review/ Configuration/ Deployments Project Management Program Management	750 550 80 80 24	\$ 60.00 \$ 60.00 \$ 75.00 \$ 90.00 \$ 115.00	\$ 45,000.00 \$ 33,000.00 \$ 6,000.00 \$ 7,200.00 \$ 2,760.00	State PM & Project Sponsor	\$ 93,960.00
Task VI User Training	Aging SIGMA Interface <b>User Manual</b> , AASA User Training	7/31/2023	8/14/2023	System Analyst Technical Lead Project Manager	User Manual User Training Project Management	40 40 16	\$ 75.00 \$ 75.00 \$ 90.00	\$ 3,000.00 \$ 3,000.00 \$ 1,440.00	State PM & Project Sponsor	\$ 7,440.00
Task VII UAT	User Acceptance Testing support	8/15/2023	9/15/2023	Technical Lead Programmer Tester Project Manager	UAT Deployment/Support	80 40 40 40	\$ 75.00 \$ 60.00 \$ 60.00 \$ 90.00	\$ 6,000.00 \$ 2,400.00 \$ 2,400.00 \$ 3,600.00	State PM & Project Sponsor	\$ 14,400.00
Task VIII Deployment	<b>Maintenance Plan</b> , Deployment of Accepted Environment to Production	9/18/2023	9/30/2023	System Analyst Technical Lead Project Manager	Maintenance Plan, Software Configuration Management Plan, Installation Plan, Prod Deployment Project Management	16 40 24	\$ 75.00 \$ 75.00 \$ 90.00	\$ 1,200.00 \$ 3,000.00 \$ 2,160.00	State PM & Project Sponsor	\$ 6,360.00
<b>TOTAL</b>								<b>\$ 210,440.00</b>		<b>\$ 210,440.00</b>

**17. Pricing Table**

Aging SIGMA Interface PRICING TABLE						
PHASE	DURATION	EXPENSE TYPE	DESCRIPTION	FY23-COST	FY24-COST	TOTAL COST
Development	10/3/2022 - 9/30/2023	Vendor Services	Requirements, Design, Development, Testing, Training & Deployment	\$ 210,440.00	\$ -	\$ 210,440.00
Development	10/3/2022 - 9/30/2023	Vendor Services	SSP Review ( <b>Max 140 Hours</b> )	\$ 10,900.00	\$ -	\$ 10,900.00
			<b>Sub-Total</b>	<b>\$ 221,340.00</b>	<b>\$ -</b>	<b>\$ 221,340.00</b>
M & O	10/1/2023 - 9/30/2024	Vendor Services	Bug Fixes, User Support ( <b>Max 600 Hours per year</b> )		\$ 39,000.00	\$ 39,000.00
			<b>Sub-Total</b>	<b>\$ -</b>	<b>\$ 39,000.00</b>	<b>\$ 39,000.00</b>
			<b>GRAND TOTAL</b>	<b>\$ 221,340.00</b>	<b>\$ 39,000.00</b>	<b>\$ 260,340.00</b>



**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 **8**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP	<b>Program Manager</b>	John Moore	DTMB	
	39209 West Six Mile Road, Suite 250		517-241-3228		
	Livonia, MI 48152		moorej7@michigan.gov		
	Ash Agarwal		Jennifer May	DTMB	
	734-367-4591				517-242-6664
	aagarwal@acrocorp.com				mayj7@michigan.gov
CV0028426					

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	
<b>ALTERNATE PAYMENT OPTIONS</b> <input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			EXTENDED PURCHASING
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	5 Years	September 30, 2027
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,346,698.45	\$4,993,460.00	\$ 8,340,158.45		

**DESCRIPTION**

Effective 6/14/2022, this contract is extended until 9/30/2027, with 5 additional one year options added, and is increased by \$4,993,460.00 for the initial term, per the attached quote. Updated Contractor Contract Administrator to Ash Agarwal.

The following updated documents are hereby incorporated into the contract with this Useful Life Extension:

- Service Level Agreement
- Data Security Schedule

Updated Contractor Contract Administrator to Ash Agarwal

All other terms, conditions, and specifications remain the same. Per DTMB contractor (request/proposal) and agency (request) agreement, DTMB Procurement approval, and State Administrative Board Approval on 6/14/2022.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



## ACRO Pricing Proposal

Acro Service Corporation (Acro) is pleased to present the following pricing proposal as requested by State of Michigan for Useful Life Extension (ULE) for Aging Information System Contract# 180000000010.

Acro has worked with State of Michigan since 2009 to maintain, support, enhance and host AIS suite of applications and developed a new MI Care Career application for Direct Care Workers in 2021. Acro has added several new applications in AIS suite of applications after started supporting AIS to enable to State and AAA staff to fulfil various state and federal reporting requirements.

The pricing proposal is broken into 4 buckets as follows:

- Azure Government Cloud Monthly Hosting, Disaster Recovery (DR) and Security Activity Cost for AIS and MI Care Career applications
- Technical Consulting/Support, and End User Support Effort for AIS and MI Care Career applications
- Enhancements Effort for AIS and MI Care Career applications
- SAST & DAST Remediation Estimated Effort for fixing security vulnerabilities in legacy AIS applications

We look forward to working with State team to continue supporting Aging Information System and to serve State's clients in an effective and efficient manner.

If you have any questions or require additional information, please feel free to contact me at [aagarwal@acrocorp.com](mailto:aagarwal@acrocorp.com).

Thank you for your time and consideration.

Sincerely,



**Ash Agarwal**  
**Vice President, Technology**  
**Acro Service Corporation**

The following table provides Hosting, DR and Security Activity cost for all existing AIS software applications and websites including the newly developed MI Care Career application.

**Table 1 – Azure Government Cloud Monthly Hosting, DR and Security Activity Cost – AIS and MI Care Career – Years 2023 through 2027**

	<b>Year 1 (2023)</b>	<b>Year 2 (2024)</b>	<b>Year 3 (2025)</b>	<b>Year 4 (2026)</b>	<b>Year 5 (2027)</b>	<b>Total (for 5 Years)</b>
<b>MONTHLY</b>						
Hosting & DR Monthly Cost **	\$11,558	\$11,558	\$11,558	\$11,558	\$11,558	
Security Activity Monthly Cost ****	\$14,833	\$14,883	\$14,883	\$14,883	\$14,883	
<b>Monthly Totals</b>	\$26,391	\$26,391	\$26,391	\$26,391	\$26,391	
<b>ANNUALIZED</b>						
<b>Annual Totals</b>	\$316,692	\$316,692	\$316,692	\$316,692	\$316,692	<b>\$1,583,460</b>
One Time Cost -- OS & SQL Upgrade	\$30,000					<b>\$30,000</b>
<b>Yearly Total</b>	<b>\$346,692</b>	<b>\$316,692</b>	<b>\$316,692</b>	<b>\$316,692</b>	<b>\$316,692</b>	<b>\$1,613,460</b>

**Table 2 – Azure Government Cloud Monthly Hosting, DR and Security Activity Cost – AIS and MI Care Career – 5 Option Years**

	<b>Option Year 1 (2028)</b>	<b>Option Year 2 (2029)</b>	<b>Option Year 3 (2030)</b>	<b>Option Year 4 (2031)</b>	<b>Option Year 5 (2032)</b>
<b>MONTHLY</b>					
Hosting & DR Monthly Cost **	\$12,136	\$12,743	\$13,380	\$14,049	\$14,751
Security Activity Monthly Cost ****	\$15,575	\$16,354	\$17,172	\$18,031	\$18,933
<b>Monthly Totals</b>	\$27,711	\$29,097	\$30,552	\$32,080	\$33,684
<b>ANNUALIZED</b>					
<b>Yearly Totals</b>	<b>\$332,532.00</b>	<b>\$349,164.00</b>	<b>\$366,624.00</b>	<b>\$384,960.00</b>	<b>\$404,208.00</b>

**Notes:**

\*\* The price includes the following:

- Hosting of both AIS and MI Care Career suite of applications in Azure Government Cloud.
- Provisioning of Remote Backup and Disaster Recovery in Azure Government Cloud

- Hosting of Test Application Environments
- AIS Annual DR Testing effort
- SQL Server Licensing
- Domains and SSL Certificates
- Various External Software Licenses for both AIS and MI Care Career suite of applications

*Azure Government Cloud Hosting solution assumes a minimum commitment of three years for providing maximum discounted Azure pricing.*

**\*\*\*\*** *The price includes the following:*

- DTMB will be exclusively responsible to perform the Static and Dynamic scanning of all AIS application changes and the running applications.
- Other AIS Monthly and Annual Security Audits.
- Annual SIEM/MDR Implementation and Monitoring (Tools & Services).
- Monthly Vulnerability Scanning (Tools & Services) - 12 Scans (once a month).

The following table provides Technical Consulting/Support, and End User Support cost for all existing AIS software applications and websites including the newly developed MI Care Career application, billed per actual hours used.

**Table 3 - Technical Consulting/Support, and End User Support Effort – Years 2023 through 2027**

	<b>AIS Est. Hours (per Year)</b>	<b>MI Care Career Est. Hours (per Year)</b>	<b>TOTAL Est. Hours</b>	<b>Blended Hourly Rate</b>	<b>Extended Price</b>
<b>Year 1 (2023)</b>	600	600	1,200	\$65.00	<b>\$78,000.00</b>
<b>Year 2 (2024)</b>	600	600	1,200	\$65.00	<b>\$78,000.00</b>
<b>Year 3 (2025)</b>	600	600	1,200	\$65.00	<b>\$78,000.00</b>
<b>Year 4 (2026)</b>	600	600	1,200	\$65.00	<b>\$78,000.00</b>
<b>Year 5 (2027)</b>	600	600	1,200	\$65.00	<b>\$78,000.00</b>
<b>Total</b>	<b>3,000</b>	<b>3,000</b>	<b>6,000</b>		<b>\$390,000.00</b>

**Table 4 - Technical Consulting/Support, and End User Support Effort – 5 Option Years**

	<b>AIS Est. Hours (per Year)</b>	<b>MI Care Career Est. Hours (per Year)</b>	<b>TOTAL Est. Hours</b>	<b>Blended Hourly Rate</b>	<b>Extended Price</b>
<b>Option Year 1 (2028)</b>	600	600	1,200	\$67.60	<b>\$81,120.00</b>
<b>Option Year 2 (2029)</b>	600	600	1,200	\$70.30	<b>\$84,364.80</b>
<b>Option Year 3 (2030)</b>	600	600	1,200	\$73.12	<b>\$87,739.39</b>
<b>Option Year 4 (2031)</b>	600	600	1,200	\$76.04	<b>\$91,248.97</b>
<b>Option Year 5 (2032)</b>	600	600	1,200	\$79.08	<b>\$94,898.93</b>

The following table provides Enhancements cost for all existing AIS software applications and websites including the newly developed MI Care Career application, executed based on signed work orders from AASA and billed per actual hours used.

**Table 5 – Enhancements Effort - AIS and MI Care Career – Years 2023 through 2027**

	<b>AIS &amp; MI Care Career Est. Hours (per Year)</b>	<b>Blended Hourly Rate</b>	<b>Extended Price</b>
<b>Year 1 (2023)</b>	4,000	\$65.00	<b>\$260,000.00</b>
<b>Year 2 (2024)</b>	4,000	\$65.00	<b>\$260,000.00</b>
<b>Year 3 (2025)</b>	4,000	\$65.00	<b>\$260,000.00</b>
<b>Year 4 (2026)</b>	4,000	\$65.00	<b>\$260,000.00</b>
<b>Year 5 (2027)</b>	4,000	\$65.00	<b>\$260,000.00</b>
<b>Total</b>	<b>20,000</b>		<b>\$1,300,000.00</b>

**Table 6 – Enhancements Effort - AIS and MI Care Career – 5 Option Years**

	<b>AIS &amp; MI Care Career Est. Hours (per Year)</b>	<b>Blended Hourly Rate</b>	<b>Extended Price</b>
<b>Option Year 1 (2028)</b>	4,000	\$67.60	<b>\$270,400.00</b>
<b>Option Year 2 (2029)</b>	4,000	\$70.30	<b>\$281,216.00</b>
<b>Option Year 3 (2030)</b>	4,000	\$73.12	<b>\$292,464.64</b>
<b>Option Year 4 (2031)</b>	4,000	\$76.04	<b>\$304,163.23</b>
<b>Option Year 5 (2032)</b>	4,000	\$79.08	<b>\$316,329.75</b>

The following table provides SAST and DAST remediation cost for the vulnerabilities reported in the Static and Dynamic scan of existing AIS applications and website.

**Table 7 –SAST & DAST Remediation Estimated Effort – AIS**

	<b>Est. Static Scan Remediation Hours</b>	<b>Est. Dynamic Scan Remediation Hours</b>	<b>TOTAL Hours</b>	<b>Blended Hourly Rate</b>	<b>Extended Price ***</b>
<b>Year 1 (2023)</b>		5,000	5,000	\$65.00	<b>\$325,000.00</b>
<b>Year 2 (2024)</b>		5,000	5,000	\$65.00	<b>\$325,000.00</b>
<b>Year 3 (2025)</b>	5,334		5,334	\$65.00	<b>\$346,710.00</b>
<b>Year 4 (2026)</b>	5,333		5,333	\$65.00	<b>\$346,645.00</b>
<b>Year 5 (2027)</b>	5,333		5,333	\$65.00	<b>\$346,645.00</b>
<b>Total</b>	<b>16,000</b>	<b>10,000</b>	<b>26,000</b>		<b>\$1,690,000.00</b>

\*\*\*NOTE: Hours will be billed as incurred

**Notes:**

- There are 32+ applications and websites in AIS, that need to be remediated for security vulnerabilities found in static and dynamic scanning performed by SoMI DTMB team.
- The AIS legacy applications like PUM, RM, VUM, NAPIS, VIS, LSIS, File Drop, File Retrieval and AIS Business Site were developed between 2001 and 2008 by incumbent vendor in legacy ASP technology and some other applications like PDL, AMPS, ADRC, FIRST, CongMeal, Nutrition Management were developed around 2009.
- These applications were migrated by Acro in 2009/2010 when Acro was contracted to manage all the AIS applications and the underlying infrastructure.
- Over the last few years, we have made security driven changes as per the priority determined by AASA team and the funding available, but the security landscape is changing drastically and a lot of work still needs done. The effort above is reflective of the significant effort required to fix the security vulnerabilities found in SAST and DAST and bring the application to current security standards.

**Table 8 – Acro Rate Table for the 5 Year Contract Term:**

<b><u>Staffing Category</u></b>	<b><u>Hourly Rate</u></b>
Project Manager / Project Leader	\$90
System Analyst / Technical Lead	\$75
Programmer / Developer	\$60
Security specialist	\$80
Infrastructure Admin	\$70
Application Tester	\$60

**Table 9 – Acro Rate Table for the Options Years (1 Year Options for a total of 5 years):**

<b><u>Staffing Category</u></b>	<b><u>Hourly Rate</u></b>
Project Manager / Project Leader	\$108
System Analyst / Technical Lead	\$90
Programmer / Developer	\$72
Security specialist	\$96
Infrastructure Admin	\$84
Application Tester	\$72

## SCHEDULE B - Hosting and Support Service Level Agreement

The Parties agree that the following terms will apply:

1. **Definitions.** For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Schedule** shall have the respective meanings given to them in the Contract Terms and Conditions.

“**Actual Uptime**” means the total minutes in the Service Period that the Hosted Services are Available.

“**Availability**” has the meaning set forth in **Section 1.1**.

“**Availability Requirement**” has the meaning set forth in **Section 1.1**.

“**Available**” has the meaning set forth in **Section 1.1**.

“**Contact List**” means a current list of Contractor contacts and telephone numbers set forth in the attached **Schedule D – Attachment 1** to this Schedule to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

“**Corrective Action Plan**” has the meaning set forth in **Section 2.9**.

“**Critical Service Error**” has the meaning set forth in **Section 2.5**.

“**Exceptions**” has the meaning set forth in **Section 1.2**.

“**High Service Error**” has the meaning set forth in **Section 2.5**.

“**Low Service Error**” has the meaning set forth in **Section 2.5**.

“**Medium Service Error**” has the meaning set forth in **Section 2.5**.

“**Resolve**” has the meaning set forth in **Section 2.6**.

“**RPO**” or “**Recovery Point Objective**” means the maximum amount of potential data loss in the event of a disaster.

“**RTO**” or “**Recovery Time Objective**” means the maximum period of time to fully restore the Hosted Services in the case of a disaster.

“**Scheduled Downtime**” has the meaning set forth in **Section 1.3**.

“**Scheduled Uptime**” means the total minutes in the Service Period.

“**Service Availability Credits**” has the meaning set forth in **Section 1.6**.

“**Service Error**” means any failure of any Hosted Service to be Available or otherwise perform in accordance with this Schedule.

“**Service Level Credits**” has the meaning set forth in **Section 2.8**.

“**Service Level Failure**” means a failure to perform the Software Support Services fully in compliance with the Support Service Level Requirements.

“**Service Period**” has the meaning set forth in **Section 1.1**.

“**Software Support Services**” has the meaning set forth in **Section 2**.

“**State Systems**” means the information technology infrastructure, including the computers, software, databases, electronic systems (including database management systems) and networks, of the State or any of its designees.

“**Support Hours**” means 8am to 5 pm (Eastern), Monday through Friday.

“**Support Request**” has the meaning set forth in **Section 2.5**.

“**Support Service Level Requirements**” has the meaning set forth in **Section 2.4**.

## 1. Service Availability and Service Available Credits.

1.1 Availability Requirement. Contractor will make the Hosted Services and Software Available, as measured over the course of each calendar month during the Term and any additional periods during which Contractor does or is required to perform any Hosted Services (each such calendar month, a “**Service Period**”), at least 99.98% of the time, excluding only the time the Hosted Services are not Available solely as a result of one or more Exceptions (the “**Availability Requirement**”). “**Available**” means the Hosted Services and Software are available and operable for access and use by the State and its Authorized Users over the Internet in material conformity with the Contract. “**Availability**” has a correlative meaning. The Hosted Services and Software are not considered Available in the event of a material performance degradation or inoperability of the Hosted Services and Software, in whole or in part. The Availability Requirement will be calculated for the Service Period as follows:  $(\text{Actual Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \div (\text{Scheduled Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \times 100 = \text{Availability}$ .

1.2 Exceptions. No period of Hosted Services degradation or inoperability will be included in calculating Availability to the extent that such downtime or degradation is due to any of the following (“**Exceptions**”):

- (a) Failures of the State’s or its Authorized Users’ internet connectivity;
- (b) Scheduled Downtime as set forth in **Section 1.3**.

1.3 Scheduled Downtime. Contractor must notify the State at least twenty-four (24) hours in advance of all scheduled outages of the Hosted Services or Software in whole or in part (“**Scheduled Downtime**”). All such scheduled outages will: (a) last no longer than five (5) hours; (b) be scheduled between the hours of 12:00 a.m. and 5:00 a.m., Eastern Time; and (c) occur no more frequently than once per week; provided that Contractor may request the State to approve extensions of Scheduled Downtime above five (5) hours, and such approval by the State may not be unreasonably withheld or delayed.

1.4 Software Response Time. Software response time, defined as the interval from the time the end user sends a transaction to the time a visual confirmation of transaction completion is received, must be less than two (2) seconds for 98% of all transactions. Unacceptable response times shall be considered to make the Software unavailable and will count against the Availability Requirement.

1.5 Service Availability Reports. Within thirty (30) days after the end of each Service Period, Contractor will provide to the State a report describing the Availability and other performance of the Hosted Services and Software during that calendar month as compared to the Availability Requirement. The report must be in electronic or such other form as the State may approve in writing and shall include, at a minimum: (a) the actual performance of the Hosted Services and Software relative to the Availability Requirement; and (b) if Hosted Service performance has failed in any respect to meet or exceed the Availability Requirement during the reporting period, a description in sufficient detail to inform the State of the cause of such failure and the corrective actions the Contractor has taken and will take to ensure that the Availability Requirement are fully met.

### 1.6 Remedies for Service Availability Failures.

(a) If the actual Availability of the Hosted Services and Software is less than the Availability Requirement for any Service Period, such failure will constitute a Service Error for which Contractor will issue to the State the following credits on the fees payable for Hosted Services and Software provided during the Service Period (“**Service Availability Credits**”):

Availability	Credit of Fees
≥99.98%	None
<99.98% but ≥99.0%	15%
<99.0% but ≥95.0%	50%



<95.0%	100%
--------	------

(b) Any Service Availability Credits due under this **Section 1.6** will be applied in accordance with payment terms of the Contract.

(c) If the actual Availability of the Hosted Services and Software is less than the Availability Requirement in any two (2) of four (4) consecutive Service Periods, then, in addition to all other remedies available to the State, the State may terminate the Contract on written notice to Contractor with no liability, obligation or penalty to the State by reason of such termination.

**2. Support and Maintenance Services.** Contractor will provide IT Environment Service and Software maintenance and support services (collectively, "**Software Support Services**") in accordance with the provisions of this **Section 2**. The Software Support Services are included in the Services, and Contractor may not assess any additional fees, costs, or charges for such Software Support Services.

2.1 Support Service Responsibilities. Contractor will:

(a) correct all Service Errors in accordance with the Support Service Level Requirements, including by providing defect repair, programming corrections and remedial programming;

(b) provide unlimited telephone support (Monday through Friday 8 am to 5 pm EST. Support Hours (Other),

(c) provide unlimited online support (Monday through Friday 8 am to 5 pm EST.

(d) provide online access to technical support bulletins and other user support information and forums, to the full extent Contractor makes such resources available to its other customers; and

(e) respond to and Resolve Support Requests as specified in this **Section 2**.

2.2 Service Monitoring and Management. Contractor will continuously monitor and manage the Hosted Services and Software to optimize Availability that meets or exceeds the Availability Requirement. Such monitoring and management includes:

(a) proactively monitoring on a twenty-four (24) hour by seven (7) day basis all Hosted Service functions, servers, firewall and other components of Hosted Service security;

(b) if such monitoring identifies, or Contractor otherwise becomes aware of, any circumstance that is reasonably likely to threaten the Availability of the Hosted Service, taking all necessary and reasonable remedial measures to promptly eliminate such threat and ensure full Availability; and

(c) if Contractor receives knowledge that the Hosted Service or any Hosted Service function or component is not Available (including by written notice from the State pursuant to the procedures set forth herein):

(i) confirming (or disconfirming) the outage by a direct check of the associated facility or facilities;

(ii) If Contractor's facility check in accordance with clause (i) above confirms a Hosted Service outage in whole or in part: (A) notifying the State in writing pursuant to the procedures set forth herein that an outage has occurred, providing such details as may be available, including a Contractor trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and caused by the outage until they are Resolved as Critical Service Errors in accordance with the Support Request Classification set forth in **Section 2.5** or, if determined to be an internet provider problem, open a trouble ticket with the internet provider; and

(iii) Notifying the State that Contractor has fully corrected the outage and any related problems, along with any pertinent findings or action taken to close the trouble ticket.

2.3 Service Maintenance. Contractor will continuously maintain the Hosted Services and Software to optimize Availability that meets or exceeds the Availability Requirement. Such maintenance services include providing to the State and its Authorized Users:

(a) all updates, bug fixes, enhancements, Maintenance Releases, New Versions and other improvements to the Hosted Services and Software, including the Software, that Contractor provides provided that Contractor shall consult with the State and is required to receive State approval prior to modifying or upgrading Hosted Services and Software, including Maintenance Releases and New Versions of Software; and

(b) all such services and repairs as are required to maintain the Hosted Services and Software or are ancillary, necessary or otherwise related to the State's or its Authorized Users' access to or use of the Hosted Services and Software, so that the Hosted Services and Software operate properly in accordance with the Contract and this Schedule.

2.4 Support Service Level Requirements. Contractor will correct all Service Errors and respond to and Resolve all Support Requests in accordance with the required times and other terms and conditions set forth in this **Section 2**. (“**Support Service Level Requirements**”), and the Contract.

2.5 Support Requests. The State will classify its requests for Service Error corrections in accordance with the descriptions set forth in the chart below (each a “**Support Request**”). The State will notify Contractor of Support Requests by email, telephone or such other means as the parties may hereafter agree to in writing.

Support Request Classification	Description:  Any Service Error Comprising or Causing any of the Following Events or Effects
Critical Service Error	<ul style="list-style-type: none"> <li>• Issue affecting entire system or single critical production function;</li> <li>• System down or operating in materially degraded state;</li> <li>• Data integrity at risk;</li> <li>• Declared a Critical Support Request by the State; or</li> <li>• Widespread access interruptions.</li> </ul>
High Service Error	<ul style="list-style-type: none"> <li>• Primary component failure that materially impairs its performance; or</li> <li>• Data entry or access is materially impaired on a limited basis.</li> </ul>
Medium Service Error	<ul style="list-style-type: none"> <li>• IT Environment Services and Software is operating with minor issues that can be addressed with an acceptable (as determined by the State) temporary work around.</li> </ul>
Low Service Error	<ul style="list-style-type: none"> <li>• Request for assistance, information, or services that are routine in nature.</li> </ul>

2.6 Response and Resolution Time Service Levels. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (i) responded to, in the case of response time and (ii) Resolved such Support Request, in the case of Resolution time. **“Resolve”** (including **“Resolved”**, **“Resolution”** and correlative capitalized terms) means that, as to any Service Error, Contractor has provided the State the corresponding Service Error correction and the State has confirmed such correction and its acceptance thereof. Contractor will respond to and Resolve all Service Errors within the following times based on the severity of the Service Error:

<b>Support Request Classification</b>	<b>Service Level Metric  (Required Response Time)</b>	<b>Service Level Metric  (Required Resolution Time)</b>	<b>Service Level Credits  (For Failure to Respond to any Support Request Within the Corresponding Response Time)</b>	<b>Service Level Credits  (For Failure to Resolve any Support Request Within the Corresponding Required Resolution Time)</b>
Critical Service Error	One (1) hour	Three (3) hours	Five percent (5%) of the Fees for the month in which the initial Service Level Failure begins and five percent (5%) of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the required response time.	Five percent (5%) of the Fees for the month in which the initial Service Level Failure begins and five percent (5%) of such monthly Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved, which amount will thereafter double for each additional one-hour increment.
High Service Error	One (1) hour	Four (4) hours	Three percent (3%) of the Fees for the month in which the initial Service Level Failure begins and three percent (3%) of such monthly	Three percent (3%) of the Fees for the month in which the initial Service Level Failure begins and three percent (3%) of such monthly

			Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the required response time.	Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved, which amount will thereafter double for each additional one-hour increment.
Medium Service Error	Three (3) hours	Two (2) Business Days	N/A	N/A
Low Service Error	Eight (8) hours	Five (5) Business Days	N/A	N/A

2.7 Escalation. With respect to any Critical Service Error Support Request, until such Support Request is Resolved, Contractor will escalate that Support Request within sixty (60) minutes of the receipt of such Support Request by the appropriate Contractor support personnel, including, as applicable, the Contractor Project Manager and Contractor’s management or engineering personnel, as appropriate.

2.8 Support Service Level Credits. Failure to achieve any of the Support Service Level Requirements for Critical and High Service Errors will constitute a Service Level Failure for which Contractor will issue to the State the corresponding service credits set forth in **Section 2.6 (“Service Level Credits”)** in accordance with payment terms set forth in the Contract.

2.9 Corrective Action Plan. If two or more Critical Service Errors occur in any thirty (30) day period during (a) the Term or (b) any additional periods during which Contractor does or is required to perform any Hosted Services, Contractor will promptly investigate the root causes of these Service Errors and provide to the State within five (5) Business Days of its receipt of notice of the second such Support Request an analysis of such root causes and a proposed written corrective action plan for the State’s review, comment and approval, which, subject to and upon the State’s written approval, shall be a part of, and by this reference is incorporated in, the Contract as the parties’ corrective action plan (the **“Corrective Action Plan”**). The Corrective Action Plan must include, at a minimum: (a) Contractor’s commitment to the State to devote the appropriate time, skilled personnel, systems support and equipment and other resources necessary to Resolve and prevent any further occurrences of the Service Errors giving rise to such Support Requests; (b) a strategy for developing any programming, software updates, fixes, patches, etc. necessary to remedy, and prevent any further occurrences of, such Service Errors; and (c) time frames for implementing the Corrective Action Plan. There will be no additional charge for Contractor’s preparation or implementation of the Corrective Action Plan in the time frames and manner set forth therein.

**3. Data Storage, Backup, Restoration and Disaster Recovery.** Contractor must maintain or cause to be maintained backup redundancy and disaster avoidance and recovery procedures designed to safeguard State Data and the State’s other Confidential Information, Contractor’s Processing capability and the availability of the IT Environment Services and Software, in each case throughout the Term and at all times in connection with its actual or required performance of the Services hereunder. All backed up State Data shall be located in the continental United States. The force majeure provisions of this Contract do not limit Contractor’s obligations under this section.

3.1 Data Storage. Contractor will provide sufficient storage capacity to meet the needs of the State at no additional cost.

3.2 Data Backup. Contractor will conduct, or cause to be conducted, daily back-ups of State Data and perform, or cause to be performed, other periodic offline back-ups of State Data on at least a weekly basis and store and retain such back-ups as

specified in **Schedule A**. Contractor must, within five (5) Business Days of the State's request, provide the State, without additional charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of State Data in the format specified by the State.

3.3 Data Restoration. If the data restoration is required due to the actions or inactions of the Contractor or its subcontractors, Contractor will promptly notify the State and complete actions required to restore service to normal production operation. If requested, Contractor will restore data from a backup upon written notice from the State. Contractor will restore the data within one (1) Business Day of the State's request. Contractor will provide data restorations at its sole cost and expense.

3.4 Disaster Recovery. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will maintain and operate a backup and disaster recovery plan to achieve a Recovery Point Objective (RPO) of 2 hours, and a Recovery Time Objective (RTO) of 4 hours (the "**DR Plan**"), and implement such DR Plan in the event of any unplanned interruption of the Hosted Services. Contractor's current DR Plan, revision history, and any reports or summaries relating to past testing of or pursuant to the DR Plan are attached as **Schedule F**. Contractor will actively test, review and update the DR Plan on at least an annual basis using industry best practices as guidance. Contractor will provide the State with copies of all such updates to the Plan within fifteen (15) days of its adoption by Contractor. All updates to the DR Plan are subject to the requirements of this **Section 3**; and provide the State with copies of all reports resulting from any testing of or pursuant to the DR Plan promptly after Contractor's receipt or preparation. If Contractor fails to reinstate all material Hosted Services and Software within the periods of time set forth in the DR Plan, the State may, in addition to any other remedies available under this Contract, in its sole discretion, immediately terminate this Contract as a non-curable default.

4. ADA Compliance/Accessibility – The State is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted standards and procedures regarding accessibility requirements for websites and software applications. All future websites, applications, software, and associated content and documentation provided by the Contractor as part of the Solution on or after the effective date of CN 8 of this Contract must comply with Level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0.

## 5. Hosted Services.

5.1 Hosted Services. Throughout the Term, Contractor will, in accordance with all terms and conditions set forth in the Contract and this Schedule, provide to the State and its Authorized Users the following services ("**Hosted Services**"):

(a) the provision and management of an Operating Environment, including the Infrastructure Services, for the hosting of the Application Software;

(b) the hosting, management and operation of the System Software, Application Software, and other services for remote electronic access and use by the State and its Authorized Users;

(c) the Software Support Services set forth in **Section 2** of this Schedule;

(d) the necessary security set forth in **Schedule E Data Security Requirements**; and

(e) the disaster recovery and backup services set forth in **Section 3** of this Schedule, or as may otherwise be set forth in the Contract.

## 6. Personnel

6.1 Contractor Personnel for the Hosted Services. Contractor will appoint: (i) a Contractor employee to serve as a primary contact with respect to the Hosted Services who will have the authority to act on behalf of Contractor in matters pertaining to the receipt and processing of Support Requests and the Software Support Services (the "**Contractor Service Manager**"); and (ii) a Contractor employee to respond to the State's inquiries regarding the security of the Hosted Services who has sufficient knowledge of the security of the Hosted Services and the authority to act on behalf of Contractor in matters pertaining thereto ("**Contractor Security Officer**"). Both of these individuals will be considered Key Personnel under the Contract.

6.2 State Service Manager for the Hosted Services. The State will appoint and, in its reasonable discretion, replace, a State employee to serve as the primary contact with respect to the Hosted Services who will have the authority to act on behalf of the State in matters pertaining to the Software Support Services, including the submission and processing of Support Requests (the “**State Service Manager**”).

## 7. Force Majeure.

**7.1 Force Majeure Events.** Subject to **Section 7.3**, neither party will be liable or responsible to the other party, or be deemed to have defaulted under or breached the Contract, for any failure or delay in fulfilling or performing any term hereof, when and to the extent such failure or delay is caused by: acts of God, flood, fire or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of the Contract, national or regional emergency, or any passage of law or governmental order, rule, regulation or direction, or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a “**Force Majeure Event**”), in each case provided that: (a) such event is outside the reasonable control of the affected party; (b) the affected party gives prompt written notice to the other party, stating the period of time the occurrence is expected to continue; (c) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

**7.2 State Performance; Termination.** In the event of a Force Majeure Event affecting Contractor’s performance under the Contract, the State may suspend its performance hereunder until such time as Contractor resumes performance. The State may terminate the Contract by written notice to Contractor if a Force Majeure Event affecting Contractor’s performance hereunder continues substantially uninterrupted for a period of five (5) Business Days or more. Unless the State terminates the Contract pursuant to the preceding sentence, any date specifically designated for Contractor’s performance under the Contract will automatically be extended for a period up to the duration of the Force Majeure Event.

**7.3 Exclusions; Non-suspended Obligations.** Notwithstanding the foregoing or any other provisions of the Contract or this Schedule:

(a) in no event will any of the following be considered a Force Majeure Event:

(i) shutdowns, disruptions or malfunctions of the Contractor Systems or any of Contractor’s telecommunication or internet services other than as a result of general and widespread internet or telecommunications failures that are not limited to the Contractor Systems; or

(ii) the delay or failure of any Contractor Personnel to perform any obligation of Contractor hereunder unless such delay or failure to perform is itself by reason of a Force Majeure Event. (b) no Force Majeure Event modifies or excuses Contractor’s obligations under **Sections 22** (State Data), **23** (Confidentiality), or **19** (Indemnification) of the Contract, **Section 3** (Disaster Recovery and Backup) of this Schedule, the Availability Requirement defined in this Schedule, or any security requirements under the Contract, the applicable Statement of Work, or applicable Schedule.

## SCHEDULE E – DATA SECURITY REQUIREMENTS

**1. Definitions.** For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Schedule** shall have the respective meanings given to them in the Contract.

“**Contractor Security Officer**” has the meaning set forth in **Section 2** of this Schedule.

“**FedRAMP**” means the Federal Risk and Authorization Management Program, which is a federally approved risk management program that provides a standardized approach for assessing and monitoring the security of cloud products and services.

“**FISMA**” means The Federal Information Security Modernization Act of 2014 (Pub.L. No. 113-283 (Dec. 18, 2014.)).

“**Hosting Provider**” means any Permitted Subcontractor that is providing any or all of the Hosted Services under this Contract.

“**NIST**” means the National Institute of Standards and Technology.

“**PCI**” means the Payment Card Industry.

“**PSP**” or “**PSPs**” means the State’s IT Policies, Standards and Procedures.

“**SSAE**” means Statement on Standards for Attestation Engagements.

“**Security Accreditation Process**” has the meaning set forth in **Section 6** of this Schedule

**2. Security Officer.** Contractor will appoint a Contractor employee to respond to the State’s inquiries regarding the security of the Hosted Services who has sufficient knowledge of the security of the Hosted Services and the authority to act on behalf of Contractor in matters pertaining thereto (“**Contractor Security Officer**”).

**3. Contractor Responsibilities.** Contractor is 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 any State Data in Contractor’s or its subcontractor’s possession; and
- (e) ensure that all Contractor Representatives comply with the foregoing.

The State has established Information Technology (IT) PSPs to protect IT resources under the authority outlined in the overarching State 1305.00 Enterprise IT Policy. In no case will the safeguards of Contractor’s data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable public and non-public State IT policies and standards, of which the publicly available ones are at [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html).

This responsibility also extends to all service providers and subcontractors with access to State Data or an ability to impact the contracted solution. Contractor responsibilities are determined from the PSPs based on the services being provided to the State, the type of IT solution, and the applicable laws and regulations.

**4. Acceptable Use Policy.** To the extent that Contractor has access to the State’s IT environment, Contractor must comply with the State’s Acceptable Use Policy, see [f. https://www.michigan.gov/dtmb/-/media/Project/Websites/dtmb/Law-and-Policies/IT-Policy/13400013002-Acceptable-Use-of-Information-Technology-Standard.pdf?rev=be02ad06273b40d0b28fd1569c01435e&hash=686A1BFBA24EE0049E2757EC68567A4F](https://www.michigan.gov/dtmb/-/media/Project/Websites/dtmb/Law-and-Policies/IT-Policy/13400013002-Acceptable-Use-of-Information-Technology-Standard.pdf?rev=be02ad06273b40d0b28fd1569c01435e&hash=686A1BFBA24EE0049E2757EC68567A4F) All Contractor Personnel will be required, in writing, to agree to the State’s Acceptable Use Policy before accessing State systems. The State reserves the right to terminate Contractor’s and/or subcontractor(s) or any Contractor Personnel’s access to State systems if the State determines a violation has occurred.

**5. Protection of State's Information.** Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will:

5.1 If Hosted Services are provided by a Hosting Provider, ensure each Hosting Provider maintains FedRAMP authorization for all Hosted Services environments throughout the Term, and in the event a Hosting Provider is unable to maintain FedRAMP authorization, the State, at its sole discretion, may either a) require the Contractor to move the Software and State Data to an alternative Hosting Provider selected and approved by the State at Contractor's sole cost and expense without any increase in Fees, or b) immediately terminate this Contract for cause pursuant to **Section 15.1** of the Contract;

5.2 for Hosted Services provided by the Contractor, maintain either a FedRAMP authorization or an annual SSAE 18 SOC 2 Type II audit based on State required NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs.

5.3 ensure that the Software and State Data is securely stored, hosted, supported, administered, accessed, and backed up in the continental United States, and the data center(s) in which the data resides minimally meet Uptime Institute Tier 3 standards ([www.uptimeinstitute.com](http://www.uptimeinstitute.com)), or its equivalent;

5.4 maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State Data that complies with the requirements of the State's data security policies as set forth in this Contract, and must, at a minimum, remain compliant with FISMA and NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs;

5.5 provide technical and organizational safeguards against accidental, unlawful or unauthorized access to or use, destruction, loss, alteration, disclosure, encryption, transfer, commingling or processing of such information that ensure a level of security appropriate to the risks presented by the processing of State Data and the nature of such State Data, consistent with best industry practice and applicable standards (including, but not limited to, compliance with FISMA, NIST, CMS, IRS, FBI, SSA, HIPAA, FERPA and PCI requirements as applicable);

5.6 take all reasonable measures to:

(a) secure and defend all locations, equipment, systems and other materials and facilities employed in connection with the Services against "malicious actors" and others who may seek, without authorization, to destroy, disrupt, damage, encrypt, modify, copy, access or otherwise use Hosted Services or the information found therein; and

(b) prevent (i) the State and its Authorized Users from having access to the data of other customers or such other customer's users of the Services; (ii) State Data from being commingled with or contaminated by the data of other customers or their users of the Services; and (iii) unauthorized access to any of the State Data;

5.7 ensure that State Data is encrypted in transit and at rest using FIPS validated AES encryption modules and a key size of 128 bits or higher;

5.8 If engaged by the State to do so, ensure the Hosted Services support Identity Federation/Single Sign-on (SSO) capabilities using Security Assertion Markup Language (SAML), Open Authentication (OAuth) or comparable State approved mechanisms;

5.9 If engaged by the State to do so, ensure the Hosted Services implements NIST compliant multi-factor authentication for privileged/administrative and other identified access.

**6. Security Accreditation Process.** Throughout the Term, Contractor will assist the State, at additional cost, with its **Security Accreditation Process**, which includes the development, completion and on-going maintenance of a system security plan (SSP) using the State's automated governance, risk and compliance (GRC) platform, which requires Contractor to submit evidence, upon request from the State, in order to validate Contractor's security controls within two weeks of the State's request. On an annual basis, or as otherwise required by the State such as for significant changes, re-assessment of the system's controls will be required to receive and maintain authority to operate (ATO). All identified risks from the SSP will be remediated through a Plan of Action and Milestones (POAM) process with remediation time frames and required evidence based on the risk level of the identified risk. For all findings associated with the Contractor's solution, at additional cost, Contractor will be required to create or assist with the creation of State approved POAMs, perform related remediation activities, and provide evidence of compliance. The State will make any decisions on acceptable risk, Contractor may request risk acceptance, supported by compensating controls, however only the State may formally accept risk. Failure to comply with this section will be deemed a material breach of the Contract.



**7. Unauthorized Access.** Contractor may not access, and must not permit any access to, State systems, in whole or in part, whether through the Hosted Services or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this Section. All State-authorized connectivity or attempted connectivity to State systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to Contractor from time to time.

**8. Security Audits.**

8.1 During the Term, Contractor will maintain complete and accurate records of its data protection practices, IT security controls, and the security logs relating to State Data, including but not limited to any backup, disaster recovery or other policies, practices or procedures relating to the State Data and any other information relevant to its compliance with this Contract.

8.2 Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. The State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. If the State chooses to perform an on-site audit, Contractor will, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least Twenty (20) Business Days prior notice of any such audit; (ii) undertakes such audit no more than once per calendar year, except for good cause shown; and (iii) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations and that complies with the terms and conditions of all data confidentiality, ownership, privacy, security and restricted use provisions of the Contract. The State may, but is not obligated to, perform such security audits, which shall, at the State's option and request, include penetration and security tests, of any and all Hosted Services and operating environments

8.3 During the Term, Contractor will, when requested by the State, provide a copy of Contractor's and Hosting Provider's FedRAMP System Security Plan(s) or SOC 2 Type 2 report(s) to the State within two weeks of the State's request. The System Security Plan and SSAE audit reports will be recognized as Contractor's Confidential Information.

8.4 With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

8.5 The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this **Section 8.**

**9. Application Scanning.** During the Term, Contractor will allow the State to scan all Contractor provided applications, and must analyze, validate and work with the State and DTMB to provide a Plan of Action and Milestone for all vulnerabilities identified by the scans as required by the State Secure Web Application and other applicable PSPs.

Application scanning and remediation will include each of the following types of scans and activities:

9.1 Dynamic Application Security Testing (DAST) – Scanning interactive application for vulnerabilities, analysis, remediation, and validation (may include Interactive Application Security Testing (IAST)).

(a) Contractor must grant the State the right to dynamically scan a deployed version of the Software. These scans and assessments i) must be completed and provided by the DTMB team to the State as the State deems necessary (dates to be provided by the State, not to exceed quarterly) and for each major release; and ii) scans must be completed in a non-production environment with verifiable matching source code and supporting infrastructure configurations or the actual production environment.

9.2 Static Application Security Testing (SAST) - Scanning source code for vulnerabilities, analysis, remediation, and validation.

9.3 For Contractor provided applications, Contractor must grant the State the rights to scan the required source code or provide a copy of the required source code to the State for scanning. These scans must be completed at the State of Michigan's discretion not to exceed an initial source code scan of all code, a scan of all newly developed source code and a

scan of all source code that has gone through a major release. Once the scans are completed, the SoM's DTMB scanning team will provide the State with a vulnerability assessment

9.4 Software Composition Analysis (SCA) – Third Party and/or Open Source Scanning for vulnerabilities, analysis, remediation, and validation.

(a) For Software that includes third party and open source software, all included third party and open source software must be documented and the source supplier must be monitored by the Contractor for notification of identified vulnerabilities and remediation. SCA scans may be included as part of SAST and DAST scanning or employ the use of an SCA tool to meet the scanning requirements. These scans must be completed for all third party and open source software initially, for all updated third party and open source software, and for all third party and open source software in each major release and DTMB team must provide the State with a vulnerability assessment after DTMB team has completed the required scans if not provided as part of SAST and/or DAST reporting.

9.5 In addition, application scanning and remediation may include the following types of scans and activities if required by regulatory or industry requirements, data classification or otherwise identified by the State.

(a) If provided as part of the solution, all native mobile application software must meet these scanning requirements including any interaction with an application programming interface (API).

(b) Penetration Testing – Simulated attack on the application and infrastructure to identify security weaknesses.

## **10. Infrastructure Scanning.**

10.1 For Hosted Services, Contractor must ensure the infrastructure and applications are scanned using an approved scanning tool (Qualys, Tenable, or other PCI Approved Vulnerability Scanning Tool) at least monthly and provide the scan's assessments to the State in a format that is specified by the State and used to track the remediation. Contractor will ensure the remediation of issues identified in the scan according to the remediation time requirements documented in the State's PSPs.

## **11. Nonexclusive Remedy for Security Breach.**

11.1 Any failure of the Services to meet the requirements of this Schedule with respect to the security of any State Data or other Confidential Information of the State, including any related backup, disaster recovery or other policies, practices or procedures, is a material breach of the Contract for which the State, at its option, may terminate the Contract immediately upon written notice to Contractor without any notice or cure period, and Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.



**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 **7**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP	<b>Program Manager</b>	John Moore	DTMB	
	39209 West Six Mile Road, Suite 250		517-241-3228		
	Livonia, MI 48152		moorej7@michigan.gov		
	RV Rao		<b>Contract Administrator</b>	Jennifer May	DTMB
	734-591-1100 x 4318			517-242-6664	
	rvrao@acrocorp.com			mayj7@michigan.gov	
CV0028426					

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

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**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,236,288.45	\$110,410.00	\$3,346,698.45

**DESCRIPTION**

Effective 2/7/2022, this contract is hereby increased by a total of \$110,410.00 for the amendment below, per the attached Statement of Work.

- Contractor will expand work on the System Security Plan from Direct Care Worker registry application to the full Aging Information System (AIS Platform, which has 19 applications).

All other terms, conditions, and specifications remain the same. Per DTMB contractor (request/proposal) and agency (request) agreement, and DTMB Procurement approval.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**MICHIGAN DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT AND BUDGET  
IT SERVICES  
STATEMENT OF WORK FOR IT CHANGE NOTICES**

<b>Project Title:</b> Direct Care Worker Registry for MDHHS (Adult Information System – AIS)	<b>Period of Coverage:</b> 06/01/2021 – 09/30/2022
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 11/30/2021
<b>Agency Program Manager:</b> Scott Wamsley WamsleyS@michigan.gov	<b>Phone:</b> 517-284-0161
<b>DTMB Program Manager:</b> John Moore Moorej7@michigan.gov	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Vishwas Tare vtare@acrocorp.com	<b>Phone:</b> 248-755-0485

**Brief Description of Services to be provided:**

**BACKGROUND:**

This Statement of Work (SOW) is made part of a Change Notice to Contract No. 17118000000010 (Contract) between the State of Michigan (State or SOM) and Acro Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #17118000000010) (“Agreement” or “Contract”). The Parties agree as follows:

**1.0 OVERVIEW AND BACKGROUND**

- 1.1 The “Michigan Department of Community Health (MDCH)” and “Michigan Department of Human Services” (MDHS), in this SOW and the existing Contract mean collectively “Michigan Department of Health and Human Services” (MDHHS). Under the effectuated State Executive Order No. 2015–4, the entities formerly known as separate departments have merged to become one department named “MDHHS”.
- 1.2 The MDHHS – Bureau of Aging, Community Living, and Supports (BACLS) provides support for older adults to help them maintain their independence as they age by offering older adult and family caregiver services through a partnership between the state of Michigan, 16 regional area agencies on aging, and more than 1,300 local community-based agencies.
- 1.3 Professional caregivers play a crucial role in allowing older adults to maintain health and independence at home and in the community. Michigan needs more trained direct care workers (DCWs) than are currently in the workforce, due in part to a rapidly growing aging population, thus making it very difficult to find qualified direct care workers. Further compounding this problem is the lack of a central repository where older adults can search for the assistance they need.
- 1.4 This Contract Change Notice is to implement the increased scope of work for the System Security Plan which now encompasses not only the Direct Care Worker (DCW), but the entire grouping of the Aging Information Systems (AIS) 19 applications. Other work includes on this Contract Change Notice is (1) the disclaimer language for the age requirement of 19 years or older and criminal background checks and (2) to restrict employer addresses and posted job addresses to Michigan only.

**2.0 PROJECT OBJECTIVE:**

- 2.1 Include additional work on the System Security Plan (SSP) for the DCW and AIS system and receive security authorization to implement the increased scope of work for DCW and AIS systems. Add disclaimer

language for the age requirement of 19 years or older and criminal background checks. Restrict employer addresses and posted job addresses to Michigan only.

### **3.0 SCOPE OF WORK:**

3.1 The Contractor will expand work on the System Security Plan from Direct Care Worker registry application to the full Aging Information System (AIS Platform, which has 19 applications)

3.1.1 SSP work assumptions

3.1.1.1 SSP meetings for AIS (PC & Business site), DCW and any other on-going project will be done together and completed in 6 months.

3.1.1.2 SSP Cost provided for DCW is only for additional documentation, AppScan and Reviews.

3.1.1.3 Cost for DCW will increase if the SSP meetings for this project is conducted separately from other ongoing projects.

3.1.1.4 State will use the KeyLight Lockpath tool for SSP and the Vendor does not have to purchase their own KeyLight Lockpath tool.

3.1.1.5 State will run the AppScan tool on the staging websites only.

3.1.1.6 SSP cost estimate is only for completing the Risk Assessment (questionnaire meetings) and Plan of Action and Milestones (POAMs) and not the actual remediation.

3.1.1.7 Based upon the outcome of the risk and the plan of action to occur, the effort to fix any risk findings would require a separate cost estimate.

3.1.1.8 The vendor will concentrate on the below twelve (12) controls out of total number of controls (65-70) for the SSP:

3.1.1.8.1 Physical and Environmental Protection (PE)

3.1.1.8.2 Media Protection (MP)

3.1.1.8.3 System Communications Protection (SC)

3.1.1.8.4 Maintenance (MA)

3.1.1.8.5 Contingency Planning (CP) as it applies to Disaster Recovery, etc.

3.1.1.8.6 Risk Assessment (RA) questions in RA-5 (Vulnerability Scanning)

3.1.1.8.7 Incident Response (IR) question IR-6 (Incident Reporting)

3.1.1.8.8 Personnel Security (PS) questions in PS-7(Third Party Personnel Scanning)

3.1.1.8.9 Access Control (AC)

3.2 Requirements, Design, Development, Testing and Deployment (CR-002).

3.2.1 3.2.1 Disclaimer language for Age requirement of 18 years or older and Criminal Background checks.

3.2.2 Restrict Employer address and Posted Jobs address to Michigan only.

3.3 Requirements, Design, Development, Testing and Deployment (CR-003).

3.3.1 Change gibberish selection. Change to no formal communication.

3.3.2 Work experience change. Move from one selection to multi selection age group.

3.3.3 Employer Pay Increment Drop Down. Update Pay Employer pay range dropdown value to have values with a difference of \$5 instead of \$10.

3.3.4 Add question to FAQs.

3.3.5 Time Page Adjustments. 3-page adjustments for job and worker profiles.

3.3.6 Pop-up for User when entering address. If problem statement.

3.3.7 Help Link Adjustment. Remove from menu, add to FAQ and Contact Us Links.

3.3.8 Name Change for AASA. AASA has been changed to the Bureau of Aging, Community Living and Supports (BACLS)

3.3.9 Update wording on dashboard link.

3.3.10 Add wording to "Cab" in Travel Details Screen. Update to "Cab/Uber/Lyft."

3.3.11 Modify user's ability to easily find "Submit" button when making updates/changes to free form fields.

- 3.3.12 Add option for user to verify they have read “Terms and Conditions” before moving forward.  
“Register button click, option to provide “Terms and Conditions.”
- 3.3.13 Develop brief user guide for users.
- 3.3.14 Update/correct wording in automated E-mail Message responses.
- 3.3.15 Update wording corrections.
- 3.3.16 Update FAQs. Updates under “General Information” (3<sup>rd</sup> Bullet) and “For Individuals Hiring” (1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, and 8<sup>th</sup> bullets.)
- 3.3.17 Separation between the entry and the list for” Announcements.” Change the appearance.
- 3.3.18 Reset Password design changes. Update system for user requesting to reset their password (security question & send code to email).
- 3.3.19 Change E-mail and all links point to .gov to osapartner.net.
- 3.3.20 Employer disclaimers. Add disclaimers
- 3.3.21 Increase font for alert message. Make fonts larger.
- 3.3.22 Add “New Job” button. Add a button on DCW-Work History to add new job history.

#### **4.0 WORK and DELIVERABLES:**

- 4.1** Deliverables will not be considered complete until the DTMB Program Manager and MDHHS Agency Business Owner formally accept them.
- 4.2** Changes to the below schedule will be managed by the established Project Change Request approval process.
- 4.3** Supporting Documentation
  - 4.3.1 Contractor will provide documented and approved DCW system Requirement’s documentation in accordance with the SOM State Unified Information Technology Environment (SUITE) standard.
  - 4.3.2 Contractor will provide documented and approved DCW system Design documentation in accordance with the SOM SUITE standard.
  - 4.3.3 Contractor will provide documented and approved Testing Plans with Test Cases along with evidence for passing each Requirement as specified in the DCW Requirements documentation in accordance with the SUITE standard.
  - 4.3.4 Contractor will provide documented and approved DCW system Implementation documentation in accordance with the SUITE standard.
  - 4.3.5 Contractor will provide documentation to support the implementation, including Field Specifications document, Business Requirements documents, Unit Testing documents, System Integration Testing documents, User Acceptance Testing documents and DCW User Manual in accordance with the SOM SUITE standard.
- 4.4** Non-Functional Requirements:
  - 4.4.1 DTMB Business Analyst will work with knowledgeable Contractor staff in completing the System Security Plan (SSP) which is necessary to obtain an Authority to Operate (ATO) or at a minimum a Provisional ATO must be obtained.

#### **5.0 ACCEPTANCE CRITERIA:**

- 5.1** Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.

- 5.2** Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 5.3** Draft documents are not accepted as final deliverable.
- 5.4** DHHS will review business documents within 5 days of receipt. Approvals will be written and signed by DHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.5** DHHS and DTMB will review technical documents within 5 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.6** DHHS and DTMB will review project documents within 5 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.7** DHHS Completion Criteria
  - 5.7.1** Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The DHHS Team shall review and test the DCW against the specifications. Signoff on all of the UAT Test Cases and Post Implementation Testing shall construe system acceptance.
- 5.8** Reviews and Approvals
  - 5.8.1** All specification and design documents will have to be reviewed and approved by the DHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. DHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of DHHS.
- 5.9** Acceptance Testing
  - 5.9.1** The DHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by DHHS personnel. The Contractor may assist DHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If DHHS finds problems/issues with the DCW system, the problems need to be reported to the Contractor Project Manager.
- 5.10** Software Deliverables for the DCW system will adhere to the same requirements as the “Software Deliverables” section of the current AIS contract.
- 5.11** Service deliverables for the DCW system will adhere to the same requirements as the current AIS contract.
- 5.12** Final Acceptance:
  - 5.12.1** All documents, software and services are delivered and accepted by DHHS in accordance with the requirements of this Contract Change Notice.
  - 5.12.2** For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.



- 5.12.3 The Contractor will warrant the software for a period of 6 months after the go-live and assist DHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.
- 5.12.4 All bills related to this contract have been submitted and approved for payment.

## **6.0 PROJECT CONTROL AND REPORTS:**

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

- 6.1 Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- 6.2 Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- 6.3 Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

## **7.0 SPECIFIC DEPARTMENT STANDARDS:**

- 7.1** All software items provided by the contractor must be ADA compliant and adhere to the SOM look and feel – The state is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted a formal policy regarding accessibility requirement of the software applications. For AppExchange/SAAS partners, the state requires that software applications conform, where relevant to level AA of providers PAAS Services. The SOM reserves a right to have ADA compliance validated by the E-Michigan team. DTMB form 3533 must be completed and approved including the development prior to Go-Live. DTMB resources will assist in completion of the DTMB-3533 form.

### **SOM Application/Site Standards:**

[www.michigan.gov/standards](http://www.michigan.gov/standards)

### **SOM Application/ADA Standards:**

[http://www.michigan.gov/documents/dmb/1650.00\\_209567\\_7.pdf?20151026134621](http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621)

## **8.0 ISSUE MANAGEMENT:**

- 8.1** An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget. The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:
  - 8.1.1 Description of issue
  - 8.1.2 Issue identification date
  - 8.1.3 Responsibility for resolving issue.
  - 8.1.4 Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
  - 8.1.5 Resources assigned responsibility for resolution
  - 8.1.6 Resolution date
  - 8.1.7 Resolution description

## **9.0 CHANGE AND RELEASE MANAGEMENT (CRM):**

- 9.1** The purpose of the Change and Release Management is to ensure that standardized methods and procedures are used for efficient and prompt handling of all Information Technology (IT) changes, within the State of Michigan (SOM). In addition to this, the DTMB Change Management Center of Excellence (CMCoE) has implemented Release Management processes to help ensure that DTMB and its stake holders can meet audit requirements:

- 9.1.1 **Vendor Partners Responsibilities:** Vendor must comply with DTMB Change & Release Management (CRM) policies before implementing every release. This includes providing release tickets for each release and submitting all System Engineering Methodology (SEM) equivalent documents as per Change Management Center of Excellence (CMCoE) check list. The documents can be in the contractors Project Management Methodology (PMM). After the Business Owner signs off the documents and approves the implementation timeframes, the DTMB Business Analyst will create and initiate the RFC process.

**9.2 DTMB process for Vendor managed applications can be found here:**

- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

**9.3 DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:**

- A sample CMCoE checklist is available to the vendor partner upon request.

- 9.4 DTMB Responsibilities: DTMB Business Analyst Resource will be responsible to review the SEM or equivalent documents from vendor for each release and complete the CMCoE check list. The DTMB resource will be responsible to follow the RFC process for Approvals and notifications as specified in the below documents.

9.4.1 DTMB Process for Vendor supported applications:

- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

9.4.2 DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:

- A sample CMCoE checklist is available to the vendor partner upon request.

## **10.0 PAYMENT SCHEDULE:**

- 10.1** Payment will be made on satisfactory acceptance of each of the milestones listed in the Task/Deliverable column of the table in Section 16. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect the actual milestone(s) completed and must be approved by the Agency and DTMB Project Manager prior to payment. When invoicing for a milestone, the invoice amount must not exceed the amount listed in the "Total Payment" column of the table in Section 16. Warranty Support of Software will be paid upon implementation.

- 10.2** Payment for Hosting/Storage and Licensing will be made when the costs are incurred, and Payment for System Security Plan (SSP) review work will be made on an hourly basis. The total amount invoiced for Hosting/Storage, Licensing and SSP costs cannot exceed the project totals per category listed in the Pricing table in Section 17. DTMB will pay the Contractor upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect the actual usage incurred during the invoice period and must be approved by the Agency and DTMB Project Manager prior to payment.

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

## **11.0 EXPENSES:**

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

## **12.0 PROJECT CONTACTS:**

The designated Agency Program Manager is:

Scott Wamsley

Michigan Department of Health and Human Services  
Health and Aging Services Administration  
Bureau of Aging, Community Living, and Supports  
(517) 241-0624  
WamsleyS@michigan.gov

The designated DTMB Program Manager is:

John Moore  
Michigan Department of Technology, Management and Budget  
Agency Services Supporting Medicaid  
(517) 242-1075  
MooreJ7@michigan.gov

The Contractor Program Manager is:

Ash Agarwal  
Acro Service Corp.  
(734) 367-4591  
aagarwal@acrocorp.com

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service Corp  
(734) 632-4265  
vtare@acrocorp.com

### **13.0 LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

- 13.1 Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. As defined within the Contract section 2.080, SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

### **14.0 EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

- 14.1 Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted

### **15.0 CONTRACTOR STAFF, ROLES AND RESPONSIBILITIES:**

- 15.1** The Contractor will Identify the staff who will be involved in this project and describe in detail their roles and responsibilities.
- 15.2** The Contractor will commit that staff identified will perform the assigned work. And if there are any changes will notify both DTMB and BACLS.
- 15.3** The Contractor will identify a Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:
- 15.3.1 Supporting the management of the Contract.
  - 15.3.2 Facilitating Issue resolution

15.3.3 Advising the State of performance under the terms and conditions of the Contract.

Staff	Role	Responsibility
Ash Agarwal	Program Manager	Project Implementation (Project Management, Client Engagement, Project Resources)
Beena Shah	Business Analyst	Project Implementation (Business Requirement Gathering, Project Management)
Navin Kumar	Lead Developer	Enable quality and timely customer project delivery through guidance and mentoring of the other developers and enforces development best practices. Lead is the main contact for communication with the product team and be expected to perform IT support tasks as needed.
Vishwas Tare	Project Manager	Project Manager for the AIS systems.

**15.4 DTMB and MDHHS–BACLS ROLES AND RESPONSIBILITIES:**

Role	Responsibility	Agency
Agency Business Owner (User Point of Contact (POC)) (AKA Product Owner)	<ul style="list-style-type: none"> <li>Is the authorized approver for all application changes</li> <li>Represents MDHHS as the single POC for application changes unless otherwise noted in SEM-301 (Maintenance Plan) and SEM 0931 (System Maintenance Document) or equivalent documents.</li> <li>Approves the results of User Acceptance Testing.</li> </ul>	MDHHS/BACLS
User Acceptance Tester	<ul style="list-style-type: none"> <li>Performs User Acceptance Testing based on the documented plan</li> <li>Cannot be performed by the developer/Business Analyst of the change.</li> </ul>	MDHHS/BACLS
DTMB Program Manager	<ul style="list-style-type: none"> <li>Represents DTMB as the POC for project level execution and approvals.</li> </ul>	DTMB
Project Manager	<ul style="list-style-type: none"> <li>Coordinates with the business leadership team and Contractor project team to ensure overall project success.</li> </ul>	DTMB
DTMB- Technical Owner/User Point of Contact (POC)	<ul style="list-style-type: none"> <li>Represents DTMB as the single POC for project assignments.</li> <li>Coordinates with Agency business leads.</li> </ul>	DTMB
Quality Analysts/Business Analysts	<ul style="list-style-type: none"> <li>Define business requirements, maintain PMM documentation, complete QA testing, and analyze data.</li> <li>Review deliverables from a QA perspective. Provide guidance and assistance on process matters.</li> <li>Coordinate Requirements Gathering sessions, Document Requirements and Design SEM documents.</li> <li>Perform Unit Testing, System Testing, E2E testing and coordinate UAT testing.</li> <li>Create RFC's and performs change builder roles.</li> </ul>	DTMB
Solutions Architect	<ul style="list-style-type: none"> <li>Develops, Designs and Supports system architecture for SOM system integration.</li> </ul>	DTMB

**15.5 WEB or HYPERLINKS:**

**15.5.1** In the event Contractor is unable to access or view any of the web links (also known as hyperlinks) contained within this Contract, Contractor must promptly notify the DTMB Project Manager. An inaccessible or non-working web link will not excuse the Contractor of its duties and obligations under this Contract. Contractor is responsible for ensuring its personnel and/or subcontractors have reviewed all State and DTMB policies under this contract.

**15.6 ENTIRE AGREEMENT:**

**15.6.1** This SOW, together with the existing Contract, constitutes the Parties' complete and exclusive statement regarding work requirements and procedures. Apart from the amendments made in this SOW, all Contract terms and conditions must remain in full force and effect.

**16.0 PROJECT PLAN:**

CR-002										
Task ID	Change Description	Anticipated Start Date	Anticipated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Acceptance / Signoff	Total Payment
Task 1	Disclaimer language for Age requirement of 18 years or older and Criminal Background checks	11/1/2021	11/5/2021	System Analyst	Development & Test plan	4	\$ 70.00	\$ 280.00	State PM & Project Sponsor	\$ 2,500.00
				Technical Lead		4	\$ 60.00	\$ 240.00		
				Programmer		20	\$ 60.00	\$ 1,200.00		
				Tester		8	\$ 55.00	\$ 440.00		
				Project Manager		4	\$ 85.00	\$ 340.00		
Task 2	Retrict Employer address and Posted Jobs address to Michigan only	11/8/2021	11/12/2021	System Analyst	Development & Test plan	4	\$ 70.00	\$ 280.00	State PM & Project Sponsor	\$ 3,000.00
				Technical Lead		4	\$ 70.00	\$ 280.00		
				Programmer		24	\$ 60.00	\$ 1,440.00		
				Tester		12	\$ 55.00	\$ 660.00		
				Project Manager		4	\$ 85.00	\$ 340.00		
<b>SUB TOTAL</b>						<b>88</b>		<b>\$ 5,500.00</b>		<b>\$ 5,500.00</b>
CR-003										
Tasks & Deliverables	Requirements	Anticipated Start Date	Anticipated Completion Date	Contractor Staff	Role	Hours	Rate	Total	Acceptance / Signoff	Total Payment
Task I	CR Analysis, Review, Estimation	12/6/2021	12/10/2021	Project Manager	CR-003 Planning & Scheduling	4	\$ 85.00	\$ 340.00	State PM & Project Sponsor	\$ 1,460.00
System Analyst				8		\$ 70.00	\$ 560.00			
Technical Lead				8		\$ 70.00	\$ 560.00			
Task II	Analysis, Business Requirements Documentation, RSD Review, Approval	12/13/2021	12/17/2021	System Analyst	Document Requirements, Develop Stories	16	\$ 70.00	\$ 1,120.00	State PM & Project Sponsor	\$ 4,560.00
Project Manager				24		\$ 85.00	\$ 2,040.00			
Technical Lead				20		\$ 70.00	\$ 1,400.00			
Task III	Functional & Technical Design, Documentation, Review, Approval	12/13/2021	12/30/2021	Technical Lead	Technical Design	24	\$ 70.00	\$ 1,680.00	State PM & Project Sponsor	\$ 3,870.00
System Analyst				Functional Design	24	\$ 70.00	\$ 1,680.00			
Project Manager				Project Management	6	\$ 85.00	\$ 510.00			
Task IV	Test Cases with RTM	12/28/2021	1/7/2022	Technical Lead	Test Cases with RTM	4	\$ 70.00	\$ 280.00	State PM & Project Sponsor	\$ 2,440.00
Tester				24		\$ 55.00	\$ 1,320.00			
System Analyst				12		\$ 70.00	\$ 840.00			
Task V	Development and System Testing	12/20/2021	1/28/2022	Programmer	Code development	160	\$ 60.00	\$ 9,600.00	State PM & Project Sponsor	\$ 17,480.00
Tester				System Testing	80	\$ 55.00	\$ 4,400.00			
Technical Lead				Technical Review/ Configuration/ Deployments	24	\$ 70.00	\$ 1,680.00			
System Analyst					16	\$ 70.00	\$ 1,120.00			
Project Manager				Project Management	8	\$ 85.00	\$ 680.00			
Task VI	User Manual	1/31/2022	2/4/2022	System Analyst	User Manual	24	\$ 70.00	\$ 1,680.00	State PM & Project Sponsor	\$ 2,020.00
Project Manager				Review/ Update	4	\$ 85.00	\$ 340.00			
Task VII	User Acceptance Testing support, ADA Review Support	2/7/2022	2/18/2022	Technical Lead	UAT Deployment	40	\$ 70.00	\$ 2,800.00	State PM & Project Sponsor	\$ 3,480.00
Project Manager				User Acceptance Testing support	8	\$ 85.00	\$ 680.00			
Task VIII	Deployment of Accepted Environment to Production	2/21/2022	2/28/2022	Technical Lead	Prod Deployment	10	\$ 70.00	\$ 700.00	State PM & Project Sponsor	\$ 870.00
Project Manager				Project Management	2	\$ 85.00	\$ 170.00			
<b>SUB TOTAL</b>						<b>550</b>		<b>\$ 36,180.00</b>		<b>\$ 36,180.00</b>
<b>Total</b>						<b>638</b>		<b>\$ 41,680.00</b>		<b>\$ 41,680.00</b>

## 17.0 PRICING TABLE

DCW PRICING TABLE					
LINE	DURATION		EXPENSE TYPE	DESCRIPTION	COST
Relopment -002)	11/1/2021	11/30/2021	Vendor Services	Requirements, Design, Development, Testing, Training & Deployment	\$ 5,500.00
Relopment -003)	12/6/2021	2/28/2022	Vendor Services	Requirements, Design, Development, Testing, Training & Deployment	\$ 36,180.00
CO	10/1/2021	9/30/2022	Vendor Services	SSP Review (AIS, DCW)	\$ 68,730.00
				<b>TOTAL</b>	<b>\$ 110,410.00</b>



**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 **6**  
to  
Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP	<b>Program Manager</b>	John Moore	DTMB	
	39209 West Six Mile Road, Suite 250		517-241-3228		
	Livonia, MI 48152		moorej7@michigan.gov		
	RV Rao		<b>Contract Administrator</b>	Jennifer May	DTMB
	734-591-1100 x 4318			517-242-6664	
	rvrao@acrocorp.com			mayj7@michigan.gov	
	CV0028426				

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

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**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
\$3,159,393.00	<b>VALUE OF CHANGE NOTICE</b>		<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>	
\$3,160,208.45	\$76,080.00		\$3,236,288.45	

**DESCRIPTION**

Effective 10/4/2021, this contract is hereby increased by a total of \$76,080.00 for the following:

- Adding \$11,920.00 to extend the period of coverage of Change Notice Number 3 for the Direct Care Worker Registry to 12/22/2021.
- Adding \$64,160.00 to ensure sufficient funding to cover a FY22 DOIT1

All other terms, conditions, and specifications remain the same. Per DTMB contractor (request/proposal) and agency (request) agreement, and DTMB Procurement approval.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov





**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 **5**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP	<b>Program Manager</b>	John Moore	DTMB
	39209 West Six Mile Road, Suite 250		517-241-3228	
	Livonia, MI 48152		moorej7@michigan.gov	
	RV Rao		Jennifer May	DTMB
	734-591-1100 x 4318			517-242-6664
	rvrao@acrocorp.com			mayj7@michigan.gov
CV0028426				

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

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**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
\$3,159,393.00	<b>VALUE OF CHANGE NOTICE</b>		<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>	
\$3,159,393.00	\$815.45	\$3,160,208.45		

**DESCRIPTION**

Effective 9/27/2021, this contract is hereby increased by \$815.45 for upcoming FY22 contractual requirements.

All other terms, conditions, and specifications remain the same. Per DTMB contractor (request/proposal) and agency (request) agreement, and DTMB Procurement approval.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**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 **4**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road, Suite 250
	Livonia, MI 48152
	RV Rao
	734-591-1100 x 4318
	rvrao@acrocorp.com
	CV0028426

<b>Program Manager</b>	John Moore	DTMB
	517-241-3228	
moorej7@michigan.gov		
<b>Contract Administrator</b>	Jennifer May	DTMB
	517-242-6664	
	mayj7@michigan.gov	

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>MINIMUM DELIVERY REQUIREMENTS</b>			

<b>DESCRIPTION OF CHANGE NOTICE</b>				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,874,453.00	\$284,940.00	\$3,159,393.00		

**DESCRIPTION**

Effective 7/27/2021, this contract is hereby increased by \$284,940.00 for upcoming FY22 contractual requirements.

All other terms, conditions, and specifications remain the same. Per DTMB contractor (request/proposal) and agency (request) agreement, DTMB Procurement approval, and State Administrative Board Approval on 7/27/2021.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**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 **3**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road, Suite 250
	Livonia, MI 48152
	RV Rao
	734-591-1100 x 4318
	rvrao@acrocorp.com
	CV0028426

<b>Program Manager</b>	John Moore	DTMB
	517-241-3228	
moorej7@michigan.gov		
<b>Contract Administrator</b>	Jennifer May	DTMB
	517-242-6664	
	mayj7@michigan.gov	

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>MINIMUM DELIVERY REQUIREMENTS</b>			

<b>DESCRIPTION OF CHANGE NOTICE</b>				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,874,453.00	\$0.00	\$2,874,453.00		

**DESCRIPTION**

Effective 5/27/2021, the following amendment is hereby incorporated into this contract per the attached Statement of Work. The total cost for this amendment is \$284,940.00. Existing funds from Acro Service Corp Master Agreement 18000000010 will be utilized.

- Development of online direct worker registry.

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

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov



**MICHIGAN DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT AND BUDGET  
IT SERVICES  
STATEMENT OF WORK FOR IT CHANGE NOTICES**

<b>Project Title:</b> Direct Care Worker Registry for MDHHS (Adult Information System – AIS)	<b>Period of Coverage:</b> 06/01/2021 – 09/30/2021
<b>Requesting Department:</b> Michigan Department of Health and Human Services	<b>Date:</b> 03/23/2021
<b>Agency Program Manager:</b> Scott Wamsley WamsleyS@michigan.gov	<b>Phone:</b> 517-284-0161
<b>DTMB Program Manager:</b> John Moore Moorej7@michigan.gov	<b>Phone:</b> 517-242-1075
<b>Contractor Project Manager:</b> Vishwas Tare vtare@acrocorp.com	<b>Phone:</b> 248-755-0485

**Brief Description of Services to be provided:**

**BACKGROUND:**

This Statement of Work (SOW) is made part of a Change Notice to Contract No. 17118000000010 (Contract) between the State of Michigan (State or SOM) and Acro Service Corp (“Contractor” or “Vendor”) under the terms of the Implementation Services Agreement (Contract #17118000000010) (“Agreement” or “Contract”). The Parties agree as follows:

**1.0 OVERVIEW AND BACKGROUND**

- 1.1 The “Michigan Department of Community Health (MDCH)” and “Michigan Department of Human Services” (MDHS), in this SOW and the existing Contract mean collectively “Michigan Department of Health and Human Services” (MDHHS). Under the effectuated State Executive Order No. 2015–4, the entities formerly known as separate departments have merged to become one department named “MDHHS”.
- 1.2 The MDHHS – Aging and Adult Services Agency (AASA) provides support for older adults to help them maintain their independence as they age by offering older adult and family caregiver services through a partnership between the state of Michigan, 16 regional area agencies on aging, and more than 1,300 local community-based agencies.
- 1.3 Professional caregivers play a crucial role in allowing older adults to maintain health and independence at home and in the community. Michigan needs more trained direct care workers (DCWs) than are currently in the workforce, due in part to a rapidly growing aging population, thus making it very difficult to find qualified direct care workers. Further compounding this problem is the lack of a central repository where older adults can search for the assistance they need.
- 1.4 This Contract Change Notice is to implement a Statewide Direct Care Worker Registry to support an increase in the availability and employment of Direct Care Workers (DCWs) and to provide search capabilities within this registry to simplify the process for older adults and home care agencies to locate DCWs.

**2.0 PROJECT OBJECTIVE:**

- 2.1 Develop an online direct worker registry to support an increase in the availability and employment of direct care workers (DCWs). The registry will allow DCWs to create an employment profile for prospective employers (older adults and home care agencies). Agencies and individual looking for DCWS will be able to search for DCWS that meet their specific employment criteria (e.g., service offered, geographic availability, etc.). Establish the System Security Plan (SSP) for the DCW and AIS system and receive security authorization to implement the DCW system.

**3.0 SCOPE OF WORK:**

- 3.1 The Contractor will develop a public facing website for Direct Care Workers and Clients looking for service.
  - 3.1.1 Direct Care Worker and Clients can register and create an account in the system.
  - 3.1.2 Registered user can delete their account.
  - 3.1.3 Implement a Wizard to capture Account Info, Contact Info, Work Experience and Education and other pertinent Info for Direct Care Workers.
  - 3.1.4 Implement Wizard to capture Account Info, Contact Info and other pertinent Info for Clients looking for service.
  - 3.1.5 Registered user can create a dual profile, as a Direct Care Worker and Client looking for service.
  - 3.1.6 Registered client can do a job posting (Job description, Location, Pay Range, Schedule).
  - 3.1.7 Registered client can close an open job by selecting a reason.
  - 3.1.8 Dashboard for Direct Care Worker will show matching job openings based on profile matching.



- 3.1.9 Dashboard for Clients looking for service will show job postings and matching Direct Care Workers based on matching rank logic.
  - 3.1.10 Dashboard should show the messages exchanged by Direct Care Worker and Client.
  - 3.1.11 Standard login features like Reset password, Forget Password, CAPTCHA, Security Questions, Delete Account will be provided.
  - 3.1.12 Users can send an email from the website for any technical issue or any question related to website.
  - 3.1.13 Implement internal messaging for Direct Care Worker and Client to communicate in the system.
  - 3.1.14 Send email notifications for registration, job posting, internal communication to the registered email address.
  - 3.1.15 AASA Admin can review "About Me" information submitted by registered user and approve or decline with comments.
  - 3.1.16 AASA Admin can review suggestions for pick lists submitted by registered users and approve or decline with comments.
  - 3.1.17 AASA Admin can view user login history for answering user queries.
  - 3.1.18 AASA Admin can manage the master tables for all the drop-down lists.
  - 3.1.19 AASA Admin can generate reports like Login history report, Service closure report, Job posting/DCW analysis report, 3-4 canned reports.
  - 3.1.20 DCW website will capture and store user login history.
  - 3.1.21 DCW website will adhere to DTMB System Security standards.
  - 3.1.22 DCW website will be ADA Compliant.
  - 3.1.23 DCW website will work on standard desktop browsers like Microsoft Edge, Google Chrome, Mozilla Firefox and standard iOS and Android mobile browsers.
  - 3.1.24 DCW staging and production website data will be secured in transit by SSL certificate.
  - 3.1.25 The expected number of direct care workers and seniors that will register in the DCW Registry in one year will be approximately 3000. The DCW system must accommodate this volume.
  - 3.1.26 The expected number of concurrent users accessing the DCW Registry will be approximately 300-400. The DCW system must accommodate this.
- 3.2** Make necessary adjustments to the AIS infrastructure to accommodate the new Direct Care Worker Registry module.
- 3.2.1 Increase hosting resources to accommodate the new Direct Care Worker system, including outbound data transfer, Backup Vault and Site Recovery.
  - 3.2.2 Acquire additional SSL certificates to ensure staging and production environments are secure.
  - 3.2.3 Acquire necessary software to implement the needs of the DCW system.
  - 3.2.4 Implement additional firewall rules to implement the DCW system security.
- 3.3** Assist in the completion of the System Security Plan (SSP) for the AIS system (which will include the new DCW system) and obtain the appropriate security authorization to implement the DCW system.
- 3.3.1 Provide responses to DTMB questions regarding system security of the AIS and DCW systems.
  - 3.3.2 Research and provide the necessary artifacts to support the SSP responses
  - 3.3.3 Provide system infrastructure and interface documentation to aid in the completion of the SSP.
  - 3.3.4 Assist in the establishment of the Plan of Action and Milestones (POA&M).
  - 3.3.5 Complete initial SSP documentation
  - 3.3.6 Attend 3 SSP meetings for two hours each every week for up to 6 months.
  - 3.3.7 Support DTMB to perform Infrastructure scan using Tenable Nessus Pro.
  - 3.3.8 Support DTMB to perform source code and application scan using HCL AppScan.
  - 3.3.9 Completion /collection of required documents/evidence.
  - 3.3.10 Response to application scanning requirements.
  - 3.3.11 Review of SSP findings.
  - 3.3.12 Review the plan of action and milestones (POAMs).

- 3.4 Upon implementation of the Direct Care Worker Registry, the contractor will provide Operations, Production, Staging and DR support for the new DCW system.
  - 3.4.1 Operation includes hosting of the State-owned DCW system. The Contractor must maintain uninterrupted DCW operations and functionality through any applicable transition and throughout the life of this Contract. This includes provide ongoing technical support, web hosting, and security patching for the DCW application.
- 3.5 The following Assumptions are made for the Direct Care Worker Registry project:
  - 3.5.1 Content Management tool will not be implemented as AASA does not want to modify the content of the website
  - 3.5.2 The following features is out of scope
    - 3.5.2.1 Agency Registration
    - 3.5.2.2 Payment for services between the Client and Direct Care Worker
    - 3.5.2.3 Documents upload
    - 3.5.2.4 Single Sign-on
    - 3.5.2.5 Background Check of Care Workers
    - 3.5.2.6 Live Chat
    - 3.5.2.7 Location Tracking
    - 3.5.2.8 State Unique ID Auto Verification
    - 3.5.2.9 Learner ID Auto Verification
  - 3.5.3 Google Analytics is out of scope
  - 3.5.4 "About Me" information text will not be used for profiles matching logic.
  - 3.5.5 Uploading of documents is out of scope
  - 3.5.6 Integration with AIS and any other State systems is out of scope.
  - 3.5.7 Google Translation will be used for website content translation
  - 3.5.8 Testing will only be performed on standard desktop browsers such as Microsoft Edge, Google Chrome, Mozilla Firefox and standard iOS and Android mobile browsers.
  - 3.5.9 SSP work assumptions
    - 3.5.9.1 SSP meetings for AIS (PC & Business site), DCW and any other on-going project will be done together and completed in 6 months.
    - 3.5.9.2 SSP Cost provided for DCW is only for additional documentation, AppScan and Reviews.
    - 3.5.9.3 Cost for DCW will increase if the SSP meetings for this project is conducted separately from other ongoing projects.
    - 3.5.9.4 State will use the KeyLight Lockpath tool for SSP and the Vendor does not have to purchase their own KeyLight Lockpath tool.
    - 3.5.9.5 State will run the AppScan tool on the staging websites only.
    - 3.5.9.6 SSP cost estimate is only for completing the Risk Assessment (questionnaire meetings) and Plan of Action and Milestones (POAMs) and not the actual remediation.
    - 3.5.9.7 Based upon the outcome of the risk and the plan of action to occur, the effort to fix any risk findings would require a separate cost estimate.
    - 3.5.9.8 The vendor will concentrate on the below twelve (12) controls out of total number of controls (65-70) for the SSP:
      - 3.5.9.8.1 Physical and Environmental Protection (PE)
      - 3.5.9.8.2 Media Protection (MP)
      - 3.5.9.8.3 System Communications Protection (SC)
      - 3.5.9.8.4 Maintenance (MA)
      - 3.5.9.8.5 Contingency Planning (CP) as it applies to Disaster Recovery, etc.
      - 3.5.9.8.6 Risk Assessment (RA) questions in RA-5 (Vulnerability Scanning)
      - 3.5.9.8.7 Incident Response (IR) question IR-6 (Incident Reporting)
      - 3.5.9.8.8 Personnel Security (PS) questions in PS-7(Third Party Personnel Scanning)
      - 3.5.9.8.9 Access Control (AC)

- 3.5.9.8.10 Audit and Accountability (AU)
- 3.5.9.8.11 Identification and Authentication (IA)
- 3.5.9.9 The Static Code Analysis will satisfy the Contract concerning SA-11 which can be done by scanning the source code and working with the development team.
- 3.5.9.10 The MS Azure Security Center provides Vulnerability Scanning of Servers which will be leveraged for Control RA-5.

**4.0 WORK and DELIVERABLES:**

- 4.1 Deliverables will not be considered complete until the DTMB Program Manager and MDHHS Agency Business Owner formally accept them.
- 4.2 Changes to the below schedule will be managed by the established Project Change Request approval process.
- 4.3 Supporting Documentation
  - 4.3.1 Contractor will provide documented and approved DCW system Requirements documentation in accordance with the SOM State Unified Information Technology Environment (SUITE) standard.
  - 4.3.2 Contractor will provide documented and approved DCW system Design documentation in accordance with the SOM SUITE standard.
  - 4.3.3 Contractor will provide documented and approved Testing Plans with Test Cases along with evidence for passing each Requirement as specified in the DCW Requirements documentation in accordance with the SUITE standard.
  - 4.3.4 Contractor must provide the evidence for the application performance in production environment before and after initial Go-Live. The evidence should be a report from an Enterprise Monitoring tool which contractor can choose and a live demonstration for load testing with simulation of active users based on a predetermined user volume that is defined during requirements gathering.
  - 4.3.5 Contractor will provide documented and approved DCW system Implementation documentation in accordance with the SUITE standard.
  - 4.3.6 Contractor will provide documentation to support the implementation, including: Field Specifications document, Business Requirements documents, Unit Testing documents, System Integration Testing documents, User Acceptance Testing documents and DCW User Manual in accordance with the SOM SUITE standard.
- 4.4 Non-Functional Requirements:
  - 4.4.1 The Recovery Time Objective (RTO) for the DCW system must align with the current AIS RTO.
  - 4.4.2 The Recovery Point Objective (RPO) or maximum data loss for the DCW system must align with the current AIS RPO.
  - 4.4.3 DTMB Business Analyst will work with knowledgeable Contractor staff in completing the System Security Plan (SSP) which is necessary to obtain an Authority to Operate (ATO) or at a minimum a Provisional ATO must be obtained.
  - 4.4.4 Procurement of software may be necessary for operations of the DCW application.

#	ACTIVIT Y	ACRO	STATE
1	Provide a quote for the Software components and their respective warranties for the DCW software needed.	R	I
2	Review and provide feedback on the quote (within 2 business days)	I	R
3	Based on the feedback, provide additional clarifications and updated quotes (if applicable)	R	I

4	Provide initial approval for the Software components, based on the quotes provided		R
5	Create a formal SOW and send to AASA for approval sign-off	R	
6	Sign-off on the Software components SOW	R	R
7	Initiate Software components procurement	R	
8	Verify receipt of Software components	R	I
9	Install Software components in staging environment and verify the application functionality	R	I
10	Release the DCW application for User Acceptance Testing	R	I
11	Validate the DCW application in staging environment	I	R
12	Address any issues identified in UAT	R	I
13	Provide UAT sign-off for final cutover	I	R
14	Install Software components in production environment and verify the DCW application	R	I
15	Perform 'Sanity' testing and approve Go-Live	I	R

I – Information Recipient R – Responsible Party

#### 4.5 Software Delivery:

- 4.5.1 All systems software releases or implementations must be thoroughly tested by the vendor and the business area prior to implementation. This testing must include:
- 4.5.1.1 Unit Testing – Contractor staff test each module or unit to ensure the software adheres to all applicable DCW requirements.
  - 4.5.1.2 System Integration Testing – Contractor staff test the entire system to ensure all integrations work properly and the DCW system adheres to all requirements. This testing must be documented to verify all requirements identified in the approved Business Requirements document have been met.
  - 4.5.1.3 User Acceptance Testing – Contractor assists the DCW Business Area in testing the application and resolving any defects to ensure the DCW system meets all the requirements identified in the approved Business Requirements document.
  - 4.5.1.4 Post Implementation Testing – Contractor in conjunction with the DCW Business Area test the system, post-implementation to confirm it is functioning properly in the production environment.

#### 5.0 ACCEPTANCE CRITERIA:

- 5.1 Contractor Project Manager is responsible for quality assurance of all submitted deliverables to the SOM.
- 5.2 Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
- 5.3 Draft documents are not accepted as final deliverable.
- 5.4 DHHS will review business documents within 5 days of receipt. Approvals will be written and signed by DHHS. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.5 DHHS and DTMB will review technical documents within 5 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the

Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.

- 5.6 DHHS and DTMB will review project documents within 5 days of receipt. Approvals will be written and signed by DHHS, the Contractor and DTMB. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 10 days of receipt.
- 5.7 DHHS Completion Criteria
  - 5.7.1 Completion criteria will be based on the signoff by the Project Sponsor and the DTMB Program Manager on project deliverables that conform to the specifications and agreed upon standards. The DHHS Team shall review and test the DCW against the specifications. Signoff on all of the UAT Test Cases and Post Implementation Testing shall construe system acceptance.
- 5.8 Reviews and Approvals
  - 5.8.1 All specification and design documents will have to be reviewed and approved by the DHHS Project Sponsor and DTMB Program Manager. The project schedule will identify the duration of the review and approval timeline. DHHS should provide necessary signoff as soon as the Contractor has resolved the issues to the satisfaction of DHHS.
- 5.9 Acceptance Testing
  - 5.9.1 The DHHS Team will review and test the application against the specifications to ensure that the developed interfaces meet the defined specification. The activity will be independently carried out by DHHS personnel. The Contractor may assist DHHS to answer any queries and fix any problems. The schedule will identify the duration of acceptance testing in the timeline. If DHHS finds problems/issues with the DCW system, the problems need to be reported to the Contractor Project Manager.
- 5.10 Software Deliverables for the DCW system will adhere to the same requirements as the “Software Deliverables” section of the current AIS contract.
- 5.11 Service deliverables for the DCW system will adhere to the same requirements as the current AIS contract.
- 5.12 Final Acceptance:
  - 5.12.1 All documents, software and services are delivered and accepted by DHHS in accordance with the requirements of this Contract Change Notice.
  - 5.12.2 For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.
  - 5.12.3 The Contractor will warrant the software for a period of 6 months after the go-live and assist DHHS during that period to fix problems related to the code. Any such identified problems need to be reported to the Contractor Project Manager.
  - 5.12.4 All bills related to this contract have been submitted and approved for payment.

## **6.0 PROJECT CONTROL AND REPORTS:**

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

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

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

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

## **7.0 SPECIFIC DEPARTMENT STANDARDS:**

**7.1** All software items provided by the contractor must be ADA complaint and adhere to the SOM look and feel – The state is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted a formal policy regarding accessibility requirement of the software applications. For AppExchange/SAAS partners, the state requires that software applications conform, where relevant to level AA of providers PAAS Services. The SOM reserves a right to have ADA compliance validated by the E-Michigan team. DTMB form 3533 must be completed and approved including the development prior to Go-Live. DTMB resources will assist in completion of the DTMB-3533 form.

**SOM Application/Site Standards:**

[www.michigan.gov/standards](http://www.michigan.gov/standards)

**SOM Application/ADA Standards:**

[http://www.michigan.gov/documents/dmb/1650.00\\_209567\\_7.pdf?20151026134621](http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621)

## **8.0 ISSUE MANAGEMENT:**

**8.1** An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget. The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

8.1.1 Description of issue

8.1.2 Issue identification date

8.1.3 Responsibility for resolving issue.

8.1.4 Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)

8.1.5 Resources assigned responsibility for resolution

8.1.6 Resolution date

8.1.7 Resolution description

## **9.0 CHANGE AND RELEASE MANAGEMENT (CRM):**

**9.1** The purpose of the Change and Release Management is to ensure that standardized methods and procedures are used for efficient and prompt handling of all Information Technology (IT) changes, within the State of Michigan (SOM). In addition to this, the DTMB Change Management Center of Excellence (CMCoE) has implemented Release Management processes to help ensure that DTMB and its stake holders can meet audit requirements:

**9.1.1 Vendor Partners Responsibilities:** Vendor must comply with DTMB Change & Release Management (CRM) policies before implementing every release. This includes providing release tickets for each release and submitting all System Engineering Methodology (SEM) equivalent documents as per Change Management Center of Excellence (CMCoE) check list. The documents can be in the contractors Project Management Methodology (PMM). After the Business Owner signs off the documents and approves the implementation timeframes, the DTMB Business Analyst will create and initiate the RFC process.

**9.2 DTMB process for Vendor managed applications can be found here:**

- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

**9.3 DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:**

- A sample CMCoE checklist is available to the vendor partner upon request.

**9.4 DTMB Responsibilities:** DTMB Business Analyst Resource will be responsible to review the SEM or equivalent documents from vendor for each release and complete the CMCoE check list. The DTMB resource will be responsible to follow the RFC process for Approvals and notifications as specified in the below documents.

9.4.1 DTMB Process for Vendor supported applications:

- [https://www.michigan.gov/dtmb/0,5552,7-358-82547\\_56579\\_56755---,00.html](https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html)

9.4.2 DTMB CMCoE Check list documents the adherence of the SEM process and is completed by DTMB staff with the assistance of the vendor partner:

- A sample CMCoE checklist is available to the vendor partner upon request.

## **10.0 PAYMENT SCHEDULE:**

**10.1** Payment will be made on satisfactory acceptance of each of the milestones listed in the Task/Deliverable column of the table in Section 16. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect the actual milestone(s) completed and must be approved by the Agency and DTMB Project Manager prior to payment. When invoicing for a milestone, the invoice amount must not exceed the amount listed in the "Total Payment" column of the table in Section 16. Warranty Support of Software will be paid upon implementation.

**10.2** Payment for Hosting/Storage and Licensing will be made when the costs are incurred, and Payment for System Security Plan (SSP) review work will be made on an hourly basis. The total amount invoiced for Hosting/Storage, Licensing and SSP costs cannot exceed the project totals per category listed in the Pricing table in Section 17. DTMB will pay the Contractor upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect the actual usage incurred during the invoice period and must be approved by the Agency and DTMB Project Manager prior to payment.

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

## **11.0 EXPENSES:**

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

## **12.0 PROJECT CONTACTS:**

The designated Agency Program Manager

is: Scott Wamsley

Michigan Department of Health and Human Services  
Aging and Adult  
Services (517) 241-0624  
WamsleyS@michigan.gov

The designated DTMB Program Manager is:

John Moore  
Michigan Department of Technology, Management and Budget  
Agency Services supporting Medicaid  
(517) 242-1075  
[MooreJ7@michigan.gov](mailto:MooreJ7@michigan.gov)

The Contractor Project Manager is:

Vishwas Tare  
ACRO Service  
Corp (734)632-  
4265  
vtare@acrocorp.com

**13.0 LOCATION OF WHERE THE WORK IS TO BE PERFORMED:**

**13.1** Contractor staff will primarily work from Contractor's offices and facilities. Occasionally Contractor on-site support may be required within the SOM Lansing, Michigan offices and facilities and will be mutually agreed between the Contractor and the DTMB Program Manager. As defined within the Contract section 2.080, SOM offices and facilities are subject to availability and Contractor personnel may be assigned office space to be shared with State personnel.

**14.0 EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:**

**14.1** Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing. No overtime will be permitted

**15.0 CONTRACTOR STAFF, ROLES AND RESPONSIBILITIES:**

**15.1** The Contractor will Identify the staff who will be involved in this project and describe in detail their roles and responsibilities.

**15.2** The Contractor will commit that staff identified will perform the assigned work. And if there are any changes will notify both DTMB and AASA.

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

15.3.1 Supporting the management of the Contract.

15.3.2 Facilitating Issue resolution

15.3.3 Advising the State of performance under the terms and conditions of the Contract.

Staff	Role	Responsibility
	Program Manager	Project Implementation (Project Management, Client Engagement, Project Resources)
	Business Analyst	Project Implementation (Business Requirement Gathering, Project Management)
	Lead Developer	Enable quality and timely customer project delivery through guidance and mentoring of the other developers and enforces development best practices. Lead is the main contact for communication with the product team and



		be expected to perform IT support tasks as needed.
	DCW Project Manager	Project Manager for the AIS systems.

**15.4 DTMB and MDHHS–AASA ROLES AND RESPONSIBILITIES:**

Role	Responsibility	Agency
Agency Business Owner (User Point of Contact (POC)) (AKA Product Owner)	<ul style="list-style-type: none"> <li>Is the authorized approver for all application changes</li> <li>Represents MDHHS as the single POC for application changes unless otherwise noted in SEM-301 (Maintenance Plan) and SEM 0931 (System Maintenance Document) or equivalent documents.</li> <li>Approves the results of User Acceptance Testing.</li> </ul>	MDHHS/AASA
User Acceptance Tester	<ul style="list-style-type: none"> <li>Performs User Acceptance Testing based on the documented plan</li> <li>Cannot be performed by the developer/Business Analyst of the change.</li> </ul>	MDHHS/AASA
DTMB Program Manager	<ul style="list-style-type: none"> <li>Represents DTMB as the POC for project level execution and approvals.</li> </ul>	DTMB
Project Manager	<ul style="list-style-type: none"> <li>Coordinates with the business leadership team and Contractor project team to ensure overall project success.</li> </ul>	DTMB
DTMB- Technical Owner/User Point of Contact (POC)	<ul style="list-style-type: none"> <li>Represents DTMB as the single POC for project assignments.</li> <li>Coordinates with Agency business leads.</li> </ul>	DTMB
Quality Analysts/Business Analysts	<ul style="list-style-type: none"> <li>Define business requirements, maintain PMM documentation, complete QA testing, and analyze data.</li> <li>Review deliverables from a QA perspective. Provide guidance and assistance on process matters.</li> <li>Coordinate Requirements Gathering sessions, Document Requirements and Design SEM documents.</li> <li>Perform Unit Testing, System Testing, E2E testing and coordinate UAT testing.</li> <li>Create RFC's and performs change builder roles.</li> </ul>	DTMB
Solutions Architect	<ul style="list-style-type: none"> <li>Develops, Designs and Supports system architecture for SOM system integration.</li> </ul>	<i>DTMB</i>

**15.5 WEB or HYPERLINKS:**

**15.5.1** In the event Contractor is unable to access or view any of the web links (also known as hyperlinks) contained within this Contract, Contractor must promptly notify the DTMB Project Manager. An inaccessible or non-working web link will not excuse the Contractor of its duties and obligations under this Contract. Contractor is responsible for ensuring its personnel and/or subcontractors have reviewed all State and DTMB policies under this contract.

**15.6 ENTIRE AGREEMENT:**

**15.6.1** This SOW, together with the existing Contract, constitutes the Parties' complete and exclusive statement regarding work requirements and procedures. Apart from the amendments made in this SOW, all Contract terms and conditions must remain in full force and effect.

**16.0 PROJECT PLAN:**

Tasks & Deliverables	Requirements	Anticipated Start Date	Anticipated Completion	Contractor Staff	Role	Hours	Rat	Total	Acceptance /Signoff	Total Payment
Task I	Project Plan Schedule	6/ 1/ 2021	6/ 7/ 2021	Project Manager	Project Planning & Scheduling	40	\$ 85.00	\$ 3,400.00	State PM & Project Sponsor	\$ 5,280.00
				Program Manager		12	\$ 110.00	\$ 1,320.00		
Planning				Technical Lead		8	\$ 70.00	\$ 560.00		
Task II	Business Requirements Documentation	6/ 8/ 2021	6/ 30/ 2021	System Analyst	Document Requirement s, Develop Stories	80	\$ 70.00	\$ 5,600.00	State PM & Project Sponsor	\$ 12,900.00
				Project Manager		60	\$ 85.00	\$ 5,100.00		
System Analysis				Program Manager		20	\$ 110.00	\$ 2,200.00		
Task III	Functional & Technical Design Documentation	7/ 1/ 2021	7/ 23/ 2021	Technical Lead	Technical System Architecture	80	\$ 70.00	\$ 5,600.00	State PM & Project Sponsor	\$ 11,620.00
Design				Programmer	Design User Interfaces	37	\$ 60.00	\$ 2,220.00		
				Project Manager	Project Management	24	\$ 85.00	\$ 2,040.00		
				Program Manager	Program Management	16	\$ 110.00	\$ 1,760.00		
Task IV	Development and Syst em Test ing	7/ 26/ 2021	9/10/2021	Programmer	Code development	440	\$ 60.00	\$ 26,400.00	State PM & Project Sponsor	\$ 50,900.00
Development & Test ing				Test er	Syst em Test ing	160	\$ 55.00	\$ 8,800.00		
				Technical Lead	Technical Review/ Configuration/ Deployment s	120	\$ 70.00	\$ 8,400.00		
				Project Manager	Project Management	60	\$ 85.00	\$ 5,100.00		
				Project Manager	Program Management	20	\$ 110.00	\$ 2,200.00		
Task V	AASA User Training	9/ 6/ 2021	9/17/2021	System Analyst	User Manual	40	\$ 70.00	\$ 2,800.00	State PM & Project Sponsor	\$ 4,500.00
User Training					User Training					
				Project Manager	Project Management	20	\$ 85.00	\$ 1,700.00		
Task VI	User Acceptance Testing support	9/ 20/ 2021	9/ 24/ 2021	Technical Lead	UAT Deployment	40	\$ 70.00	\$ 2,800.00	State PM & Project Sponsor	\$ 6,200.00
UAT				Project Manager	User Acceptance Testing support	40	\$ 85.00	\$ 3,400.00		
Task VII	Deployment of Accept ed Environment to Product ion	9/ 27/ 2021	9/ 30/ 2021	Technical Lead	Prod Deployment	32	\$ 70.00	\$ 2,240.00	State PM & Project Sponsor	\$ 3,600.00
Deployment				Project Manager	Project Management	16	\$ 85.00	\$ 1,360.00		
Task VIII	Warranty Support of Software (6 months)	10/ 1/ 2021	3/ 31/ 2022	Support	Warranty Support	300	\$ 50.00	\$ 15,000.00	State PM & Project Sponsor	\$ 15,000.00
<b>T O T A L</b>								<b>\$110,000.00</b>		<b>\$ 110,000.00</b>

**17.0 PRICING TABLE**

<b>DCW PRICING TABLE</b>					
<b>PHASE</b>	<b>DURATION</b>		<b>EXPENSE TYPE</b>	<b>DESCRIPTION</b>	<b>TOTAL COST</b>
Development	6/1/2021	9/30/2021	Project Hosting and Storage	Azure Hosting cost, SSL Certificates, SocketLabs, Cloudflare Web Application Firewall	\$ 25,160.00
			Licenses	3rd Party Tools - Address Search Service, Cross Browser Testing, ADA Testing, IP to Location Database	\$ 5,700.00
			Vendor Services	Requirements, Design, Development, Testing, Training & Deployment	\$ 95,000.00
M & O	6/1/2021	9/30/2021	Vendor Services	SSP Review (AIS, DCW)	\$ 79,920.00
Warranty	10/1/2021	3/31/2022	Vendor Services	Warranty Support for Six months (Total Warranty hours not to exceed 300 hours)	\$ 15,000.00
				<b>Sub-Total</b>	<b>\$ 220,780.00</b>
<b>Recurring Costs</b>					
M & O	10/1/2021	9/30/2022	Project Hosting and Storage	Azure Hosting cost, SSL Certificates, SocketLabs, Cloudflare Web Application Firewall	\$ 29,360.00
			Licenses	3rd Party Tools - Address Search Service, Cross Browser Testing, ADA Testing, IP to Location Database	\$ 4,800.00
			Vendor Services	Bug Fixes, User Support (Total M & O hours not to exceed 600 hours annually)	\$ 30,000.00
				<b>Sub-Total</b>	<b>\$ 64,160.00</b>
				<b>GRAND TOTAL</b>	<b>\$ 284,940.00</b>



**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 **2**  
 to  
 Contract Number **18000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road, Suite 250
	Livonia, MI 48152
	RV Rao
	734-591-1100 x 4318
	rvrao@acrocorp.com
	CV0028426

<b>Program Manager</b>	John Moore	DTMB
	517-241-3228	
moorej7@michigan.gov		
<b>Contract Administrator</b>	Jennifer May	DTMB
	517-242-6664	
	mayj7@michigan.gov	

**CONTRACT SUMMARY**

**AGING INFORMATION SYSTEM**

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

**DESCRIPTION OF CHANGE NOTICE**

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,874,453.00	\$0.00	\$2,874,453.00		

**DESCRIPTION**

Effective 10/1/2020, the pricing table (Attachment A) for this contract is hereby revised and fully restated to reflect reprioritization of existing work on the contract, moving required server migration to option years. This is a zero dollar change.

Please note the contract administrator has been changed to Jennifer May.

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

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov

## Attachment A

### REVISED AND FULLY RESTATED COST TABLE 1

The contractor will continue providing Hosting and technical support for all existing AIS software applications and websites. All ongoing technical support and scope of work deliverables contained within this Contract will be provided.

*Updated pricing table to reflect customer reprioritization of work on the existing contract, thereby moving required server migration to Option years.  
Contract value unchanged.*

	Total Hosting and Maintenance	Technical Consulting/Support, and End User Support (Fixed Hourly Rate, Est. Hrs. 840/Yr.)	Enhancements (Fixed Hourly Blended Rate, Est. Hrs. 7300/Yr.)	Total Annual
Year 1: 10/1/2017 – 9/30/2018	\$65,880.00	\$13,620.00	\$379,230.37	\$458,730.37
Year 2: 10/1/2018-9/30/2019	\$65,510.00	\$10,700.00	\$426,322.20	\$502,532.20
Year 3: 10/1/2019-9/30/2020	\$63,660.00	\$15,840.00	\$538,305.23	\$617,805.23
<b>Total Base</b>	<b>\$195,050.00</b>	<b>\$40,160.00</b>	<b>\$1,343,857.80</b>	<b>\$1,579,067.80</b>
Year 4: (Option) 10/1/2020 – 9/30/2021	\$154,517.00	\$33,600.00	\$438,000.00	\$626,117.00
Year 5: (Option) 10/1/2021- 9/30/2022	\$154,517.00	\$33,600.00	\$481,151.20	\$669,268.20
<b>Total Option</b>	<b>\$309,034.00</b>	<b>\$67,200.00</b>	<b>\$919,151.20</b>	<b>\$1,295,385.20</b>
			<b>Total Contract</b>	<b>\$2,874,453.00</b>

**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 **1**  
 to  
 Contract Number **17118000000010**

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road , Suite 250
	Livonia, MI 48152
	RV Rao
	734-591-1100 x 4318
	rvrao@acrocorp.com
	CV0028426

<b>STATE</b>	Program Manager	Various	MDHHS
	Contract Administrator	Jarrod Barron	DTMB
		(517) 249-0406 barronj1@michigan.gov	

**CONTRACT SUMMARY**

<b>AGING INFORMATION SYSTEM</b>			
<b>INITIAL EFFECTIVE DATE</b>	<b>INITIAL EXPIRATION DATE</b>	<b>INITIAL AVAILABLE OPTIONS</b>	<b>EXPIRATION DATE BEFORE</b>
October 1, 2017	September 30, 2020	2 - 1 Year	September 30, 2020
<b>PAYMENT TERMS</b>		<b>DELIVERY TIMEFRAME</b>	
<b>ALTERNATE PAYMENT OPTIONS</b>			<b>EXTENDED PURCHASING</b>
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**

**DESCRIPTION OF CHANGE NOTICE**

<b>OPTION</b>	<b>LENGTH OF OPTION</b>	<b>EXTENSION</b>	<b>LENGTH OF EXTENSION</b>	<b>REVISED EXP. DATE</b>
<input checked="" type="checkbox"/>	2 Years	<input type="checkbox"/>		September 30, 2022
<b>CURRENT VALUE</b>	<b>VALUE OF CHANGE NOTICE</b>	<b>ESTIMATED AGGREGATE CONTRACT VALUE</b>		
\$1,743,835.00	\$1,130,618.00	\$2,874,453.00		

**DESCRIPTION**

Effective 8/1/2019, the State exercises the two remaining option years and adds \$1,130,618.00 to cover costs through 9/30/2022. The parties also revise and fully restate Cost Table 1 (Consolidated Pricing) to reflect reducing rates for monthly security analysis, offsite data backup and disaster recover site each by 5%. See attached documentation for further detail. All other terms, conditions, specifications and pricing remain the same. Per vendor, agency, DTMB Procurement and State Administrative Board approval on 9/12/2019.

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

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
DTMB	John Moore	517-241-3228	moorej7@michigan.gov
MDHHS	Scott Wamsley	517-284-0161	wamsleys@michigan.gov





**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

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **171 180000000010 Revised for SIGMA**

between

THE STATE OF MICHIGAN

and

<b>CONTRACTOR</b>	ACRO SERVICE CORP
	39209 West Six Mile Road, Suite 250
	Livonia, MI 48152
	RV. Rao
	(734) 591-1100 ext. 4318
	rvrao@acrocorp.com
	3629

<b>STATE</b>	Program Manager	Kim Koppsch-Woods	DTMB
		(517) 241-3314	
		Koppsch-WoodsK@michigan.gov	
<b>STATE</b>	Contract Administrator	Simon Baldwin	DTMB
		(517) 284-6997	
		BaldwinS@michigan.gov	

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION: AGING INFORMATION SYSTEM</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
October 1, 2017	September 30, 2020	2 1-Year	September 30, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$1,743,835.00</b>



**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

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **071B7700164**

between  
THE STATE OF MICHIGAN  
and

**CONTRACTOR**  
ACRO SERVICE CORP  
39209 West Six Mile Road, Suite 250  
Livonia, MI 48152  
RV. Rao  
(734) 591-1100 ext. 4318  
rvrao@acrocorp.com  
3629

**STATE**  
Program Manager  
Kim Koppsch-Woods DTMB  
(517) 241-3314  
Koppsch-WoodsK@michigan.gov  
Contract Administrator  
Simon Baldwin DTMB  
(517) 284-6997  
BaldwinS@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: AGING INFORMATION SYSTEM			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
October 1, 2017	September 30, 2020	2 1-Year	September 30, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$1,743,835.00</b>



# STATE OF MICHIGAN

## CONTRACT TERMS

This SOFTWARE CONTRACT (this “**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Acro Service Corp (“**Contractor**”), a Michigan Corporation. This Contract is effective on October 1, 2017 (“**Effective Date**”), and unless earlier terminated, will expire on September 30, 2020 (the “**Term**”).

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

The parties agree as follows:

**1. Definitions.** For purposes of this Contract, the following terms have the following meanings:

“**Acceptance**” has the meaning set forth in **Section 10.5**.

“**Acceptance Tests**” means such tests as may be conducted in accordance with **Section 10** and the applicable Statement of Work to determine whether a Software Deliverable meets the requirements of this Contract and the Specifications and Documentation.

“**Affiliate**” means any entity which directly or indirectly controls, is controlled by or is under common control of Contractor. The term “control” means the possession of the power to direct or cause the direction of the management and the policies of an entity, whether through the ownership of a majority of the outstanding voting rights or by contract or otherwise.

“**Allegedly Infringing Materials**” has the meaning set forth in **Section 19.3(b)(ii)**.

“**Application Software**” means the custom developed Aging Information System applications owned by the State (listed in Schedule A, Contract Statement of Work, and any subsequent Statement of Work or Change Notice to this Contract) and administered by the Aging & Adult Services Agency under the Michigan Department of Health & Human Services.

“**Approved Open-Source Components**” means Open-Source Components that the State has approved to be included in or used in connection with any Software Deliverable developed or provided under this Contract, and are specifically identified in the applicable Statement of Work.

**“Approved Third-Party Materials”** means Third-Party Materials that the State has approved to be included in or for use in connection with any Software Deliverable developed or provided under this Contract, and are specifically identified in the applicable Statement of Work.

**“Business Day”** means a day other than a Saturday, Sunday, State holiday or other day on which the State is authorized or required by Law to be closed for business.

**“Business Owner”** is the individual appointed by the end-user agency to (a) act as such agency’s representative in all matters relating to the Contract, and (b) co-sign off on the State’s notice of Acceptance for all Software Deliverables. The Business Owner will be identified in the Contract Statement of Work.

**“Business Requirements Specification”** means the specifications setting forth the State’s business requirements regarding the features and functionality of a Software Deliverable, as set forth in the applicable Statement of Work.

**“Change”** has the meaning set forth in **Section 4**.

**“Change Notice”** has the meaning set forth in **Section 4(b)**.

**“Change Proposal”** has the meaning set forth in **Section 4(a)**.

**“Change Request”** has the meaning set forth in **Section 4**.

**“Confidential Information”** has the meaning set forth in **Section 23.1**.

**“Contract”** has the meaning set forth in the preamble.

**“Contract Administrator”** is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract. Each party’s Contract Administrator will be identified in the Contract Statement of Work.

**“Contract Statement of Work”** means the statement of work detailing the Services and Deliverables that Contractor will provide to the State, which is attached as **Schedule A** to this Contract, including any Exhibits attached thereto.

**“Contractor”** has the meaning set forth in the preamble.

**“Contractor’s Bid Response”** means the Contractor’s proposal submitted in response to the RFP.

**“Contractor Personnel”** means all employees of Contractor or any Permitted Subcontractors involved in the performance of Services or providing Work Product under this Contract.

**“Deliverables”** means all Software Deliverables and all other reports, documents, Work Product, and other materials that Contractor is required to or otherwise does provide to the State

under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Contract Statement of Work and any Engagement Statement of Work.

**“Derivative Work”** means any modification, addition, upgrade, update, or improvement of the Application Software and any other work constituting a derivative work under the United States Copyright Act, 17 U.S.C. Section 101, *et seq.*

**“Dispute Resolution Procedure”** means the procedure for resolving disputes under this Contract as set forth in **Section 29**.

**“Documentation”** means 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 a Software Deliverable.

**“DTMB”** means the Michigan Department of Technology, Management and Budget.

**“Effective Date”** has the meaning set forth in the preamble.

**“Engagement Statement of Work”** means a separately executed statement of work, entered into by the parties pursuant to the change control process set forth in **Section 4**, which sets forth the delivery of specified Software Deliverables and related Services to upgrade and enhance the Application Software, including any Exhibits attached thereto.

**“Fees”** means the fees that the State is obligated to pay Contractor under the Contract Statement of Work and any applicable Engagement Statement of Work, and the Pricing Schedule.

**“Financial Audit Period”** has the meaning set forth in **Section 27.1**.

**“Harmful 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 the Application Software or any Software Deliverable.

**“HIPAA”** has the meaning set forth in **Section 22.1**.

**“Hosting and Support Schedule”** means the schedule attached as **Schedule B**, setting forth the Hosting and Support Services, and the parties’ additional rights and obligations with respect to such Services.

**“Hosting and Support Services”** means the Infrastructure Services, hosting, backup, disaster recovery, security, support services, and other related services that Contractor is required to or otherwise does provide under this Contract, any applicable Statement of Work, and as set forth in the Hosting and Support Schedule.

**“Infrastructure Services”** means the Microsoft Azure Government Cloud infrastructure.

**“Infrastructure Services Provider”** means Microsoft Corporation.

**“Implementation Plan”** means the section or schedule included in the applicable Statement of Work setting forth the sequence of events for the performance of Services, including but not limited to the Milestones and Milestone Dates for Software Deliverables.

**“Intellectual Property Rights”** means 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 associated goodwill; (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.

**“Key Personnel”** means any Contractor Personnel identified as key personnel in the Contract Statement of Work or an applicable Engagement Statement of Work.

**“Law”** means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any federal, state, local or foreign government or political subdivision thereof, or any arbitrator, court, or tribunal of competent jurisdiction.

**“Milestone”** means an event or task described in the Implementation Plan under the applicable Statement of Work that must be completed by the corresponding Milestone Date.

**“Milestone Date”** means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under the applicable Statement of Work.

**“Non-Conformity”** means any failure of any Software Deliverable or Documentation to conform to the requirements of this Contract, including the Specifications set forth in the applicable Statement of Work.

**“Object Code”** means computer programs assembled or compiled in magnetic or electronic binary form on software media, which are readable and useable by machines, but not generally readable by humans without reverse assembly, reverse compiling, or reverse engineering.

**“Open-Source Components”** means any software component that is subject to any open-source copyright license contract, including any GNU General Public License or GNU Library or Lesser Public License, or other license contract that substantially conforms to the Open Source Initiative’s definition of “open source” or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

**“Open-Source License”** has the meaning set forth in **Section 5.3**.

**“Operating Environment”** means, collectively, the platform and environment and conditions on, in, or under which the Application Software is intended to be installed and operate, as set forth in the Contract Statement of Work and the Hosting and Support Schedule, including but not limited to the Infrastructure Services.

**“Permitted Subcontractor”** has the meaning set forth in **Section 7.5**.

**“Person”** means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association, or other entity.

**“Process”** means to perform any operation or set of operations on any data, information, material, work, expression or other content, including to (a) collect, receive, input, upload, download, record, reproduce, store, organize, combine, log, catalog, cross-reference, manage, maintain, copy, adapt, alter, translate or make other improvements or derivative works, (b) process, retrieve, output, consult, use, disseminate, transmit, submit, post, transfer, disclose or otherwise provide or make available, or (c) block, erase or destroy. **“Processing”** and **“Processed”** have correlative meanings.

**“Project Manager”** is the individual appointed by each party to (a) monitor and coordinate the day-to-day activities of this Contract, and (b) in the case of the State, co-sign off on its notice of Acceptance for all Software Deliverables. Each party’s Project Manager will be identified in the Contract Statement of Work.

**“Representatives”** means a party’s employees, officers, directors, consultants, legal advisors, and Permitted Subcontractors.

**“RFP”** means the State’s request for proposal designed to solicit responses for Services under this Contract.

**“Service Credits”** means the Service Availability Credits and the Service Level Credits that may be assessed under the Hosting and Support Schedule.

**“Services”** means any of the services Contractor is required to or otherwise does provide under this Contract, the Contract Statement of Work, any Engagement Statement of Work, or the Hosting and Support Schedule.

“**Site**” means the physical location designated by the State for delivery and installation of any Software Deliverable.

“**Software Deliverable**” means the migration of the Application Software to the Operating Environment and any enhancement or upgrade to the Application Software, including programming tools, scripts and routines, Contractor is required to or otherwise does develop or otherwise provide under an applicable Statement of Work, together with its Documentation.

“**Source Code**” means the human readable source code of the software to which it relates, in the programming language in which such software was written, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, operate, support, maintain and develop modifications, upgrades, updates, enhancements, improvements and new versions of, and to develop computer programs compatible with, the Application Software.

“**Specifications**” means, for any Software Deliverable, the specifications collectively set forth in the Business Requirements Specification and Technical Specification.

“**State**” means the State of Michigan.

“**State Data**” has the meaning set forth in **Section 22.1**.

“**State Materials**” means all materials and information, including software, hardware, documents, data, know-how, ideas, methodologies, specifications, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract.

“**State Resources**” has the meaning set forth in **Section 8.1**.

“**Statement of Work**” means the Contract Statement of Work or any Engagement Statement of Work entered into by the parties and attached as a schedule to this Contract. All references to “the applicable Statement of Work” shall mean “the Contract Statement of Work or the applicable Engagement Statement of Work”.

“**Stop Work Order**” has the meaning set forth in **Section 17**.

“**System Software**” means the Third-Party software (such as Microsoft Windows and SQL) required to make the hosting environment suitable for hosting the Application Software.

“**Technical Specification**” means, with respect to any Software Deliverable, the document setting forth the technical specifications for such Software Deliverable and included in the applicable Engagement Statement of Work.



“**Term**” has the meaning set forth in the preamble.

“**Testing Period**” has the meaning set forth in **Section 10.1**.

“**Third Party**” means any Person other than the State or Contractor.

“**Third-Party Materials**” means any materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content, and technology, in any form or media, in which any Person other than the State or Contractor owns any Intellectual Property Right, but excluding Open-Source Components.

“**Transition Period**” has the meaning set forth in **Section 16.3**.

“**Transition Responsibilities**” has the meaning set forth in **Section 16.3**.

“**Unauthorized Removal**” has the meaning set forth in **Section 7.4(b)**.

“**Unauthorized Removal Credit**” has the meaning set forth in **Section 7.4(c)**.

“**User Data**” means all data, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, processed, generated or output by any device, system or network by or on behalf of the State, including any and all works, inventions, data, analyses and other information and materials resulting from any use of the Application Software by or on behalf of the State under this Contract, except that User Data does not include the Application Software or data, information or content, including any GUI, audio, visual or digital or other display or output, that is generated automatically upon executing the Application Software without additional user input.

“**Warranty Period**” means the ninety (90) calendar-day period of time commencing on the date of the State’s Acceptance of any Software Deliverable for the Application Software.

“**Work Product**” means the Application Software and Derivative Works thereof, all Software Deliverables, Documentation, Specifications, and other documents, work product and related materials, that Contractor is required to, or otherwise does, provide to the State under this Contract, together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

**2. Statement of Work.** Contractor shall provide Hosting, Services, and Deliverables pursuant to the Statement of Work and the Hosting and Support Schedule entered into under this Contract. The terms and conditions of this Contract will apply at all times to the Statement of Work and the Hosting and Support Schedule.

**2.1 Hosting and Support Services.** Contractor shall provide the following Hosting and Support Services:

(a) the provision and management of an Operating Environment for the hosting of the Application Software as set forth in the Hosting and Support Schedule;

(b) the hosting, management and operation of the System Software, Application Software, and other services for remote electronic access and use by the State as set forth in the Hosting and Support Schedule;

(c) the software support services set forth in the Hosting and Support Schedule;

(d) the necessary security set forth in the Hosting and Support Schedule; and

(e) the disaster recovery and backup services set forth in the Hosting and Support Schedule.

**2.2 Implementation.** Contractor will install, migrate, and otherwise make fully operational the Application Software in the Operating Environment on or prior to the applicable Milestone Date in accordance with the criteria set forth in the Contract Statement of Work.

**3. Engagement Statements of Work.** The State may request Contractor to develop and implement Software Deliverables through the Change Control Process set forth in **Section 4** below. Contractor shall provide any Software Deliverables pursuant to an Engagement Statement of Work, signed by each party's Contract Administrator. The executed Engagement Statement of Work will be attached to the Contract as a Change Notice. The term of each Engagement Statement of Work shall commence on the parties' full execution and terminate when the parties have fully performed their obligations. Contractor acknowledges that time is of the essence with respect to Contractor's obligations under each Engagement Statement of Work and agrees that prompt and timely performance of all such obligations in accordance with this Contract and the Engagement Statement of Work (including the Implementation Plan and all Milestone Dates) is strictly required. All Services provided under an Engagement Statement of Work will be performed on a firm, fixed price basis. The terms and conditions of this Contract will apply at all times to any Engagement Statement of Work entered into by the parties, and the State shall have the right to terminate any Engagement Statement of Work as set forth in **Section 16**.

**3.1 Engagement Statement of Work Requirements.** Each Engagement Statement of Work will include the following:

(a) names and contact information for Contractor's Project Manager and Key Personnel;

(b) names and contact information for the State's Project Manager and Business Owner;

(c) a detailed description of the Software Deliverables and other Work Product to be developed or otherwise provided, including the:

- (i) Business Requirements Specification;
  - (ii) Technical Specification; and
  - (iii) a description of the Documentation to be provided;
- (d) an Implementation Plan, including all Milestones, the corresponding Milestone Dates and the parties' respective responsibilities under the Implementation Plan;
- (e) Fees payable to contractor for its Services, the due dates for payment and any invoicing requirements, including any Milestones on which any such Fees are conditioned, and such other information as the parties deem necessary;
- (f) disclosure of all Approved Third-Party Materials, Approved Open-Source Components (each identified on a separate exhibit to the Engagement Statement of Work), in each case accompanied by such related documents as may be required by this Contract;
- (g) description of all liquidated damages, if any, associated with timely performance of the Implementation Plan; and
- (h) a detailed description of all State Resources required to complete the Implementation Plan.

**4. Change Control Process.** The State may at any time request in writing (each, a “**Change Request**”) the following: (i) changes to the Services or Deliverables provided under the Contract Statement of Work and the Hosting and Support Schedule; or (ii) for development of enhancements to the Application Software pursuant to an Engagement Statement of Work (each, a “**Change**”). Upon the State’s submission of a Change Request, the parties will evaluate and implement all Changes in accordance with this **Section 4**.

(a) As soon as reasonably practicable, and in any case within twenty (20) Business Days following receipt of a Change Request, Contractor will provide the State with a detailed, written proposal for implementing the requested Change (“**Change Proposal**”), setting forth the Fees associated with such proposed Change.

(b) Within thirty (30) Business Days following the State’s receipt of a Change Proposal, the State will by written notice to Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, Contractor must modify and re-deliver the Change Proposal reflecting such modifications, or notify the State of any disagreement, in which event the parties will negotiate in good faith to resolve their disagreement. Upon the State’s approval of the Change Proposal or the parties’ agreement on all proposed modifications, as the case may be, the parties will execute a written agreement to the Change Proposal (“**Change Notice**”), which Change Notice will be signed by both parties’ Contract Administrator and will constitute an amendment to the Contract; and

(c) If the parties fail to enter into a Change Notice within fifteen (15) Business Days following the State's response to a Change Proposal, the State may, in its discretion:

- (i) require Contractor to perform the Services under the Contract Statement of Work without the Change;
- (ii) require Contractor to continue to negotiate a Change Notice;
- (iii) initiate a Dispute Resolution Procedure; or
- (iv) notwithstanding any provision to the contrary in the contract Statement of Work, terminate this Contract.

(d) No Change will be effective until the parties have executed a Change Notice. Except as the State may request in its Change Request or otherwise in writing, Contractor must continue to perform its obligations in accordance with the Contract Statement of Work pending negotiation and execution of a Change Notice. Contractor will use its best efforts to limit any delays or Fee increases from any Change to those necessary to perform the Change in accordance with the applicable Change Notice. Each party is responsible for its own costs and expenses of preparing, evaluating, negotiating, and otherwise processing any Change Request, Change Proposal, and Change Notice.

(e) The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Services as described in this Contract are considered part of the Services and, thus, will not be considered a Change. This includes the delivery of all Deliverables in accordance with their respective Specifications, and the diagnosis and correction of Non-Conformities discovered in Software Deliverables prior to their Acceptance by the State or, subsequent to their Acceptance by the State, as necessary for Contractor to fulfill its associated warranty requirements, if any, set forth in an Engagement Statement of Work.

(f) Contractor may, on its own initiative and at its own expense, prepare and submit its own Change Request to the State. However, the State will be under no obligation to approve or otherwise respond to a Change Request initiated by Contractor.

## **5. Software Deliverables.**

5.1 Software Specifications. Contractor will ensure all Software Deliverables comply with the Specifications. Contractor will provide all Software Deliverables to the State in both Object Code and Source Code form, where applicable.

### 5.2 Third-Party Materials.

(a) Contractor will not include in any Software Deliverable, and operation of all Software Deliverables in accordance with their Specifications and Documentation will not require, any Third-Party Materials, other than Approved Third-Party Materials, which must be specifically

approved by the State and identified and described in the applicable Engagement Statement of Work, and will be licensed to the State in accordance with **Section 15.2**.

(b) Contractor must secure, at its sole cost and expense, all necessary rights, licenses, consents, approvals, and authorizations necessary for the State to use, perpetually and throughout the universe, all Approved Third-Party Materials as incorporated in or otherwise used in conjunction with Software Deliverables as specified in the applicable Engagement Statement of Work or elsewhere in this Contract.

5.3 Open-Source Components. Contractor will not include in any Software Deliverable, and operation of all Software Deliverables in accordance with their Specifications and Documentation will not require the use of, any Open-Source Components, other than Approved Open-Source Components, which must be specifically approved by the State and identified and described in the applicable Engagement Statement of Work, and for which the relevant open-source license (each, an “**Open-Source License**”) are attached as exhibits to the Engagement Statement of Work. Contractor will provide the State with the Source Code for Approved Open-Source Components in accordance with the terms of the Open-Source License at no cost to the State.

**6. Documentation.** Prior to or concurrently with the delivery of any Software Deliverable, or by such earlier date as may be specified in the Implementation Plan for such Software Deliverable, Contractor will provide the State with complete and accurate Documentation for such Software Deliverable. Where the Engagement Statement of Work requires or permits delivery of a Software Deliverable in two or more phases, Contractor will also provide the State with integrated Documentation.

6.1 Adequacy of Documentation. All Documentation must include all such information as may be reasonably necessary for the effective installation, testing, use, support, and maintenance of the applicable Software Deliverable by the Intended User, including the effective configuration, integration, and systems administration of the Software Deliverable and performance of all other functions set forth in the Specifications.

6.2 Documentation Specifications. Contractor will provide all Documentation in both hard copy and electronic form, in such formats and media as are set forth in the Engagement Statement of Work, or as the State may otherwise reasonably request in writing.

6.3 Third-Party Documentation. Other than Documentation for Approved Third-Party Materials and Approved Open-Source Components, no Documentation will consist of or include Third-Party Materials. To the extent Documentation consists of or includes Third-Party Materials, Contractor must secure, at its sole cost and expense, all rights, licenses, consents, approvals and authorizations specified in **Section 15.2** with respect to Approved Third-Party Materials.

**7. Performance of Services.** Contractor will provide all Services and Work Product in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and

Specifications set forth in this Contract, the Contract Statement of Work, and any applicable Engagement Statement of Work.

7.1 State Standards.

(a) 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>

(b) To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see [http://www.michigan.gov/documents/dtmb/1340.00.01\\_Acceptable\\_Use\\_of\\_Information\\_Technology\\_Standard\\_458958\\_7.pdf](http://www.michigan.gov/documents/dtmb/1340.00.01_Acceptable_Use_of_Information_Technology_Standard_458958_7.pdf). All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

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

7.2 Contractor Personnel.

(a) Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Prior to any Contractor Personnel performing any Services, Contractor will:

- (i) ensure that such Contractor Personnel have the legal right to work in the United States;
- (ii) require such Contractor Personnel to execute written agreements that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract and Intellectual Property Rights provisions that grant the State rights in the Work Product consistent with the provisions of **Section 14.1** and, upon the State's request, provide the State with a copy of each such executed Contract; and
- (iii) if requested by the State, and at Contractor's sole cost and expense, conduct background checks on such Contractor Personnel, which background checks must comprise, at a minimum, a review of credit history, references and criminal record, in accordance with applicable Law.

(c) Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.

(d) The State reserves the right to require the removal of any 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. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

7.3 Contractor's Project Manager. Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor's Project Manager. Contractor's Project Manager will be identified in the Contract Statement of Work.

(a) Contractor's Project Manager must:

- (i) have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;
- (ii) be responsible for overall management and supervision of Contractor's performance under this Contract; and
- (iii) be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.

(b) Contractor will maintain the same Project Manager throughout the Term of this Contract, unless:

- (i) the State requests in writing the removal of Contractor's Project Manager;
- (ii) the State consents in writing to any removal requested by Contractor in writing;
- (iii) Contractor's Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.

(c) Contractor will promptly replace its Project Manager on the occurrence of any event set forth in **Section 7.3(b)**. Such replacement will be subject to the State's prior written approval.

#### 7.4 Contractor's Key Personnel.

(a) The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.

(b) Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 16.1**.

(c) It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 16.1**, Contractor will issue to the State the corresponding credits set forth below (each, an "**Unauthorized Removal Credit**"):

- (i) For the Unauthorized Removal of any Key Personnel designated in the Contract Statement of Work or an applicable Engagement Statement of Work, the credit amount will be \$25,000 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.
- (ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.



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

7.5 Subcontractors. Contractor will not, without the prior written approval of the State, which consent may be given or withheld in the State's sole discretion, engage any Third Party to perform Services (including to create any Work Product). The State's approval of any such Third Party (each approved Third Party, a "**Permitted Subcontractor**") does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:

(a) be responsible and liable for the acts and omissions of each such Permitted Subcontractor (including such Permitted Subcontractor's employees who, to the extent providing Services or creating Work Product, shall be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees;

(b) name the State a third party beneficiary under Contractor's Contract with each Permitted Subcontractor with respect to the Services and Work Product;

(c) be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits;

(d) prior to the provision of Services or creation of Work Product by any Permitted Subcontractor:

(i) obtain from such Permitted Subcontractor confidentiality, work-for-hire and intellectual property rights assignment agreements, in form and substance acceptable by the State, giving the State rights consistent with those set forth in **Section 14.1** and **Section 22** and, upon request, provide the State with a fully-executed copy of each such contract; and

(ii) with respect to all Permitted Subcontractor employees providing Services or Work Product, comply with its obligations under **Section 7.2(b)**;

(e) prior to the provision of the Infrastructure Services, Contractor must obtain from the Infrastructure Services Provider the location of all its data centers that will be used in Processing any State Data including any secondary sites used for disaster recovery purposes, which information Contractor shall promptly disclose to the State in writing; and

(f) Contractor shall not, without the prior written approval of the State, which approval will not be unreasonably withheld, change the Infrastructure Services or the Infrastructure Services Provider. The Contractor's change of the Infrastructure Services or the Infrastructure Services Provider without the prior written consent of the State may be considered by the State to be a material breach of this Contract. In the event the Contractor changes the Infrastructure Services or the Infrastructure Services Provider without the prior written consent of the State, the State reserves the right, at its sole election to: a) move the Infrastructure Services to the Infrastructure Services Provider of its choosing at the sole cost and expense of the Contractor, including but not limited to, administrative costs and transition costs, and Contractor must promptly reimburse to the State any Fees prepaid by the State for Infrastructure Services prorated to the date of such change; or b) elect to terminate this Contract for cause under **Section 16.1**.

## **8. State Obligations.**

8.1 State Resources and Access. The State is responsible for providing the State Materials and such other resources as may be specified in the Contract Statement of Work or an Engagement Statement of Work (collectively, "**State Resources**").

8.2 State Project Manager. Throughout the Term of this Contract, the State will maintain a State employee to serve as the State's Project Manager under this Contract. The State's Project Manager will be identified in the Contract Statement of Work.

## **9. Pre-Delivery Testing for Software Deliverables.**

9.1 Testing By Contractor. Before delivering and installing any Software Deliverable, Contractor must:

(a) test the software component of such Software Deliverable to confirm that it is fully operable, meets all applicable Specifications and will function in accordance with the Specifications and Documentation when properly installed in the Operating Environment;

(b) scan such Software Deliverable using industry standard scanning software and definitions to confirm it is free of Harmful Code;

(c) remedy any Non-Conformity or Harmful Code identified and retest and rescan the Software Deliverable; and

(d) prepare, test and, as necessary, revise the Documentation component of the Software Deliverable to confirm it is complete and accurate and conforms to all requirements of this Contract.

9.2 State Participation. The State has the right to be present for all pre-installation testing. Contractor must give the State at least fifteen (15) calendar days' prior notice of all such testing.

**10. Acceptance Testing; Acceptance.** Unless otherwise set forth in the applicable Statement of Work, the following section will control acceptance testing for all Software Deliverables.

10.1 Acceptance Testing.

(a) Upon installation of each Software Deliverable, Acceptance Tests will be conducted as set forth in this **Section 10.1** to ensure the Software Deliverable conforms to the requirements of this Contract, including the applicable Specifications and Documentation.

(b) All Acceptance Tests will take place at the designated Sites in the Operating Environment described in the applicable Statement of Work for the Software Deliverable, commence on the Business Day following installation of such Software Deliverable and be conducted diligently for up to thirty (30) Business Days, or such other period as may be set forth in the applicable Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in the applicable Statement of Work or, if such Statement of Work does not specify, the State, provided that:

- (i) for Acceptance Tests conducted by the State, if requested by the State, Contractor will make suitable Contractor Personnel available to observe or participate in such Acceptance Tests; and
- (ii) for Acceptance Tests conducted by Contractor, the State has the right to observe or participate in all or any part of such Acceptance Tests.

Contractor is solely responsible for all costs and expenses related to Contractor's performance of, participation in, and observation of Acceptance Testing.

(c) Upon delivery and installation of the Software Deliverable under the applicable Statement of Work, additional Acceptance Tests will be performed on the Application Software as a whole to ensure full operability, integration, and compatibility among all elements of the Application Software ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in **Section 10.1**, **Section 10.3**, and **Section 10.4**.

(d) The State may suspend Acceptance Tests and the corresponding Testing Period by written notice to Contractor if the State discovers a material Non-Conformity in the tested Software Deliverable or part or feature of such Software Deliverable. In such event, Contractor will immediately, and in any case within ten (10) Business Days, correct such Non-Conformity, whereupon the Acceptance Tests and Testing Period will resume for the balance of the Testing Period.

10.2 Notices of Completion, Non-Conformities, and Acceptance. Within fifteen (15) Business Days following the completion of any Acceptance Tests, including any Integration Testing, the party responsible for conducting the tests will prepare and provide to the other party written notice of the completion of the tests. Such notice must include a report describing in reasonable detail

the tests conducted and the results of such tests, including any uncorrected Non-Conformity in the tested Software Deliverables.

(a) If such notice is provided by either party and identifies any Non-Conformities, the parties' rights, remedies, and obligations will be as set forth in **Section 10.3** and **Section 10.4**.

(b) If such notice is provided by the State, is signed by the State's Business Owner and Project Manager, and identifies no Non-Conformities, such notice constitutes the State's Acceptance of such Software Deliverable.

(c) If such notice is provided by Contractor and identifies no Non-Conformities, the State will have thirty (30) Business Days to use such Software Deliverable in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that such Software Deliverable contains no Non-Conformities, on the completion of which the State will, as appropriate:

- (i) notify Contractor in writing of Non-Conformities the State has observed in the Software Deliverable or, in the case of Integration Testing, the Application Software, and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Section 10.3** and **Section 10.4**; or
- (ii) provide Contractor with a written notice of its Acceptance of such Software Deliverable, which must be signed by the State's Business Owner and Project Manager.

10.3 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Contractor, at Contractor's sole cost and expense, will remedy all such Non-Conformities and re-deliver the Software Deliverables, in accordance with the requirements set forth in the Statement of Work. Redelivery will occur as promptly as commercially possible and, in any case, within thirty (30) Business Days following, as applicable, Contractor's:

(a) completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Contractor; or

(b) receipt of the State's notice under **Section 10.1(a)** or **Section 10.2(c)(i)**, identifying any Non-Conformities.

10.4 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in any Software Deliverable after a second or subsequent delivery of such Software Deliverable, or Contractor fails to re-deliver the Software Deliverable on a timely basis, the State may, in its sole discretion, by written notice to Contractor:

- (a) continue the process set forth in this **Section 10**;

(b) accept the Software Deliverable as a nonconforming deliverable, in which case the Fees for such Software Deliverable will be reduced equitably to reflect the value of the Software Deliverable as received relative to the value of the Software Deliverable had it conformed; or

(c) deem the failure to be a non-curable material breach of the applicable Statement of Work and terminate the applicable Statement of Work for cause in accordance with **Section 16.1**.

10.5 Acceptance. Acceptance (“**Acceptance**”) of each Software Deliverable (subject, where applicable, to the State’s right to Integration Testing) will occur on the date that is the earliest of the State’s delivery of a notice accepting such Software Deliverable under **Section 10.2(b)**, or **Section 10.2(c)(ii)**.

## **11. Training; Hosting and Support.**

11.1 Training. Contractor will provide the State with training as set forth in the Contract Statement of Work at the rates specified in the Contract Statement of Work.

11.2 Application Software Support. Contractor will provide the State with the maintenance and support services for the Application Software as set forth in the Contract Statement of Work.

11.3 Hosting and Support. Contractor will provide the State with the Hosting and Support Services set forth in **Schedule B** in accordance with the rates set forth in the Pricing Schedule.

## **12. Fees.**

12.1 Fees. Subject to the terms and conditions of this Contract, the applicable Statement of Work, and the Hosting and Support Schedule, the State shall pay the fees set forth in the applicable Statement of Work and the Pricing Schedule.

12.2 Firm Pricing. The pricing set forth in this Contract is firm and may not be modified during the Term.

### 12.3 Administrative Fee and Reporting.

(a) The Contractor must remit an administrative fee of 1% on all payments remitted to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions). Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales.

(b) Itemized purchasing activity reports should be mailed to DTMB-Procurement and the administrative fee payments shall be made by check payable to the State of Michigan and mailed to:

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

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

### **13. Invoices and Payment.**

13.1 Invoices. Contractor will invoice the State for Fees in accordance with the requirements set forth in the Contract Statement of Work, including any requirements that condition the rendering of invoices and the payment of Fees upon the successful completion of Milestones. Contractor must submit each invoice in both hard copy and electronic format, via such delivery means and to such address as are specified by the State in the Contract Statement of Work. Each separate invoice must:

- (a) clearly identify the Contract to which it relates, in such manner as is required by the State;
- (b) list each Fee item separately;
- (c) include sufficient detail for each line item to enable the State to satisfy its accounting and charge-back requirements;
- (d) for Fees determined on a time and materials basis, report details regarding the number of hours performed during the billing period, the skill or labor category for such Contractor Personnel and the applicable hourly billing rates; and
- (e) include such other information as may be required by the State as set forth in the Contract Statement of Work.

13.2 Payment. Invoices are due and payable by the State, in accordance with the State's standard payment procedures as specified in 1984 Public Act no. 279, MCL 17.51, *et seq.*, within forty-five (45) calendar days after receipt, provided the State determines that the invoice was properly rendered. The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

13.3 Taxes. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services or Deliverables purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, all Fees are inclusive of taxes, and

Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

13.4 Withhold Remedy. In addition and cumulative to all other remedies in law, at equity and under this Contract, if Contractor is in material default of its performance or other obligations under this Contract and fails to cure the default within fifteen (15) calendar days after receipt of the State's written notice of default, the State may, without waiving any other rights under this Contract, elect to withhold from the payments due to Contractor under this Contract during the period beginning with the sixteenth (16th) calendar 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 Services 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.

13.5 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 owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

13.6 Payment Does Not Imply Acceptance. The making of any payment or payments by the State, or the receipt thereof by Contractor, will in no way affect the responsibility of Contractor to perform the Services in accordance with this Contract, and will not imply the State's Acceptance of any Services or the waiver of any warranties or requirements of this Contract, including any right to Service Credits.

13.7 Support Not to be Withheld or Delayed. Contractor will not withhold, delay, or fail to perform any Services or obligations under this Contract by reason of the State's good faith withholding of any payment or amount in accordance with this **Section 13**.

13.8 Availability and Support Service Level Credits. Contractor acknowledges and agrees that any credits assessed under the Hosting and Support Schedule: (a) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from not meeting the Availability Requirement or the Support Service Level Requirement, which would be impossible or very difficult to accurately estimate; and (b) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract or be payable to the State upon demand. Credits may not exceed the total amount of Fees that would be payable for the relevant service period in which the credits are assessed.

13.9 Issuance of Service Credits. Contractor shall, for each monthly invoice period, issue to the State, together with Contractor's invoice for such period, a written acknowledgment setting forth all Service Credits to which the State has become entitled during that invoice period. Contractor shall pay the amount of the Service Credit as a debt to the State within fifteen (15) Business Days of issue of the Service Credit acknowledgment, provided that, at the State's

option, the State may, at any time prior to Contractor's payment of such debt, deduct the Service Credit from the amount payable by the State to Contractor pursuant to such invoice.

#### **14. Intellectual Property Rights.**

14.1 State Ownership of Work Product. Except as set forth in **Section 14.3**, the State is and will be the sole and exclusive owner of all right, title, and interest in and to all Work Product, including all Intellectual Property Rights. In furtherance of the foregoing, subject to **Section 14.3**:

(a) Contractor will create all Work Product as work made for hire as defined in Section 101 of the Copyright Act of 1976; and

(b) to the extent any Work Product or Intellectual Property Rights do not qualify as, or otherwise fails to be, work made for hire, Contractor hereby:

- (i) assigns, transfers, and otherwise conveys to the State, irrevocably and in perpetuity, throughout the universe, all right, title, and interest in and to such Work Product, including all Intellectual Property Rights; and
- (ii) irrevocably waives any and all claims Contractor may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of *droit moral* with respect to the Work Product.

14.2 Further Actions. Contractor will, and will cause the Contractor Personnel to, take all appropriate action and execute and deliver all documents, necessary or reasonably requested by the State to effectuate any of the provisions or purposes of **Section 14.1**, or otherwise as may be necessary or useful for the State to prosecute, register, perfect, record, or enforce its rights in or to any Work Product or any Intellectual Property Right therein. Contractor hereby appoints the State as Contractor's attorney-in-fact with full irrevocable power and authority to take any such actions and execute any such documents if Contractor refuses, or within a period deemed reasonable by the State otherwise fails, to do so.

#### 14.3 Approved Third-Party Materials, and Open-Source Components.

(a) Ownership of all Approved Third-Party Materials, and all Intellectual Property Rights therein, is and will remain with its respective owners, subject to any express licenses or sublicenses granted to the State under this Contract.

(b) Ownership of all Open-Source Components, and all Intellectual Property Rights therein, is and will remain with its respective owners, subject to the State's rights under the applicable Open-Source Licenses.

14.4 State Materials. The State will remain the sole and exclusive owners of all right, title, and interest in and to State Materials, including all Intellectual Property Rights therein. Contractor will have no right or license to, and will not, use any State Materials except solely during the Term



of this Contract for which they are provided to the extent necessary to perform the Services and provide the Work Product to the State. All other rights in and to the State Materials are expressly reserved by the State.

14.5 User Data. The state has, reserves and retains, sole and exclusive ownership of all right, title and interest in and to User Data, including all Intellectual Property Rights arising therefrom or relating thereto.

## **15. Licenses.**

15.1 State Materials. The State hereby grants to Contractor the limited, royalty-free, non-exclusive right and license to State Materials solely as necessary to incorporate such State Materials into, or otherwise use such State Materials in connection with creating, the Work Product. The term of such license will commence upon the State's delivery of the State Materials to Contractor, and will terminate upon the State's acceptance or rejection of the Work Product to which the State Materials relate. Subject to the foregoing license, the State reserves all rights in the State Materials. All State Materials are considered Confidential Information of the State.

### 15.2 Approved Third-Party Materials.

(a) Prior to the delivery date for any Software Deliverables, Contractor will secure for the State, at Contractor's sole cost and expense, such rights, licenses, consents and approvals for any Approved Third-Party Materials, that will allow the State to use and otherwise exploit perpetually throughout the universe for all or any purposes whatsoever the Work Product, to the same extent as if the State owned the Approved Third-Party Materials, without incurring any fees or costs to any Third-Party (other than the Fees set forth under this Contract) in respect of the Approved Third-Party Materials.

(b) All royalties, license fees, or other consideration payable in respect of such licenses are included in the Fees specified under this Contract. Any additional amounts will be the sole responsibility of Contractor.

(c) Contractor acknowledges that the State cannot indemnify any third parties, including but not limited to any third-party software providers that provide Third-Party Materials, and that notwithstanding anything to the contrary contained in any third-party software license agreement or end user license agreement, the State will not indemnify any third-party software provider for any reason whatsoever.

15.3 Open-Source Components. Any use of the Open-Source Components by the State will be governed by, and subject to, the terms and conditions of the applicable Open-Source Licenses.

**16. Termination, Expiration, Transition.** The State may terminate this Contract, the Hosting and Support Schedule, the Contract Statement of Work, or any Engagement Statement of Work, in accordance with the following:

### 16.1 Termination for Cause.

(a) The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (i) endangers the value, integrity, or security of any State system, data, facility or personnel; (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (iii) engages in any conduct that may expose the State to liability; or (iv) breaches any of its material duties or obligations under this Contract. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

(b) If the State terminates this Contract under this **Section 16.1**, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of this Contract, the termination will be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in **Section 16.2**.

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

16.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance immediately, or (b) continue to perform in accordance with **Section 16.3**. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

16.3 Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days, unless otherwise agreed to by the parties)(the "**Transition Period**"), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to: (a) continuing to perform the Services at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services and Deliverables to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all State Materials and State Data; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed Deliverables prepared under this Contract as of the Contract termination or expiration date; and (e) preparing

an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the “**Transition Responsibilities**”). This Contract is automatically extended through the end of the Transition Period.

16.4 Effect of Expiration or Termination.

- (a) Upon termination or expiration of this Contract for any reason:
  - (i) Contractor will be obligated to perform all Transition Responsibilities specified in **Section 16.3**.
  - (ii) All licenses granted to Contractor in the State Materials and State Data will immediately and automatically also terminate. Contractor must promptly return to the State all State Materials and State Data not required by Contractor for its Transition Responsibilities, if any.
  - (iii) Contractor will (A) return to the State all State Materials, (B) return to the State all documents and tangible materials (and any copies) containing, reflecting, incorporating, or based on the State’s Confidential Information, (C) permanently erase the State’s Confidential Information from its computer systems and (D) certify in writing to the State that it has complied with the requirements of this **Section 16.4(a)(iii)**, in each case to the extent such materials are not required by Contractor for Transition Responsibilities, if any.

(b) No expiration or termination of this Contract will affect the State’s rights in any of the Deliverables that have already been paid for by the State.

16.5 Survival. This **Section 16** survives termination or expiration of this Contract.

**17. Stop Work Order.** The State may, at any time, order the Services of Contractor fully or partially stopped for its own convenience for up to ninety (90) calendar days at no additional cost to the State. The State will provide Contractor a written notice detailing such suspension (a “**Stop Work Order**”). Contractor must comply with the Stop Work Order upon receipt. Within 90 days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate this Contract. The State will not pay for any Services, Contractor’s lost profits, or any additional compensation during a stop work period.

**18. Contractor Representations and Warranties.**

18.1 Authority. Contractor represents and warrants to the State that:

- (a) It is duly organized, validly existing, and in good standing as a corporation or other entity as represented under this Contract under the laws and regulations of its jurisdiction of incorporation, organization, or chartering;

(b) It has the full right, power, and authority to enter into this Contract, to grant the rights and licenses granted under this Contract, and to perform its contractual obligations;

(c) The execution of this Contract by its Representative has been duly authorized by all necessary organizational action; and

(d) When executed and delivered by Contractor, this Contract will constitute the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms.

18.2 Bid Response. Contractor represents and warrants to the State that:

(a) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder to the RFP; and no attempt was made by Contractor to induce any other Person to submit or not submit a proposal for the purpose of restricting competition;

(b) All written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's Bid Response, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading;

(c) Contractor is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract; and

(d) If any of the certifications, representations, or disclosures made in Contractor's Bid Response change after contract award, the Contractor is required to report those changes immediately to the Contract Administrator.

18.3 Software and Service. Contractor represents and warrants to the State that:

(a) It will perform all Services in a professional and workmanlike manner in accordance with best industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under this Contract;

(b) Contractor has, and throughout the Term and any additional periods during which Contractor does or is required to perform the Services will have, the unconditional and irrevocable right, power and authority, including all permits and licenses required, to provide the Services and

grant and perform all rights and licenses granted or required to be granted by it under this Contract;

(c) neither Contractor's grant of the rights or licenses hereunder nor its performance of any Services or other obligations under this Contract does or at any time will: (i) conflict with or violate any applicable Law, including any Law relating to data privacy, data security or personal information; (ii) require the consent, approval or authorization of any governmental or regulatory authority or other third party; or (iii) require the provision of any payment or other consideration by the State or any Authorized User to any third party, and Contractor shall promptly notify the State in writing if it becomes aware of any change in any applicable Law that would preclude Contractor's performance of its material obligations hereunder;

(d) The State will receive good and valid title to all Software Deliverables, free and clear of all encumbrances and liens of any kind;

(e) When delivered and installed by Contractor, Software Deliverables will not contain any Harmful Code;

(f) Software Deliverables will not contain, or operate in such a way that it is compiled with or linked to, any Open-Source Components other than Approved Open-Source Components;

(g) Software Deliverables will not contain, or operate in such a way that it is compiled with or linked to, any Third-Party Materials other than Approved Third-Party Materials;

(h) Software Deliverables, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications thereof, but excluding components comprising State Materials, Approved Third-Party Materials, and Open-Source Components, is or will be the original creation of Contractor;

(i) As delivered, installed, specified, or approved by Contractor and used by the State or any Third Party authorized by the State, Software Deliverables: (i) will not infringe, misappropriate, or otherwise violate any Intellectual Property Right or other right of any third party; and (ii) will comply with all applicable Laws;

(j) No expiration or loss of any patent or application for patent rights in any Software Deliverables is pending, or, to Contractor's knowledge after reasonable inquiry, threatened or reasonably foreseeable, and Contractor has no reason to believe that any claims of any such patent or patent application are or will be invalid, unenforceable, fail to issue, or be materially limited or restricted beyond the current claims, except for patent rights expiring at the end of their statutory term;

(k) all Software Deliverables will be, and as installed in the Operating Environment (or any successor thereto) and used in accordance with the Documentation will function in all respects, in conformity with this Contract and the Specifications and Documentation;

(l) during the term of this Contract, any audit rights contained in any Third-Party software license agreement or end user license agreement for Third-Party software incorporated in or otherwise used in conjunction with the Application Software, will apply solely to Contractor's (or its subcontractors) facilities and systems that host the Application Software (including any disaster recovery site), and regardless of anything to the contrary contained in any 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; and

(m) Contractor acknowledges that the State cannot indemnify any Third Parties, including but not limited to any Third-Party software providers that provide software that will be incorporated in or otherwise used in conjunction with the Application Software, and that notwithstanding anything to the contrary contained in any Third-Party software license agreement or end user license agreement, the State will not indemnify any Third Party software provider for any reason whatsoever.

18.4 **DISCLAIMER.** EXCEPT FOR THE EXPRESS WARRANTIES IN THIS CONTRACT, CONTRACTOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE UNDER OR IN CONNECTION WITH THIS CONTRACT OR ANY SUBJECT MATTER HEREOF

## **19. Indemnification.**

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

19.2 **Indemnification Procedure.** The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. Any litigation activity on behalf of the State or any of its

subdivisions, under this **Section 19**, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

### 19.3 Infringement Remedies.

(a) The remedies set forth in this **Section 19.3** are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

(b) If any Software Deliverable or any component thereof, other than State Materials, is found to be infringing or if any use of any Software Deliverable or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

- (i) procure for the State the right to continue to use such Software Deliverable or component thereof to the full extent contemplated by this Contract; or
- (ii) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Software Deliverable and all of its components non-infringing while providing fully equivalent features and functionality.

(c) If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Contractor will:

- (i) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials provided under the Engagement Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract; and
- (ii) in any case, at its sole cost and expense, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to six (6) months to allow the State to replace the affected features of the Software Deliverable without disruption.

(d) If Contractor directs the State to cease using any Software Deliverable under **Section 19.3(c)**, the State may terminate this Contract for cause under **Section 16.1**.

(e) Contractor will have no liability for any claim of infringement arising solely from:

- (i) Contractor's compliance with any designs, specifications, or instructions of the State; or

- (ii) Modification of the Software Deliverable by the State without the prior knowledge and approval of Contractor;

unless the claim arose against the Software Deliverable independently of any of the above specified actions.

## **20. Liquidated Damages.**

(a) The parties agree that any delay or failure by Contractor to timely perform its obligations in accordance with an Implementation Plan and Milestone Dates agreed to by the parties may interfere with the proper and timely implementation of a Software Deliverable, to the loss and damage of the State. Further, the State will incur major costs to perform the obligations that would have otherwise been performed by Contractor. The parties understand and agree that any liquidated damages Contractor must pay to the State as a result of such nonperformance will be described in the applicable Statement of Work, and that these amounts are reasonable estimates of the State's damages in accordance with applicable Law.

(b) The parties acknowledge and agree that Contractor could incur liquidated damages for more than one event if Contractor fails to timely perform its obligations by each Milestone Date.

(c) The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause under **Section 16.1**, and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages.

(d) Amounts due the State as liquidated damages may be set off against any Fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.

## **21. Damages Disclaimers and Limitations.**

(a) Disclaimer of Damages. NEITHER PARTY WILL BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

(b) Limitation of Liability. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS



CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.

(c) Exceptions. Subsections **21(a)** (Disclaimer of Damages) and **21(b)** (Limitation of Liability) above, shall not apply to:

- (i) Contractor's obligation to indemnify under **Section 19.1** (b) and (c) of this Contract;
- (ii) Contractor's obligations under **Section 22.3** of this Contract (Loss or Compromise of State Data) in respect of which liability shall not exceed \$2 million; and
- (iii) damages to the extent caused by either party's recklessness, bad faith, or intentional misconduct.

## **22. State Data.**

22.1 Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information), includes User Data and any other data collected, used, processed, stored, or generated as the result of the Services, including but not limited to (a) 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 here listed; and, (b) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will 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 22.1** survives termination or expiration of this Contract.

22.2 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 must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, the Contract 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 22.2** survives termination or expiration of this Contract.

22.3 Loss or Compromise of State Data. In the event of any act, error or omission, negligence, misconduct, or breach by Contractor 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 must, 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 or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable Law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) 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, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, 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. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This **Section 22.3** survives termination or expiration of this Contract.

**23. Confidential Information.** Each party acknowledges that it may be exposed to or acquire communication or data of the other party that is confidential in nature and is not intended to be disclosed to third parties. This **Section 23** survives termination or expiration of this Contract.

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

23.2 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to the Contractor’s subcontractor is permissible where: (a) the subcontractor is a Permitted Subcontractor; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor’s responsibilities; and (c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State’s Confidential Information in confidence. At the State’s request, any of the Contractor’s Representatives may be required to execute a separate agreement to be bound by the provisions of this **Section 23.2**.

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

23.4 Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party,

which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Engagement Statement of Work corresponding to the breach or threatened breach.

23.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this Contract, in whole or in part, each party must, 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. If Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and certify the same in writing within five (5) calendar days from the date of termination to the other party.

## **24. Data Privacy and Information Security.**

24.1 Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described in the Hosting and Support Schedule, Contractor is 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 Contractor Personnel comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available at [http://www.michigan.gov/dtmb/0,4568,7-150-56355\\_56579\\_56755---,00.html](http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html).

24.2 Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. During the providing of Services, on an ongoing basis from time to time and without notice, the State, at its own expense, is 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) calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

24.3 Audit Findings. With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

24.4 State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this **Section 24**.

24.5 Security Requirements for Externally Hosted Software. Contractor shall comply with the security requirements set forth in the **Hosting and Support Schedule** to this Contract for the externally hosted Operating Environment.

**25. HIPAA Compliance.** The State and Contractor must comply with all obligations under 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.

**26. ADA Compliance.** The State is required to comply with the Americans with Disabilities Act of 1990 (ADA), and has adopted a formal policy regarding accessibility requirements for websites and software applications. The State requires that Software Deliverables conform, where relevant, to level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0. Contractor may consider, where relevant, the W3C's Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) for non-web software and content. The State may require that the Contractor complete a Voluntary Product Accessibility Template for WCAG 2.0 (WCAG 2.0 VPAT) or other comparable document for the Software Deliverable.

**27. Records Maintenance, Inspection, Examination, and Audit.**

27.1 Right of Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to this Contract through the Term of this Contract and for seven (7) years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved.

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

27.3 Application. This **Section 27** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

**28. Insurance Requirements.**

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

Insurance Type	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$1,000,000 Each Occurrence Limit</p> <p>\$1,000,000 Personal &amp; Advertising Injury Limit</p> <p>\$2,000,000 General Aggregate Limit</p> <p>\$2,000,000 Products/Completed Operations</p> <p><u>Deductible Maximum:</u></p> <p>\$50,000 Each Occurrence</p>	<p>Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.</p> <p>Coverage must not have exclusions or limitations related to sexual abuse and molestation liability.</p>
<b>Automobile Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$1,000,000 Per Occurrence</p>	<p>Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage</p>
<b>Workers' Compensation Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>Coverage according to applicable laws governing work activities.</p>	<p>Waiver of subrogation, except where waiver is prohibited by law.</p>
<b>Employers Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$500,000 Each Accident</p> <p>\$500,000 Each Employee by Disease</p>	

\$500,000 Aggregate Disease.	
<b>Privacy &amp; Security Liability (Cyber Liability) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

28.2 If Contractor’s policy contains limits higher than the minimum limits, the State is entitled to coverage to the extent of the higher limits. The minimum limits are not intended, and may not be construed to limit any liability or indemnity of Contractor to any indemnified party or other persons.

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

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

**29. Dispute Resolution.**

29.1 The parties will endeavor to resolve any Contract dispute in accordance with this **Section 29**. The initiating party will reduce its description of the dispute to writing (including all supporting documentation) and deliver it to the responding party’s Project Manager. The responding party’s Project Manager must respond in writing within five (5) Business Days. The initiating party has five (5) Business Days to review the response. If after such review resolution cannot be reached, both parties will have an additional five (5) Business Days to negotiate in good faith to resolve the dispute. If the dispute cannot be resolved within a total of fifteen (15) Business Days, the parties must submit the dispute to the parties’ Contract Administrators. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

29.2 Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' Contract Administrators, and either Contract Administrator concludes that resolution is unlikely, or fails to respond within fifteen (15) Business Days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This **Section 29** does not limit the State's right to terminate this Contract.

### **30. Miscellaneous.**

30.1 Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to "intellectual property," and all Work Product is and will be deemed to be "embodiments" of "intellectual property," for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the "**Code**"). If Contractor or its estate becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar Laws with respect to all Software Deliverables and other Work Product. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate shall become subject to any bankruptcy or similar proceeding:

(a) all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor's rejection of this Contract; and

(b) the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Software Deliverables or other Work Product, and the same, if not already in the State's possession, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

30.2 Conflicts and Ethics. Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This **Section 30.2** applies to Contractor, any Affiliate, and any Permitted Subcontractor that Performs Services in connection with this Contract.

30.3 Compliance with Laws. Contractor and its Representatives must comply with all Laws in connection with this Contract.





Email: rshahani@acrocorp.com

Attention: Ron Shahani, President

If to State:

Simon Baldwin  
Constitution Hall  
525 W. Allegan, 1st Floor  
Lansing, MI 48913  
Email: BaldwinS@michigan.gov

Attention: [Simon Baldwin, Category Specialist, IT

Notices sent in accordance with this **Section 30.10** will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email (with confirmation of transmission), if sent during normal business hours of the recipient, and on the next Business Day, if sent after normal business hours of the recipient; or (d) on the fifth (5<sup>th</sup>) calendar day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

30.11 Headings. The headings in this Contract are for reference only and will not affect the interpretation of this Contract.

30.12 Schedules. All Schedules that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

<b>Schedule A</b>	Contract Statement of Work
<b>Schedule B</b>	Hosting and Support Schedule
<b>Schedule C</b>	Pricing
<b>Schedule D</b>	Disaster Recovery Plan

30.13 Assignment. Contractor may not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Contract, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the State's prior written consent. For purposes of the preceding sentence, and without limiting its generality, any merger, consolidation or reorganization involving Contractor (regardless of whether Contractor is a surviving or disappearing entity) will be deemed to be a transfer of rights, obligations, or performance under this Contract for which the State's prior written consent is required. No delegation or other transfer will relieve Contractor of any of its obligations or performance under

this Contract. Any purported assignment, delegation, or transfer in violation of this **Section 30.13** is void.

30.14 No Third-Party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing in this Contract, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract.

30.15 Amendment and Modification; Waiver. No amendment to or modification of this Contract is effective unless it is in writing, identified as an amendment to this Contract and signed by both parties Contract Administrator. Further, certain amendments to this Contract may require State Administrative Board Approval. No waiver by any party of any of the provisions of this Contract will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Contract, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Contract will operate or be construed as a waiver. Nor will any single or partial exercise of any right, remedy, power or privilege under this Contract preclude the exercise of any other right, remedy, power or privilege.

30.16 Severability. If any term or provision of this Contract is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties must negotiate in good faith to modify this Contract so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions be consummated as originally contemplated to the greatest extent possible.

30.17 Equitable Relief. Each party acknowledges that a breach by a party of **Section 14** (Intellectual Property Rights; Ownership), **Section 22** (State Data), or **Section 23** (Confidential Information) may cause the non-breaching party immediate and irreparable harm, for which an award of damages would not be adequate compensation. Each party agrees that, in the event of such breach or threatened breach, the non-breaching party will be entitled to equitable relief, including in the form of orders for preliminary or permanent injunction, specific performance, and any other relief that may be available from any court. Such remedies will not be deemed to be exclusive but will be in addition to all other remedies available under this Contract, at law or in equity, subject to any express exclusions or limitations in this Contract to the contrary.

30.18 Entire Contract. This Contract, together with all Schedules constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Contract and the Schedules, the following order of precedence governs: (a) first, this Contract, excluding its Schedules; and (b) second, the Schedules to this Contract. NO TERMS ON CONTRACTORS INVOICES, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH

OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, OR DOCUMENTATION HEREUNDER WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

30.19 Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same Contract. A signed copy of this Contract delivered by email or other means of electronic transmission (to which a signed PDF copy is attached) will be deemed to have the same legal effect as delivery of an original signed copy of this Contract.

## **SCHEDULE A - STATEMENT OF WORK (SOW)**

### **1.000 Project Identification**

#### **1.001 Project Request**

The State of Michigan (State), through the Department of Technology Management & Budget (DTMB), has issued this Contract to satisfy the following requirements for the existing State owned Aging Information System (AIS):

- Technical consulting;
- Hosting via the Microsoft Azure Government Cloud;
- Software and website development and deployment;
- Operations Production, Staging and DR Support
- Tier II - End-user support.

The Contractor must maintain uninterrupted AIS operations and functionality through transition to the new cloud environment and throughout the life of this Contract. In addition to ongoing technical support, web hosting, and security patching, the Contractor will enhance and upgrade existing applications, software and website functionality at the request of the State and contingent on approval through the DTMB office of Procurement.

The AIS is administered by the Aging & Adult Services Agency (AASA) under the Michigan Department of Health & Human Services (MDHHS).

#### **1.002 Background**

The Aging & Adult Services Agency (AASA) coordinates all services for Michigan's aging and adult population so that residents can receive the services they need to maintain their independence, and live a healthier and higher quality life. AASA began development of web-based data collection and reporting applications, an upgraded public website, and a secure extranet site in 2001. The AIS consists of Internet-based data collection and reporting software applications and administrative software applications, a public website, and a secure extranet site. Several AIS software applications collect and maintain program, service, and client data. The AIS system allows AASA to meet federal and state program reporting requirements, program management, and data analysis needs. There are two AIS websites that support AASA reporting requirements. A secure extranet site is the access point for AASA business partners to access the data reporting applications described above and a public site that provides forms and instructions used by our grantees for the reporting. The site also contains secure one-way uploads for submitting reports. The AIS has approximately 671 active user accounts at 100 grantee agencies across the state with authorized access to one or more of the software applications listed below. Approximately 95% of active AIS users are non-state employees and access the site from non-State of Michigan agencies located around the state.

The software applications listed below operate on the AIS secure site. These software applications are accessed by authorized users at grantee agencies for required reporting to the Michigan Aging and Adult Services agency in MDHHS.

Aging Information System (AIS) Application System Software Applications & Websites:

Aging & Disability Resource Center (ADRC) Resource Request  
ADRC Information System  
AIS Project Document Library  
Annual & Multi-Year Planning System (AMPS)  
Financial Information Reporting System Technology (FIRST)  
Legal Services Information System (LSI)  
National Aging Program Information System (NAPIS 2.0)  
Congregate Meal  
Area Agency on Aging Assessment Guide  
Nutrition Management  
OSA Secure Grantee Report - File Retrieval (non-AIS agencies)  
OSA Secure Report - File Drop (Agencies with AIS access)  
Partner Channel User Management System

Resource Maintenance at Source  
Staging Environment  
Vendor User Administration  
Volunteer Information System  
www.osapartner.net  
Partner Channel Extranet Site

## *1.100 Scope of Work and Deliverables*

### **1.101 In Scope**

The Contractor must provide technical support for all existing AIS software applications and websites. All ongoing technical support and scope of work deliverables listed below will be provided:

- 1) Provide Microsoft Azure Government Cloud hosted services for AASA software applications.
- 2) Provide AASA-directed end user support.
- 3) Partner Channel website and software application development and enhancement.

All Contractor staff that work on or have access to AASA applications, data, databases, and, software will complete and submit to AASA a completed AIS User Profile form and a DTMB - IT Security form. The Contractor will comply with all AIS user profile form requirements and AASA and DTMB - IT policies and procedures.

In addition to the ongoing support activities listed above under scope of services, the Contractor will support the following applications and provide development and enhancement deliverables during the Contract, based on a development schedule, work plan, specifications documents, and the AIS budget agreed to by AASA. References to "AASA approved" enhancements include application enhancements to functionality and/or interfaces based on user suggestions and approved by AASA. As these are not known until requested, they are included but will be developed based on available budget.

#### ADRC Resource Request

- AASA-approved application enhancements.

#### ADRCIS (ADRC Information System)

- AASA-approved application enhancements.

#### AIS Project Document Library

- AASA-approved application enhancements.

#### Annual & Multi-Year Planning System (AMPS)

- AASA-approved application enhancements.

#### Financial Information Reporting System Technology (FIRST)

- AASA-approved application enhancements.

#### NAPIS 2.0 Application

- AASA-approved application enhancements.

#### Congregate Meal

- AASA-approved application enhancements.

#### Area Agency on Aging Assessment Guide

- AASA-approved application enhancements.

#### VIS Application

- AASA-approved application enhancements.

#### FSP Application

- Develop an FSP application will include an online version of AASA's Federal State Expenditure Profile (FSEP) to allow area agencies on aging to submit this information electronically. The enhanced application will also allow user to complete AASA financial summary profile online.

#### Legal Services Reporting System

- AASA-approved application enhancements.

#### Nutrition Management

- AASA-approved application enhancements.

#### Resource Maintenance Application

- AASA-approved application enhancements.

#### Staging Environment

- AASA-approved application enhancements.

#### AIS User Administration Application

- AASA-approved application security enhancements.

#### AIS Vendor User Administration Application

- AASA-approved application enhancements.

#### Secure File Drop and Retrieval Applications

- AASA-approved application enhancements.
- Add additional report formats to file retrieval data tables

### **1.102 Out Of Scope:**

Replacement systems are out of scope.

### **1.103 Environment:**

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

Contractors are advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards. All services and products provided as a result of this RFP must comply with all applicable State IT policies and standards. Contractor is required to review all applicable links provided below and state compliance in their response.

#### **Enterprise IT Policies, Standards and Procedures:**

[http://michigan.gov/dtmb/0,4568,7-150-56355\\_56579\\_56755---,00.html](http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html)

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

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. The State's

Project Manager must approve any changes, in writing, and MDTMB, before work may proceed based on the changed environment.

**Enterprise IT Security Policy and Procedures:**

<http://www.michigan.gov/documents/dmb/1210.32.pdf>

[http://www.michigan.gov/documents/dmb/1325\\_193160\\_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/1335_193161_7.pdf)

[http://www.michigan.gov/documents/dmb/1340\\_193162\\_7.pdf](http://www.michigan.gov/documents/dmb/1340_193162_7.pdf)

**The State's security environment includes:**

- MILogin federated identity management.
- State required data encryption in transit and at rest.
- MFA for users (State Security Standard for external network access and sensitive Web systems)

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

*AIS applications currently do not use MILogin system. Contractor will work with State's Project Manager and the Department of Technology Management and Budget DTMB Office of Enterprise Security to develop a plan and task order SOW to add this capability to AIS.*

*Any additional Agency specific security requirements above and beyond the enterprise requirements and standard terms and conditions stated in Article 2 must be provided as part of the Agency Specific Technical Environment.*

**Look and Feel Standard:**

All software items provided by the Contractor must be ADA complaint and adhere to the Look and Feel Standards [www.michigan.gov/somlookandfeelstandards](http://www.michigan.gov/somlookandfeelstandards).

**The State Unified Information Technology Environment (SUITE):**

Includes standards for project management, systems engineering, and associated forms and templates – must be followed: <http://www.michigan.gov/suite>

**Agency Specific Technical Environment:**

The current AIS includes both a production site and a staging site. The production site is a live site for all AIS applications. The staging site is a point-in-time version of the live AIS and is used by the Contractor and AASA to test new applications and/or application enhancements prior to release to the live production version of the AIS. In addition, the Contractor must maintain a secure, separate, in-house development environment to develop applications, enhancements, and/or technologies for release to the staging and production site. The Contractor's development site and development and enhancement solutions must be integrated into AASA's technical environment for transition from development, to staging to production.

Contractor must enable Microsoft Azure's Geo Replication feature for AIS so that the applications are protected from hosting site failures. Contractor will take regular backups into Azure Backup Vaults and perform DR testing once a year under approved task orders.



**1.104 Work And Deliverables**

The Contractor will provide technical support for all existing AIS software applications and websites, including enhancements done to existing applications and support all new applications and/or functionality developed on the AIS. The Contractor will maintain the secure collection, transmission, maintenance, and reporting of sensitive information using Internet-based AIS technologies and software. Ongoing technical support includes:

**Services and Deliverables To Be Provided**

**A. Business Requirements**

- Technical consulting;
- Server/application security, maintenance, Azure Government Cloud hosting;
- Software and website development and deployment;
- Operations Production, Staging and DR Support
- Tier II - End-user support.

*Operation includes hosting of the software and applications; for this State-owned system. The Contractor must maintain uninterrupted AIS operations and functionality through any applicable transition and throughout the life of this Contract. In addition to ongoing technical support, web hosting, and security patching, the Contractor will develop new software as well as enhance and upgrade existing applications, software and website functionality at the request of the State and contingent on approval through the DTMB office of Procurement.*

**C. Software**

*Procurement of software may occur as a result of an enhancement. This software will support the operations of the system.*

**Deliverable(s)**

- Procurement of software
- Installation of software

#	ACTIVITY	ACRO	STATE
1	Provide a quote for the Software components, and their respective warranties for the AIS Software as needed	R	I
2	Review and provide feedback on the quote (within 10 business days)	I	R

3	Based on the feedback, provide additional clarifications and updated quotes (if applicable)	R	
4	Provide initial approval for the Software components, based on the quotes provided		R
5	Create a formal SOW and send to AASA for approval sign-off	R	
6	Sign-off on the Software components SOW	R	R
7	Initiate Software components procurement	R	
8	Verify receipt of Software components	R	I
9	Install Software components in staging environment and verify the AIS applications	R	I
10	Release AIS applications for User Acceptance Testing (UAT)	R	I
11	Validate the AIS applications in staging environment	I	R
12	Address any issues identified during UAT	R	I
13	Provide UAT sign-off for final cutover	I	R
14	Install Software components in production environment and verify the AIS applications	R	I
15	Perform 'Sanity' testing and approve Go-Live	I	R
I – Information Recipient R – Responsible Party			

### Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

### D. Application Design

SUITE processes at the SOM or approved equivalent must be followed, to include:

Functional Design - describes the logical system flow, data organization, system inputs and outputs, processing rules, and operational characteristics of the product from the user's point of view. The functional design is not concerned with the software or hardware that will support the operation of the product or the physical organization of the data or the programs that will accept the input data, execute the processing rules, and produce the required output. The focus is on the functions and structure of the components that comprise the product. Completion date per the mutually agreed upon schedule.

System Design - The goal of this stage is to translate the user-oriented functional design specifications into a set of technical, computer-oriented system design specifications; and to design the data structure and processes to the level of detail necessary to plan and execute the Construction and Implementation Stages. General module specifications should be produced to define what each module is to do, but not how the module is to be coded. Effort focuses on specifying individual routines and data structures while holding constant the structure and interfaces developed in the previous stage. Each module and data structure is considered individually during detailed design with emphasis placed on the description of internal and procedural details. The primary work product of this stage is a system design that provides a blueprint for the coding of individual modules and programs. This will be completed at a mutually agreed upon schedule.

### Deliverable(s)

Contractor will create **Business and Functional Requirements** for enhancements and new development which will be approved in writing by the AASA Project Manager for acceptance of the phase.

Contractor will also deliver updated versions of the following documents:

- *Project Plan / Work Breakdown Structure (WBS)*
- *Data Migration / Conversion Plan (if required)*

- *Security Assessment*
- *Test Cases*

Finally, Contractor will deliver final versions of the following documents to the AASA PM for approval and signoff, including:

- *Business Requirements Document*
- *Functional Requirements Document*
- *Hosting Solution (Microsoft Azure Government Cloud)*

#	ACTIVITY	ACRO	STATE
1	Create draft functional design documents based on the approved requirements and share with AASA	R	I
2	Review and provide feedback on the draft functional design documents (as per agreed upon schedule)	I	R
3	Based on the feedback, provide additional clarifications and updated functional design documents	R	
4	Provide approval for the functional design documents (as per agreed upon schedule)		R
5	Create draft system design documents based on the approved functional design and share with AASA	R	I
6	Review and provide feedback on the draft system design documents (as per agreed upon schedule)	I	R
7	Based on the feedback, provide additional clarifications and updated system design documents	R	
8	Provide approval for the system design documents (as per agreed upon schedule)		R

I – Information Recipient  
R – Responsible Party

### Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

### E. Application Development

*SUITE processes at the SOM or approved equivalent must be followed, to include:*

Development work for this Contract will include Partner Channel Website Development and Application Enhancements.

The Contractor will provide AASA with support on all content management tools behind: [www.miseniors.net](http://www.miseniors.net)

Application development includes planning for project goals and concept, user business needs and application business rules for development project, project/application design to generate a functional specification document that outlines proposed system interface, operations, underlying system architecture and costs for the project.

Once approved by AASA, a functional specification document will be used to develop all applications and to prepare for alpha and beta testing by AASA and, if deemed necessary by AASA, and AASA-selected group of application users. Following testing, the Contractor will address all issues to the satisfaction of AASA per functional specification requirements.

Once all issues have been resolved to the satisfaction of AASA, the project or application will undergo final acceptance testing and sign-off. The product will then be released to the user community. The Contractor is responsible for the smooth transition of any technologies, projects, enhancements or applications from the development environment to the live (production server) environment.

For all enhancements a separate statement of work will be written for any required enhancements. The Contractor must be able to respond to requests to modify the AIS to meet future needed functionality.

- a. The Contractor must provide to the State within 2 weeks of receiving a request a response based on the following deliverables. The AASA Project Manager must approve each work deliverable before it is considered complete.
- b. Develop Requirements Documentation. The requirement document must be delivered to State PM's within one week of the last requirements meeting.
- c. Develop Project plan to include the following:
  - i. A work breakdown structure of the major phases of the project, accounting for all tasks, deliverables, resources and milestones for the design, development, testing and implementation of the enhancement including all interfaces and other agency resources.
  - ii. Estimated hours and timetable for each task, deliverable, and milestone.
  - iii. Contractor resource loading by task and role.
  - iv. State resource loading by task and role. Note that any use of State personnel must be consistent with the description of the available state project team described in Section 1.202. If there are needs for State staff in addition to those referenced in Section 1.202, the Contractor should note this need.
  - v. Critical path with parallel and dependent project tasks.
  - vi. Any assumptions of constraints identified by the Contractor must be listed in the Project Plan.
  - vii. List of any hardware that may need to be purchased. The project plan must be delivered to the State PM's within one week of the approval of the requirements document.
- d. Develop design documentation
- e. Program the application enhancement.
- f. Develop test cases and conduct unit testing.

- g. Develop installation plan.
- h. State staff utilizing the Contractor's installation plan will install the enhancement in the State's staging environment.
  - i. Conduct user acceptance testing on Staging Environment to ensure that the requirements are satisfied and to validate the results.
  - i. Contractor will demonstrate to the State that all of the system requirements and functions have been satisfied.
  - ii. The State will determine if the Contractor has fulfilled all of the requirements.
  - iii. The Contractor will be responsible to modify any functionality or requirement that is viewed by the State as not acceptable.
  - iv. The Contractor will be responsible to add a function or requirement as defined in the requirements document that the Contractor failed to include.
  - v. All modifications and/or additions to a function in the system as defined in the requirements document will be performed without any additional cost.
  - vi. This entire process will take place prior to installation and live implementation.
- m. Provide technical support during installation to State's production environment. This includes a 90-day warranty period for the enhancement.
- n. Post Implementation Support
- o. The Contractor must respond to support calls within 2 hours during regular business hours 8 am – 5pm eastern standard time.

**Deliverable(s)**

- *Enhancements to the AIS system*
- *Project Plan*
- *Design documentation*
- *Test cases*
- *Installation Plan*
- *Technical Support*
- *Post Implementation Support*

#	ACTIVITY	ACRO	STATE
1	Raise a request for new application development / enhancement	I	R
2	Prepare draft Business Requirements Document based on the business needs provided in the request (Within 2 weeks of receiving request)	R	I
3	Review and provide feedback on the draft Business Requirements Document (as per agreed upon schedule)	I	R
4	Based on the feedback, provide additional clarifications and updated Business Requirements Document (Within 1 week of last requirement meeting)	R	
5	Provide approval for the Business Requirements Document (as per agreed upon schedule)		R
6	Create Project Plan/WBS based on the approved Business Requirements Document and share with AASA for approval	R	I
7	Provide approval for the Project Plan/WBS (as per agreed upon schedule)		R
8	Create Design documents, Test Cases based on the approved functional design and share with AASA	R	I
9	Program the application enhancement and perform unit testing and system testing	R	
10	Install the enhancement in the State's staging environment	R	I
11	Demonstrate to the State that all of the system requirements and functions have been satisfied	R	I
12	Conduct user acceptance testing (UAT) on staging environment		R

13	Make modifications based on feedback from UAT and install in the State's staging environment	R	I
14	Validate all the functionality in staging environment and provide UAT sign-off	I	R
15	Install the enhancement in the State's production environment	R	I
16	Update all the system documentation and share with AASA	R	I
17	Provide post implementation support to AASA	R	
I – Information Recipient R – Responsible Party			

### Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

### F. Implementation

SUITE processes at the SOM or approved equivalent must be followed, to include:

*Implementation of the product is initiated after all application testing has been successfully completed. This stage involves the activities required to install the software, databases, or data that comprise the product into the Microsoft Azure Government cloud. The activities associated with this stage should be performed each time the product is installed at a production site. User training may be required to complete the implementation process.*

#### Data Conversion and Migration

*Contractor will convert and migrate data, if needed, from any legacy source systems from which data is required to be converted to AIS. The data will be loaded into the new AIS database prior to User Acceptance Testing.*

*Contractor's team will create the Data Conversion Plan to address the migration of data to the new AIS application implementation. The data to be converted from the legacy source systems can be in various formats. Contractor's team will study the data sources and repositories to understand the types of data formats and volume of data.*

*Contractor's team will prepare a cost/benefit analysis for automating the data conversion. When the data volumes are low and there is no time or cost benefits in automating the data conversion, manual uploads are recommended. In case of automated data upload, data conversion scripts will be written with appropriate checks and validations.*

*Data conversion scripts will be tested thoroughly before they are used on the production data. Cut off (freeze) points are indicated in consultation with the State. The data input into the legacy systems is suspended during data conversion. The data conversion plan specifies the resources, schedule, freeze points, constraints*

*Data conversion plans are closely coordinated with system implementation plans. Contractor's approach for data migration is as follows:*

1. *Receive schema for legacy systems*
2. *Map data structures*
3. *Develop conversion scripts*
4. *Test data conversion scripts*
5. *Fine tune data conversion scripts*
6. *Provide access to complete AIS System DB*
7. *Define freeze points for legacy system usage*
8. *Run data conversion scripts*
9. *Regression test the application modules with new database Configuration*

*Contractor configures the new AIS system, including all configurations needed to support the interfaces and integrated systems, according to the configuration plan and an updated version of the various documents involved will be created and delivered as a part of the project.*

### **Installation and Configuration**

*Contractor will install newly developed or enhanced application software and database software in the State's production environment after they have been previously validated in the State's development or staging environments as described under our response to subsection E (Application Development) above.*

*At the end of the Application Development phase, completed application code is delivered to a repository identified in the project plan.*

*During the Application Development phase, the Contractor will have worked with the State's Infrastructure team to reconfigure the staging and production environment (if necessary) including 3rd Party software components. Then the databases are configured as per the architectural setup and configuration design. Following this the application and data services are setup and interfaces are tested.*

### **Customization**

*During this stage, Contractor will customize the product if necessary using the methodology and instructions provided by the product vendor.*

### **Integration/Interfaces**

*If it is necessary to integrate the product with State's applications, at the State's discretion, the Contractor will develop the required interfaces to effect successful integration.*

## **Deliverable(s)**

- *Services to implement the any enhancements, including*
  - *Data conversion*
  - *Data migration*
  - *Configuration*
  - *Customization*
  - *Interfaces/Integration*

## **Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

## **G. Training**

Develop User Training for AASA staff (approximately twenty people) on Staging Environment for each system release. The training can be by Web conferencing or at State of Michigan's facilities.

## **Deliverable(s)**

- *Train the trainer*
- *End user*
- *Technical for State individuals who will be working with the services Contractor to configure the applications including establishing databases and interfaces, data conversion, customization, and upgrading the customized software.*
- *System administration training for State personnel who will be responsible for ongoing maintenance and administration of the system, including security*

Upgrades and new versions to the system that affect end-user functionality include training at no additional cost (e.g. classroom or online training, training flier, release features, etc.)

Training is provided in a variety of formats for product installation, use, and administration for a variety of levels (e.g. basic, advanced, refresher, etc.)

All training manuals, training plans and other documentation provided become the property of the State.

## **Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

## **H. Documentation**

*SUITE processes at the SOM or approved equivalent must be followed, to include:*

Provide complete, up-to-date, electronic manuals for the system, its components, operations, maintenance, administration and use that are easily referenced, easily used and searchable.

## **Deliverable(s)**

- *User manuals*
- *Technical manuals*
  1. A minimum of two (2) copies of the following documentation in an electronic format, online and in hard copy will be provided:
    - a. *User and Technical Manuals - On-line and Hard Copy*
    - b. *Data Element Dictionary*
    - c. *Operations Manual*
    - d. *All updates of documentation during the term of the Contract, software license and maintenance agreement*
  2. The following documentation is provided for all modules and program development:
    - a. *System-wide documentation and specifications*



- b. Baseline End-User training manuals to be used as a basis for “User Manuals” and online help
  - c. Installation procedure
  - d. Module configuration documents sufficient for configuration maintenance purposes
  - e. Testing scripts
  - f. Specification documentation
  - g. Production migration
3. The documentation of components, features, and use of the software must be detailed such that resolution of most problems can be determined from the documentation, and most questions can be answered.
  4. All system, operational, user, change, and issue documentation must be available in electronic format, published to an intranet website, accessible to State users, updated regularly, with unique numerical identifiers for each section and be consistent with the most current version of the application(s) and three (3) previous versions.
  5. All system, operations, user, change and issue documentation is to be organized in a format, which is approved by the State and facilitates updating and allows for revisions to the documentation to be clearly identified including the three (3) previous versions.
  6. The Contractor must develop and submit for State approval complete, accurate, and timely system, operations, and user documentation.
  7. The Contractor must notify the State of any discrepancies or errors outlined in the system, operations, and user documentation.

### **Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

### **I. Operation Services**

Contractor must host all AIS applications on the Microsoft Azure Government Cloud and Maintain AIS Security Architecture

SOW Tasks, Elements, & Objectives for Hosting:

Minimum requirements include:

- Physical security of the hosting location 24/7 and 365 day (monitored)
  - Controlled access to facilities during business, including logged access by time and date
  - Redundant, high capacity power sources
  - Fire detection and suppression a system for early detection of fires and suppression in a manner that does not damage state equipment
  - Air conditioning monitored facilities to control for temperature and humidity
  - Facility monitoring for electrical and mechanical failures, fire detection, and leak detection
  - Support services including system and network monitoring of backbone routers, WAN interfaces, routers, switches, and servers
  - Network problem detection, tracking, and resolution process
- Uptime, as defined within Schedule B Hosting and Support.*

SOW Tasks, Elements, & Objectives for Maintenance of AIS Security Architecture:

Contractor security service includes ongoing review of current security monitoring practices and technologies, identification of potential internal and external security risks to the AIS, and suggestions and/or recommendations for potential system policy, use, or technical changes intended to enhance security and reduce the potential for security breaches. Michigan State Government Network Security Policy URL reference is: [http://www.michigan.gov/documents/141017\\_36297\\_7.pdf](http://www.michigan.gov/documents/141017_36297_7.pdf).

Security status report to cover the following activities must be submitted to AASA and DTMB - IT project managers on a monthly basis.

## AIS Infrastructure Security

### Operating System:

All operating systems hardened to the standards set by the State.

### Physical and Application level:

Maintain a layered system of security.

All servers behind a multi-port state-full inspection firewall all ports effectively have a separate firewall with strong packet routing and filtering.

Three main server zones with each zone serving a different application layer. All servers isolated and controlled through subnets, v-lans and firewall rules and ports. All zones logs are monitored and unusual activity is flagged and monitored.

### Public Web Site Server

Public Address

Behind a firewall

Logs kept and monitored: IIS logs, System, event logs kept and monitored. All unusual events investigated.

### Authenticated Server

Private Subnet A

Only https (SSL) connection allowed

Windows 2012 Domain with Active Directory users

Managing application user logons

Auth and SQL in same domain

IIS that run application https or SSL connection only

All logins successful and unsuccessful logged

IIS and System Logs kept and monitored. All unsuccessful attempts investigated.

AIS Server Security, Maintenance, and Management

AIS Server management, security and uptime are crucial to the success of the AIS.

The Contractor will maintain Microsoft Certified Partner status throughout the Contract and will provide Microsoft-based software maintenance and support. The Contractor will monitor websites (non-Microsoft) for vulnerabilities found in Microsoft products. Upon release of a Microsoft patch or service pack, the Contractor thoroughly tests them to ensure they work as intended. Testing is imperative prior to rollout to ensure the AIS remain secure and operational. Once a patch is implemented, any workarounds are reverted back to normal settings (firewall and services).

### Daily

- Check backups on servers to ensure backup successful
- Quick system log check; investigate and correct any issues
- Quick drive space scan; reclaim drive space if needed
- Investigate any anomalous behavior on servers
- Check for new Microsoft Patches. If new patches released, determine criticality of patch, test and apply any workarounds (firewall and service adjustments generally) until patch is tested. Apply new patches to a test environment. Apply approved and tested patches; undo any workarounds as needed
- 
- 
- Check system logs for security violations
- Check database backup operations, server activity; error logs; correct issues.

### Weekly

- Correlate all logs and report any suspicious activity.

#### Monthly (at a minimum)

- Compile and archive IIS and SQL logs.
- Reclaim file space in SQL data bases and log files
- Shrink logs files on all devices (IIS server, domain controllers, firewall, system)
- Check suspicious reoccurring connections and or failures on system.
- Check server loads and logs for resources and utilization
- Rescan logons and errors in log files investigate any failures or errors
- The Contractor provides technical support for the security for the AIS, server hosting
- Meet with State and review logs and security related activities.

#### Yearly (at a minimum)

- Comprehensive testing and report on security and system vulnerabilities

#### AIS Disaster Recovery Plan & Support

The Aging Information System supports several agency business processes that depend upon uninterrupted continuity of service. In addition, the general public has come to rely upon the uninterrupted availability of the Resource Directory on the agency's web site. As such, the Contractor will provide to the State a Disaster Recovery Plan to be updated annually. The initial Disaster Recovery Plan is attached as Schedule D and the new disaster recovery plan for the Azure hosting environment must be provided within 30 days prior to implementation of Azure cloud hosting. In addition the Contractor must support the AIS disaster recovery plan, process, and activities based on features available in Microsoft Azure Government Cloud that address the following:

**Environmental Controls:** Locate AIS servers in a secure, environmental controlled room in case natural or man-made disasters at or near the hosting facility.

**Fire:** The Contractor maintains a fire containment system that protects electrical and computer equipment while suppressing the source and energy of the fire. Unless the fire was to start with the AIS servers, the impact of a fire in the building should be mitigated by this fire containment system. AIS operations could go offline while order is restored to the building, but the delay should be minimal.

**Power Outage:** The Contractor will maintain backup generators that would provide power to their business operations in the event of a power outage.

**Hacker Attack:** The Contractor will monitor system operations security flaws, review of system logs and, conduct timely update of security patches to system software.

**Flood, Earthquake, Tornado, Terrorist Attack:** In the event of a natural or manmade disaster that would destroy or seriously damage the facility or the Internet, AIS operations through the Contractor could be disrupted.

**Disruption in Facility Service:** The Contractor must support a plan in the event that onsite operations of the Aging Information system with minimal disruption (minimal is considered disruption of service less than or equal to 48 hours). The plan should address redirection of the AIS domain name, and the time period that is required for the redirection and the availability of an interim solution, availability and use of AIS data backed ups stored offsite to re-establish service to AIS users. The plan must also identify other options for offsite operations options if the nature of the disaster that takes the Contractor offline is of such a magnitude to destroy other facilities in the area.

#### AIS User Access, security and confidentiality

AASA must retain administration of data access security, including application security (granting of access, resetting of passwords, definition of password syntax rules, monitoring of access violation reports and provided by the Contractor, etc.) AASA must administer all user security profiles.

The Contractor must be responsible for the function of security software implementation and maintenance if the changes implemented under this Contract warrant a change from the current system.

#### Confidentiality of Data and Information

All financial, statistical, personal, technical and other data and information relating to the State's AIS operations and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, must be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State.

#### Remedies for Breach of Confidentiality

The Contractor acknowledges that a breach of its confidentiality obligations as set forth in this Contract must be considered a material breach of the Contract. Furthermore the Contractor acknowledges that in the event of such a breach the State must be irreparably harmed. Accordingly, if a court should find that the Contractor has breached or attempted to breach any such obligations, the Contractor will not oppose the entry of an appropriate order restraining it from any further breaches or attempted or threatened breaches.

*Second-level monitoring which involves more frequent and aggressive monitoring of server events and network logs. Review of application user logs helps to keep track of the usage patterns to identify any suspicious user activity in the AIS system. To keep the AIS system safe, Contractor must propose the following supplemental plan to continually and proactively monitor AIS system security components in addition to the current monitoring activities. Following items will be included in the second-level security monitoring process:*

1. Server event logs
2. IIS log
3. Anti-virus log
4. 5. Application logs a. User hits
- b. Geographical origins of requests c. Usage patterns
- d. Failed login attempts
6. System scans

#### Server Event Logs:

*Windows event logs (Application, System and Security logs) contain the report from Windows operating system and applications about the status of events including failure to start a service or a system component. These will be inspected and analyzed and issues, if any, will be identified.*

#### IIS Log:

*IIS webserver log contains information about sites and services and provides some high-level details about site visits. The log will be reviewed and analyzed for any suspicious activity.*

#### Anti-virus Log:

*Symantec Anti-virus log contains virus and malware scan activity report for the server files. This log will be reviewed for threats and appropriate action on quarantined files, if any, will be taken.*

#### Application Logs:

*AIS applications already collect data about user login with date/time information. This will be further enhanced to include location information and history of login attempts. Reports will be developed (under separate work orders) to get an insight into application usage patterns by hour/day, geographical origins, and login attempts. These reports will be reviewed to identify any suspicious activity.*

#### System Scans and Penetration Tests:

*Network port scanning and penetration tests on network equipment will be regularly conducted to measure the robustness of the AIS security layers.*

#### Cloud Service Monitoring:

- *Contractor will monitor key components of the system, including but not limited to:*
  - *Detecting sudden activity peaks and scaling system dynamically to make sure transactions are processed according to service level agreement*
  - *Monitoring cloud services consumptions and alerting customer if usage exceeds expected levels*
  - *Notifications when an abnormal event is detected regarding responsibilities outlined above*

**Activity Schedule:**

*The security monitoring will be conducted by Contractor's system security experts.*

**Deliverable:**

*Contractor will provide a monthly report containing the summary of all the security reviews and analysis conducted during the month. Risk factor of any abnormal activity will be detailed and possible course of action to address the risks will be suggested in the report. Actual action to mitigate any risks will be carried out under separate statement(s) of work as and when approved by AASA.*

**Deliverable(s)**

Includes, but not limited to.

- *Hosting*
- *Systems management*
- *Disaster recovery*
  - *Microsoft Azure Geo Replication with regular cloud backups*
- *Security administration services*
- *Gap Analysis and iteration plan*
- *Application categorization scheme*
- *End user and technical user documentation*
- 

**Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

**J. Maintenance and Support**

1. Provide AASA-Directed End User Support

Timeline: Duration of the Contract

SOW Tasks, Elements, & Objectives:

AASA handles all initial end user support requests. This includes system process questions and application usage. If the issue is determined by AASA not to involve application usage, but is technical in nature, it is forwarded to the Contractor. In terms of technical support at the Contractor, each application is supported by the developer(s) involved in the original development effort and any enhancements (where possible). Both the technical and business process knowledge of the developer(s) is an integral part of the support process and its success.

- The Contractor will be accessible by telephone and e-mail between the hours of 8:00 a.m. and 5:00 p.m. Eastern Time and provide AASA with a 2-hour response time for all end-user support. The Contractor handles these issues as follows:
- Upon receipt, the Contractor records the issue in its issue tracking system. Issue Tracking reports must be available to AASA and MDTMB. The format of this report will be agreed upon within 30 days of Contract start date. The Contractor determines if the issue is a result of user error or system error.If

user error, the Contractor prepares a response back to AASA. The response includes the steps the user used in making the error along with new steps the user should use in the future to prevent the error.

- If system error, the Contractor investigates the cause of the issue, implements a fix to the system; tests the entire system to ensure the fix did not cause any issues with other system areas; and reports back to AASA the nature of the issue and how it was resolved.

## 2. Provide Technical Support

Timeline: Duration of the Contract

SOW Tasks, Elements, & Objectives:

Contractor will be accessible 24 x 7 x 365 in support of the following.

- Issue affecting entire application or single critical application functions;
- Application down or operating in materially degraded state;
- Application data integrity at risk;
- Declared a Critical Support Request by the State;
- Widespread application access interruptions;
- Primary application component failure that materially impairs its performance; or
- Data entry or access is materially impaired on a limited basis.

### Deliverable(s)

- *Maintenance of software*
  - *Existing software*
  - *Purchased software*
- *Leased software*
- *Support*
  - AASA-Directed End User Support
  - *Technical*
    - Maintenance programs commence at the end of the warranty period.*
    - All maintenance is performed by qualified personnel familiar with the hardware.*
    - Remote diagnostic capabilities are provided.*
    - The software maintenance program includes all future software updates and system enhancements applicable to system modules licensed without further charge to all licensed users maintaining an annually renewable software support Contract.*
    - Technical system support is available 24 x 7 x 365, with escalation as necessary to senior technical/engineering staff, and then to higher management and/or senior management.*
    - Maintenance service options are provided including 24 x 7 x 365 service, onsite service, 2- (emergency), 4-, and 8-hour and next day response times.*
    - Calls for service will be returned within 2 hours.*
    - Emergency assistance is available 24 hours a day, seven days a week, at no additional cost to the State.*
    - A Web-enabled help desk interface is provided at no additional cost.*
    - The State will be provided with information on software problems encountered at other locations, along with the solution to those problems, when such information is relevant to State software.*

- m. *Support is provided for superseded releases and back releases still in use by the State.*
- n. *For the first year and all subsequent Contract years, the following services are provided for the current version and one previous version of any Software provided with the deliverables, commencing upon installation of the deliverables or delivery of the Software:*
  - 1. **Error Correction.** *Upon notice by State of a problem with the Software (which problem can be verified), reasonable efforts to correct or provide a working solution for the problem.*
  - 2. **Material Defects.** *The State will be notified of any material errors or defects in the deliverables known, or made known to Contractor from any source during the Contract term that could cause the production of inaccurate, or otherwise materially incorrect, results and must initiate actions as may be commercially necessary or proper to effect corrections of any such errors or defects.*
  - 3. **Updates.** *All new releases and bug fixes (collectively referred to as "Changes") for any software deliverable developed or published by Contractor and made generally available to its other customers at no additional charge will be provided to the State at no additional charge.*

**Level-1 support (by AASA)** – AASA receives all the support requests from authorized AIS users, analyzes them and takes appropriate action on the requests. These requests are serviced and closed to satisfaction by the State's Program staff unless technical resolution is needed.

If these cannot be answered by AASA personnel, then they are forwarded to Contractor for Level-2 for further investigation and analysis.

**Level-2 support (by Contractor)** - Requests requiring technical attention are passed on to the technical staff of the Contractor for resolution. If the corrections are minor in nature, they are applied to the application and the State staff is informed about the same. If significant system changes are involved to service the support request, Contractor will follow the standard maintenance and change control process.

If requested by AASA, Contractor will provide a web-based system for logging and tracking the system changes and issues. This system keeps tracks of the support requests and provides instant view of the status of various requests. State's team will be provided access to enter issues and requests in this system.

#### **Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

#### **Escalation to Parties' Project Managers**

If Contractor does not respond to a support request within the 2 hour response time, the State may escalate the support request to the parties' respective Project Managers and then to their respective Contract Administrators.

#### **Remedies for Maintenance and Support Failures**

Contractor's repeated failure to meet the Maintenance and Support Tasks, Elements, Objectives and Deliverables set forth in this Schedule A, including but not limited to support hours and response times, will constitute a material breach under the Contract. The State reserves the right, at its sole election, to immediately terminate this Contract without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this section and the State may terminate this Schedule or the Contract for cause in accordance with section 16.1 of the Contract.

#### **K. Knowledge Transfer/Transition**

Contractor will work with the existing Contractor to acquire knowledge of the current hosting environment, applications and support requirements from the current Contractor team. The main objectives of this plan are:

- Transfer application knowledge and support processes with minimal or no impact to AASA
- Provide uninterrupted application maintenance, end user support and enhancement request support

The Contractor will submit a transition plan for approval by AASA within 5 days of the start of this Contract.

**Deliverable(s)**

- *to State Staff*
- *from Incumbent Contractor*

**Acceptance Criteria**

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501. Any additional or more specific criteria should be identified here.

## 1.200 Roles and Responsibilities

### 1.201 Contractor Staff, Roles, And Responsibilities

#### A. Contractor Staff

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

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

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

The Contractor must submit a letter of commitment for Key Personnel, signed by the identified resource, stating their commitment to work for the Contractor/subcontractor on this project contingent on award of the bid. If the identified personnel are currently assigned to a State project the Contractor must provide a letter signed by the State Project Manager releasing the individual from the project upon execution of the contract.

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

All Key Personnel may be subject to the State's interview and approval process. Any key staff substitution must have the prior approval of the State. The State has identified the following as key personnel for this project:

- *Project Manager - Mr. Vishwas Tare*
- *System Architect - Mr. Biswajit Sinha*
- *Security Architect - Mr. Vijay Rao*
- *Contract Manager - Mr. R. V. Rao (SPOC)*

**The Contractor will provide Project Manager** to interact with the designated personnel from the State to insure a smooth transition to the new system. The project manager/technical lead will coordinate all of the activities of



the Contractor personnel assigned to the project and create all reports required by State. The Contractor's project manager/technical lead responsibilities include, at a minimum:

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

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

## **B. On Site Work Requirements**

### **1. Location of Work**

No onsite work is required

### **2. Hours of Operation:**

- a. Normal State working hours are 8:00 a.m. to 5:00 p.m. EST, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. No overtime will be authorized or paid.
- 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 must observe the same standard holidays as State employees. The State does not compensate for holiday pay.

### **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:**

Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff identified for assignment to this project.

In addition, proposed Contractor personnel will be required to complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC) Finger Prints, if required by project.

Contractor will pay for all costs associated with ensuring their staff meets all requirements.

## **1.202 State Staff, Roles, And Responsibilities**

Agency should specify State personnel dedicated to project, and identify their associated roles and responsibilities.

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

**Executive Subject Matter Experts**

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

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

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>	<b>Phone/e-mail</b>
Scott Wamsley	AASA	Division Director	wamsleys@michigan.gov
Emma Buycks	AASA	Departmental Analyst	buyckse@michigan.gov
Cindy Albrecht	AASA	Departmental Analyst	albrechtc@michigan.gov

**State Project Manager- (MDTMB and Agency)**

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

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

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

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>
Susan Nordyke	MDTMB	Project Manager
Scott Wamsley	Agency	Project Manager

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

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>
Simon Baldwin	MDTMB	Contract Administrator

## 1.300 Project Plan

### 1.301 Project Plan Management

#### **Preliminary Project Plan**

Microsoft Azure Hosting Project Plan is attached as Appendix A.

Note: A Final Project Plan will be required as stated in Article 1, Section 1.301 (C) Project Control.

#### **Orientation Meeting**

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

#### **Performance Review Meetings**

The State will require the Contractor to attend monthly meetings, at a minimum, to review the Contractor's performance under the Contract. The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor. The State must bear no cost for the time and travel of the Contractor for attendance at the meeting.

#### **Project Control**

1. The Contractor will carry out this project under the direction and control of MDTMB, Aging and Adult Services Agency.
2. Within seven working days of the execution of the Contract, the Contractor will submit to the State project manager(s) for final approval of the project plan. This project plan must be in agreement with Article 1, Section 1.104 Work and Deliverables, and must include the following:
  - *The Contractor's project organizational structure.*
  - *The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.*
  - *The project work breakdown structure (WBS) showing sub-projects, activities and tasks, and resources required and allocated to each.*
  - *The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the WBS.*
3. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at <http://www.michigan.gov/suite>
  - a. Contractor will use an automated tool for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool must have the capability to produce:
    - Staffing tables with names of personnel assigned to Contract tasks.
    - Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next 14 calendar days, updated semi-monthly).
    - Updates must include actual time spent on each task and a revised estimate to complete.
    - Graphs showing critical events, dependencies and decision points during the course of the Contract.
  - b. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

### 1.302 Reports

Contractor will provide the following monthly reports to the AASA Project Manager on regular basis as part of current contract as agreed upon with AASA. These reports essentially cover the following items:

- Monthly Project status
- Updated project plan
- Summary of activity during the report period
- Accomplishments during the report period
- Deliverable status
- Schedule status
- Action Item status
- Issues/Risk mitigation
- Change Control
- Repair status
- Maintenance Activity

Report	Purpose	Frequency
SOW Status Report	<ol style="list-style-type: none"> <li>1. Identify the SOWs currently in progress</li> <li>2. Current status of the SOW</li> <li>3. Priority based on business need</li> <li>4. Planned date to deliver for User Acceptance Testing (UAT)</li> <li>5. AASA SME assigned to provide requirements and perform UAT</li> <li>6. SOW Balance invoice amount</li> <li>7. Document any issue or risks to deliver on schedule</li> </ol>	Monthly
Progress Report	<ol style="list-style-type: none"> <li>1. Outline work accomplished during the month, deliverables, percentage of phase-wise work completed</li> <li>2. Work to be accomplished during the following month</li> <li>3. Problems/issues encountered and their status, resolution plan</li> <li>4. Problems (risks) anticipated and mitigation plan</li> <li>5. Identify deviation in project metrics like schedule, cost and quality and determine corrective/preventive actions</li> </ol>	Monthly
Security Audit Report	<ol style="list-style-type: none"> <li>1. System shutdown log</li> <li>2. Antivirus log</li> <li>3. User Activity log</li> <li>4. Server Event log</li> <li>5. Summary Report</li> </ol>	Monthly

### 1.400 Project Management

#### 1.401 Issue Management

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

Contractor will use their web-based issue-tracking tool called Task-Tracker to log and monitor issues during contract period. This tool can maintain the following information required by the State:

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

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

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

#### **1.402 Risk Management**

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

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

A risk management plan format must be submitted to the State for approval within twenty (20) business days after the effective date of this Contract. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it must become the standard to follow for the duration of the Contract. The plan must be updated bi-weekly, or as agreed upon.

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

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

#### **1.403 Change Management**

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

If a proposed Contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Technology, Management and Budget, Procurement Buyer, who will make recommendations to the Director of DTMB-Procurement regarding ultimate approval/disapproval of change request. If the DTMB Procurement Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the DTMB-Procurement Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DTMB-Procurement, risk non-payment for the out-of-scope/pricing products and/or services.**

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

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

## 1.500 Acceptance

### 1.501 Criteria

#### **Document Deliverables**

Documents include, but not limited to, plans, design documents, project schedules, user guides, and procedure manuals.

1. Documents are dated and in electronic format, compatible with State of Michigan software in accordance with Article 1.302.
2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in final product.
3. Draft documents are not accepted as final deliverable.
4. The documents will be reviewed and accepted in accordance with the requirements of this Contract.
5. AASA will review business documents within 30 days of receipt. Approvals will be written and signed by AASA. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.
6. AASA and MDIT will review technical documents within 30 days of receipt. Approvals will be written and signed by AASA AIS and MDIT. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.
7. AASA will review project documents within 30 days of receipt. Approvals will be written and signed by AASA. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.

## **Software Deliverables**

Software includes, but not limited to, software product, development tools, support tools, data migration software, integration software and installation software.

1. Beta software is not accepted as final deliverable.
2. The software will be reviewed and accepted in accordance with the requirements of this Contract.
3. AASA will review software within 30 days of receipt for acceptance of functionality, usability, installation, performance, security, standards compliance, backup/recovery and operation. Approvals will be written and signed by AASA. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit software for approval within 30 days of receipt.
4. If needed, software is installed and configured in appropriate environment (e.g. development, quality assurance, production). Contingency plans and de-installation procedures and software are provided by Contractor and approved by the AASA AIS and MDIT Project Managers.
5. Final software testing is performed by AASA and AASA-designated users. Software is accessible by users identified in the business requirements document.
6. AASA will review test software, data and results within 30 days of receipt. Approvals will be written and signed by the AASA AIS Project Manager. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit test software, data and results for approval within 30 days of receipt.
7. AASA and MDIT will review software license agreements within 30 days of receipt. Approvals will be written and signed by AASA AIS and MDIT Project Managers. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit license agreement for approval within 30 days of receipt.
8. Software source code, where applicable, is reviewed by AASA and MDIT project managers within 30 days of receipt for readability, structure, and configuration management. Approvals will be written and signed by AASA and MDIT Project Managers. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit source code for approval

## **Service Deliverables**

Services include, but not limited to, training, data migration, help desk and support.

1. The services will be accepted in accordance with the requirements of this Contract.

2. AASA will review a 'Request for Approval of Services' within 30 days of completion or implementation. Approvals will be written and signed by the AASA AIS Project Manager. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit a 'Request for Approval of Services' for approval within 30 days of receipt.
3. AASA will review migrated and configured data with 30 days of completion. Approvals will be written and signed by the AASA AIS Project Manager. Unacceptable issues will be documented and submitted to the Contractor. After issues are resolved or waived, the Contractor will resubmit a request for approval within 30 days of receipt.
4. AASA and MDIT staff are properly trained and supplied with the proper tools and documentation to support, upgrade, monitor, operate and configure the application in accordance with the requirements of this Contract.
5. The Contractor has the tools and connectivity installed, in compliance with MDIT standards, to properly support and monitor the application.

#### **1.502 Final Acceptance**

The following criteria will be used by the State to determine Final Acceptance of all deliverables provided under this Contract.

1. All documents, software and services are delivered and accepted by AASA in accordance with the requirements of this Contract.
2. For thirty (30) days after installation and configuration in the staging environment, the software and any related infrastructure must meet or exceed the performance and reliability requirements in accordance with the requirements of this contract. Unacceptable issues will be documented and submitted to the Contractor.
3. After installation and configuration in the production environment, all issues discovered during the 90-day warranty period are resolved and accepted or waived by AASA. Approvals will be written and signed by the AASA AIS Project Manager.
4. All bills related to this contract have been submitted and approved for payment.

#### **1.600 Compensation and Payment**

##### **1.601 Compensation And Payment**

1. *Firm, fixed price for Hosting and Maintenance*



2. *Technical Consulting/Support, and End User Support*
3. *IT Resource Rate Table for Enhancement*

### **Method of Payment**

The project will be paid upon receipt of a properly completed invoice. The Costs Table(s) attached must be used as the format for submitting pricing information.

The selected Contractor will be required to submit an Administrative Fee (see Section 2.031) on all payments remitted under the Contract.

Extended purchasing program volume requirements are not included, unless stated otherwise.

### **Travel**

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

If Contractor reduces its prices for any of the software or services during the term of this Contract, the State must have the immediate benefit of such lower prices for new purchases. Contractor must send notice to the State's MDTMB Contract Administrator with the reduced prices within fifteen (15) Business Days [or other appropriate time period] of the reduction taking effect. – OR – Contractor must send updated prices to the State *[quarterly/semi-annually]*.

### **Statements of Work and Issuance of Purchase Orders**

- Unless otherwise agreed by the parties, each Statement of Work will include:
  1. Background
  2. Project Objective
  3. Scope of Work
  4. Deliverables
  5. Acceptance Criteria
  6. Project Control and Reports
  7. Specific Department Standards
  8. Payment Schedule
  9. Travel and Expenses
  10. Project Contacts
  11. Agency Responsibilities and Assumptions
  12. Location of Where the Work is to be performed
  13. Expected Contractor Work Hours and Conditions
- The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor must not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor must perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

### **Invoicing**

Contractor will submit properly itemized invoices to

DTMB – Financial Services

Accounts Payable

P.O. Box 30026

Lansing, MI 48909

or

DTMB-Accounts-Payable@michigan.gov

. Invoices must provide and itemize, as applicable:

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

The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration must be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.

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

Appendix A

ID	Task Name	Duration	Start	Finish	Resource Names
1	<b>1 AIS Microsoft Azure Hosting Transition Plan</b>	<b>120 days</b>	<b>Mon 10/2/17</b>	<b>Wed 3/28/18</b>	
2	<b>1.1 AIS Migration Preparation</b>	<b>25 days</b>	<b>Mon 10/2/17</b>	<b>Fri 11/3/17</b>	
3	1.1.1 Notify Iserv data center for termination of hosting subcontract	1 day	Mon 10/2/17	Mon 10/2/17	Acro
4	<b>1.1.2 Azure - Order placement (Assumes State has been approved by Microsoft for use of Govt. Cloud and State has approved the kick-off of the Azure Hosting transition by 10/2/2017)</b>	15 days	Mon 10/2/17	Fri 10/20/17	Acro
5	1.1.3 Azure - Cloud environment provisioning	10 days	Mon 10/23/17	Fri 11/3/17	Acro
6	<b>1.2 AIS Migration Process (DRY RUN)</b>	<b>27 days</b>	<b>Mon 11/6/17</b>	<b>Thu 12/14/17</b>	
7	<b>1.2.1 Replicate to Azure without any impact to on-premises production environ</b>	<b>10 days</b>	<b>Mon 11/6/17</b>	<b>Fri 11/17/17</b>	
8	1.2.1.1 Start Migration				Acro
9	1.2.1.2 Create Azure Site Recovery (ASR) Vault				Acro
10	1.2.1.3 Register 5 physical servers with ASR				Acro
11	<b>1.2.1.4 Enable protection for 5 physical servers</b>				
12	1.2.1.4.1 Domain Controller & DNS Server				Acro
13	1.2.1.4.2 Production Database server				Acro
14	1.2.1.4.3 Production Partner Channel webserver				Acro
15	1.2.1.4.4 Production Business Site webserver				Acro
16	1.2.1.4.5 Staging Database server				Acro
17	1.2.1.5 ASR replicates all server disks				Acro
18	<b>1.2.2 Validate application in complete isolation</b>	<b>5 days</b>	<b>Mon 11/20/17</b>	<b>Tue 11/28/17</b>	
19	1.2.2.1 Map on-premises networks to networks created in Azure				Acro
20	1.2.2.2 Perform Failover to validate application in Azure				Acro
21	<b>1.2.3 RTO optimized using Recovery Plans and downtime limited to cutover</b>	<b>12 days</b>	<b>Wed 11/29/17</b>	<b>Thu 12/14/17</b>	
22	1.2.3.1 Once assured, perform a cutover to Azure using Recovery plan	5 days	Wed 11/29/17	Tue 12/5/17	Acro
23	1.2.3.2 Application Testing by Acro team	7 days	Wed 12/6/17	Thu 12/14/17	Acro
24	<b>1.3 Decommissioning the test environment and create new LIVE environment (after successful Dry Run)</b>	<b>7 days</b>	<b>Fri 12/15/17</b>	<b>Tue 1/2/18</b>	Acro
25	<b>1.4 AIS Migration Process (LIVE CUT-OVER)</b>	<b>36 days</b>	<b>Wed 1/3/18</b>	<b>Wed 2/21/18</b>	
26	<b>1.4.1 Replicate to Azure without any impact to on-premises production environ</b>	<b>10 days</b>	<b>Wed 1/3/18</b>	<b>Tue 1/16/18</b>	
27	1.4.1.1 Start Migration				Acro
28	1.4.1.2 Create Azure Site Recovery (ASR) Vault				Acro
29	1.4.1.3 Register 5 physical servers with ASR				Acro
30	<b>1.4.1.4 Enable protection for 5 physical servers</b>				
31	1.4.1.4.1 Domain Controller & DNS Server				Acro
32	1.4.1.4.2 Production Database server				Acro

ID	Task Name	Duration	Start	Finish	Resource Names
33	1.4.1.4.3 Production Partner Channel webserver				Acro
34	1.4.1.4.4 Production Business Site webserver				Acro
35	1.4.1.4.5 Staging Database server				Acro
36	1.4.1.5 ASR replicates all server disks				Acro
37	<b>1.4.2 Validate application in complete isolation</b>	<b>5 days</b>	<b>Wed 1/17/18</b>	<b>Tue 1/23/18</b>	
38	1.4.2.1 Map on-premises networks to networks created in Azure				Acro
39	1.4.2.2 Perform Failover to validate application in Azure				Acro
40	<b>1.4.3 RTO optimized using Recovery Plans and downtime limited to cutover</b>	<b>21 days</b>	<b>Wed 1/24/18</b>	<b>Wed 2/21/18</b>	
41	1.4.3.1 Once assured, perform a cutover to Azure using Recovery plan	5 days	Wed 1/24/18	Tue 1/30/18	Acro
42	1.4.3.2 Application Testing by Acro team	5 days	Wed 1/31/18	Tue 2/6/18	Acro
43	1.4.3.3 User Acceptance Testing on Azure environment	8 days	Wed 2/7/18	Fri 2/16/18	State
44	1.4.3.4 Initiate DNS Changes over the weekend	2 days	Sat 2/17/18	Sun 2/18/18	Acro
45	1.4.3.5 Verify all AIS applications post DNS changes completion	2 days	Mon 2/19/18	Tue 2/20/18	Acro,State
46	1.4.3.6 Disable Protection on migrated servers and keep them in Azure	1 day	Wed 2/21/18	Wed 2/21/18	Acro
47	<b>1.4.4 Go Live complete</b>	<b>0 days</b>	<b>Wed 2/21/18</b>	<b>Wed 2/21/18</b>	
48	<b>1.5 Decommissioning of Infrastructure at Iserv in Grand Rapids</b>	<b>2 days</b>	<b>Thu 3/22/18</b>	<b>Fri 3/23/18</b>	
49	1.5.1 Domain Controller & DNS Server				Acro
50	1.5.2 Production Database server				Acro
51	1.5.3 Production Partner Channel webserver				Acro
52	1.5.4 Production Public webserver				Acro
53	1.5.5 Staging Database server				Acro
54	1.5.6 Storage Area Network (SAN)				Acro
55	1.5.7 UniTrends				Acro
56	1.5.8 Juniper Firewall				Acro
57	1.5.9 Fiber and Network Switches				Acro
58	<b>1.6 Hardware Transfer to State</b>	<b>1 day</b>	<b>Mon 3/26/18</b>	<b>Mon 3/26/18</b>	Acro,State
59	<b>1.7 Project Closure activities</b>	<b>2 days</b>	<b>Tue 3/27/18</b>	<b>Wed 3/28/18</b>	Acro,State

## **SCHEDULE B - HOSTING AND SUPPORT**

**1. Definitions.** For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Section 1** or this Schedule shall have the respective meanings given to them in the Contract.

**“Actual Uptime”** means the total minutes in the Service Period that the Hosted Services are Available.

**“Authorized Users”** means all Persons authorized by the State to access and use the Hosted Services.

**“Availability”** has the meaning set forth in **Section 4(a)**.

**“Availability Requirement”** has the meaning set forth in **Section 4(a)**.

**“Available”** has the meaning set forth in **Section 4(a)**.

**“Contractor Security Officer”** has the meaning set forth in **Section 3.1**.

**“Contractor Service Manager”** has the meaning set forth in **Section 3.1**.

**“Contractor Systems”** has the meaning set forth in **Section 6.3** of this Schedule.

**“Corrective Action Plan”** has the meaning set forth in **Section 5.6**.

**“Critical Service Error”** has the meaning set forth in **Section 5.4(a)**.

**“DR Plan”** has the meaning set forth in **Section 7.2(a)**.

**“Exceptions”** has the meaning set forth in **Section 4.2**.

**“FedRAMP”** means the Federal Risk and Authorization Management Program, which is a federally approved risk management program that provides a standardized approach for assessing and monitoring the security of cloud products and services.

**“Force Majeure Event”** has the meaning set forth in **Section 8.1**.

**“High Service Error”** has the meaning set forth in **Section 5.4(a)**.

**“Hosted Services”** has the meaning set forth in **Section 2.1**.

**“Low Service Error”** has the meaning set forth in **Section 5.4(a)**.

**“Medium Service Error”** has the meaning set forth in **Section 5.4(a)**.

“**NIST**” means the National Institute of Standards and Technology.

“**Resolve**” has the meaning set forth in **Section 5.4(b)**.

“**Scheduled Downtime**” has the meaning set forth in **Section 4.3**.

“**Scheduled Uptime**” means the total minutes in the Service Period.

“**Service Availability Credits**” has the meaning set forth in **Section 4.5(a)**.

“**Service Error**” means any failure of any Hosted Service to be Available or otherwise perform in accordance with this Schedule.

“**Service Level Credits**” has the meaning set forth in **Section 5.5**.

“**Service Level Failure**” means a failure to perform the Software Support Services fully in compliance with the Support Service Level Requirements.

“**Service Period**” has the meaning set forth in **Section 4(a)**.

“**Software Support Services**” has the meaning set forth in **Section 5**.

“**State Service Manager**” has the meaning set forth in **Section 3.2**.

“**State Systems**” means the information technology infrastructure, including the computers, software, databases, electronic systems (including database management systems) and networks, of the State or any of its designees.

“**Support Hours**” means 8 a.m. to 5 p.m. Monday through Friday, Eastern Time.

“**Support Request**” has the meaning set forth in **Section 5.4(a)**.

“**Support Service Level Requirements**” has the meaning set forth in **Section 5.4**.

## **2. Hosted Services.**

2.1 Hosted Services. Throughout the Term, Contractor will, in accordance with all terms and conditions set forth in the Contract and this Schedule, provide to the State and its Authorized Users the following services (“**Hosted Services**”):

(a) the provision and management of an Operating Environment, including the Infrastructure Services, for the hosting of the Application Software;

(b) the hosting, management and operation of the System Software, Application Software, and other services for remote electronic access and use by the State and its Authorized Users;

- (c) the Software Support Services set forth in **Section 5** of this Schedule;
- (d) the necessary security set forth in **Section 6** of this Schedule; and
- (e) the disaster recovery and backup services set forth in **Section 7** of this Schedule.

### 3. Personnel

3.1 Contractor Personnel for the Hosted Services. Contractor will appoint: (i) a Contractor employee to serve as a primary contact with respect to the Hosted Services who will have the authority to act on behalf of Contractor in matters pertaining to the receipt and processing of Support Requests and the Software Support Services (the “**Contractor Service Manager**”); and (ii) a Contractor employee to respond to the State’s inquiries regarding the security of the Hosted Services who has sufficient knowledge of the security of the Hosted Services and the authority to act on behalf of Contractor in matters pertaining thereto (“**Contractor Security Officer**”). Both of these individuals will be considered Key Personnel under the Contract.

3.2 State Service Manager for the Hosted Services. The State will appoint and, in its reasonable discretion, replace, a State employee to serve as the primary contact with respect to the Hosted Services who will have the authority to act on behalf of the State in matters pertaining to the Software Support Services, including the submission and processing of Support Requests (the “**State Service Manager**”).

### 4. Service Availability and Service Availability Credits.

(a) Availability Requirement. Contractor will make the Hosted Services Available, as measured over the course of each calendar month during the Term and any additional periods during which Contractor does or is required to perform any Hosted Services (each such calendar month, a “**Service Period**”), at least 95.00% of the time, excluding only the time the Hosted Services are not Available solely as a result of one or more Exceptions (the “**Availability Requirement**”). “**Available**” means the Hosted Services are available and operable for access and use by the State and its Authorized Users over the Internet in material conformity with the Contract. “**Availability**” has a correlative meaning. The Hosted Services are not considered Available in the event of a material performance degradation or inoperability of the Hosted Services, in whole or in part such that none of the Application Software is available for normal use. The Availability Requirement will be calculated for the Service Period as follows:  $(\text{Actual Uptime} - \text{Total Minutes in Service Period Hosted Services are not Available Due to an Exception}) \div (\text{Scheduled Uptime} - \text{Total Minutes in Service Period Hosted Services are not Available Due to an Exception}) \times 100 = \text{Availability}$ .

4.2 Exceptions. No period of Hosted Service degradation or inoperability will be included in calculating Availability to the extent that such downtime or degradation is due to any of the following (“**Exceptions**”):

- (a) failures of the State’s or its Authorized Users’ internet connectivity;

(b) Scheduled Downtime as set forth in **Section 4.3**.

4.3 Scheduled Downtime. Contractor must notify the State at least five (5) Business Days in advance of all scheduled outages of the Hosted Services in whole or in part (“**Scheduled Downtime**”). All such scheduled outages will: (a) last no longer than five (5) hours; (b) be scheduled between the hours of 12:00 a.m. and 5:00 a.m., Eastern Time; and (c) occur no more frequently than once per week; provided that Contractor may request the State to approve extensions of Scheduled Downtime above five (5) hours, and such approval by the State may not be unreasonably withheld or delayed. However, these restrictions do not apply if the downtime is scheduled between 6 p.m. Eastern Time on a Saturday to 5 a.m. Eastern Time on the immediately following Monday.

4.4 Service Availability Reports. Within thirty (30) days after the end of each Service Period, Contractor will provide to the State a report describing the Availability and other performance of the Hosted Services during that calendar month as compared to the Availability Requirement. The report must be in electronic or such other form as the State may approve in writing and shall include, at a minimum: (a) the actual performance of the Hosted Services relative to the Availability Requirement; and (b) if Hosted Service performance has failed in any respect to meet or exceed the Availability Requirement during the reporting period, a description in sufficient detail to inform the State of the cause of such failure and the corrective actions the Contractor has taken and will take to ensure that the Availability Requirement are fully met.

4.5 Remedies for Service Availability Failures.

(a) If the actual Availability of the Hosted Services is less than the Availability Requirement for any Service Period, such failure will constitute a Service Error for which Contractor will issue to the State the following credits on the fees payable for Hosted Services provided during the Service Period (“**Service Availability Credits**”):

<b>Availability</b>	<b>Credit of Fees</b>
≥95.00%	None
<95.00% but ≥92.25%	15%
<92.25% but ≥90.0%	50%
<90.0%	100%

(b) Any Service Availability Credits due under this **Section 4.5** will be applied in accordance with payment terms of the Contract.

(c) If the actual Availability of the Hosted Services is less than the Availability Requirement in any two (2) of four (4) consecutive Service Periods, then, in addition to all other



remedies available to the State, the State may terminate the Contract on written notice to Contractor with no liability, obligation or penalty to the State by reason of such termination.

**5. Support and Maintenance Services.** Contractor will provide Hosted Service maintenance and support services, and support services for the System Software (collectively, “**Software Support Services**”) in accordance with the provisions of this **Section 5**. The Software Support Services are included in the Hosted Services, and Contractor may not assess any additional fees, costs or charges for such Software Support Services.

5.1 Support Service Responsibilities. Contractor will:

- (a) correct all Service Errors in accordance with the Support Service Level Requirements, including by providing defect repair, programming corrections and remedial programming;
- (b) provide unlimited telephone and web-based help desk support during Support Hours;
- (c) provide on-call support twenty-four (24) hours per day, seven (7) days per week, three-hundred-sixty-five (365) days per year (“**24x7x365**”) for Critical Service and High Service Errors (defined under 5.4 below);
- (d) provide unlimited online support 24 hours a day, seven days a week;
- (e) provide online access to technical support bulletins and other user support information and forums, to the full extent Contractor makes such resources available to its other customers; and
- (f) respond to and Resolve Support Requests as specified in this **Section 5**.

5.2 Service Monitoring and Management. Contractor will continuously monitor and manage the Hosted Services to optimize Availability that meets or exceeds the Availability Requirement. Such monitoring and management includes:

- (a) proactively monitoring on a twenty-four (24) hour by seven (7) day basis all Hosted Service functions, servers, and other components of Hosted Service security;
- (b) if such monitoring identifies, or Contractor otherwise becomes aware of, any circumstance that is reasonably likely to threaten the Availability of the Hosted Service, taking all necessary and reasonable remedial measures to promptly eliminate such threat and ensure full Availability; and
- (c) if Contractor receives knowledge that the Hosted Service or any Hosted Service function or component is not Available (including by written notice from the State pursuant to the procedures set forth herein):

- (i) confirming (or disconfirming) the outage by a direct check of the associated facility or facilities;
- (ii) if Contractor's facility check in accordance with clause (i) above confirms a Hosted Service outage in whole or in part: (A) notifying the State in writing pursuant to the procedures set forth herein that an outage has occurred, providing such details as may be available, including a Contractor trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and caused by the outage until they are Resolved as Critical Service Errors in accordance with the Support Request Classification set forth in **Section 5.4**, or, if determined to be an internet provider problem, open a trouble ticket with the internet provider; and
- (iii) notifying the State that Contractor has fully corrected the outage and any related problems, along with any pertinent findings or action taken to close the trouble ticket.

5.3 Service Maintenance. Contractor will continuously maintain the Hosted Services to optimize Availability that meets or exceeds the Availability Requirement. Such maintenance services include providing to the State and its Authorized Users:

- (a) all updates and bug fixes to the System Software;
- (b) all updates, bug fixes, enhancements, maintenance releases, new versions and other improvements to the Hosted Services that Contractor provides at no additional charge to its other similarly situated customers, provided that Contractor shall consult with the State and is required to receive State approval prior to modifying or upgrading Hosted Services; and
- (c) all such services and repairs as are required to maintain the Hosted Services or are ancillary, necessary or otherwise related to the State's or its Authorized Users' access to or use of the Hosted Services, so that the Hosted Services operate properly in accordance with the Contract and this Schedule.

5.4 Support Service Level Requirements. Contractor will correct all Service Errors and respond to and Resolve all Support Requests in accordance with the required times and other terms and conditions set forth in this **Section 5.4 ("Support Service Level Requirements")**, and the Contract.

(a) Support Requests. The State will classify its requests for Service Error corrections in accordance with the descriptions set forth in the chart below (each a "**Support Request**"). The State Service Manager will notify Contractor of Support Requests by email, telephone or such other means as the parties may hereafter agree to in writing.

Support Request Classification	Description:
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	<b>Any Service Error Comprising or Causing any of the Following Events or Effects</b>
Critical Service Error	<ul style="list-style-type: none"> <li>• Issue affecting entire system or single critical production function;</li> <li>• System down or operating in materially degraded state;</li> <li>• Data integrity at risk;</li> <li>• Declared a Critical Support Request by the State; or</li> <li>• Widespread access interruptions.</li> </ul>
High Service Error	<ul style="list-style-type: none"> <li>• Primary component failure that materially impairs its performance; or</li> <li>• Data entry or access is materially impaired on a limited basis.</li> </ul>
Medium Service Error	<ul style="list-style-type: none"> <li>• Hosted Service is operating with minor issues that can be addressed with an acceptable (as determined by the State) work around.</li> </ul>
Low Service Error	<ul style="list-style-type: none"> <li>• Request for assistance, information, or services that are routine in nature.</li> </ul>

(b) Response and Resolution Time Service Levels. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (i) responded to, in the case of response time and (ii) Resolved such Support Request, in the case of Resolution time. **“Resolve”** (including **“Resolved”**, **“Resolution”** and correlative capitalized terms) means that, as to any Service Error, Contractor has provided the State the corresponding Service Error correction and the State has confirmed such correction and its acceptance thereof. Contractor will respond to and Resolve all Service Errors within the following times based on the severity of the Service Error:

<b>Support Request Classification</b>	<b>Service Level Metric (Required Response Time)</b>	<b>Service Level Metric (Required Resolution Time)</b>	<b>Service Level Credits (For Failure to Respond to any Support Request Within the Corresponding Response Time)</b>	<b>Service Level Credits (For Failure to Resolve any Support Request Within the Corresponding Required Resolution Time)</b>
Critical Service Error	One (1) hour	Three (3) hours	Five percent (5%) of the Hosting Fees for the month in which the initial Service Level Failure begins for each hour or portion thereof beyond the Required Response Time that the corresponding Service Error is not responded to.	Five percent (5%) of the Hosting Fees for the month in which the initial Service Level Failure begins for each hour or portion thereof beyond the Required Resolution Time that the corresponding Service Error remains un-Resolved.
High Service Error	One (1) hour	Four (4) hours	Three percent (3%) of the Hosting Fees for the month in which the initial Service Level Failure begins for each hour or portion thereof beyond the	Three percent (3%) of the Hosting Fees for the month in which the initial Service Level Failure begins for each hour or portion thereof beyond the

			Required Response Time the corresponding Service Error is not responded to.	Required Resolution Time that the corresponding Service Error remains un-Resolved.
Medium Service Error	Three (3) hours	Eight (8) hours	N/A	N/A
Low Service Error	Three (3) hours	Twelve (12) hours	N/A	N/A

(c) Escalation. With respect to any Critical Service Error Support Request, until such Support Request is Resolved, Contractor will escalate that Support Request within sixty (60) minutes of the receipt of such Support Request by the appropriate Contractor support personnel, including, as applicable, the Contractor Service Manager and Contractor's management or engineering personnel, as appropriate.

5.5 Support Service Level Credits. Failure to achieve any of the Support Service Level Requirements for Critical Service Errors will constitute a Service Level Failure for which Contractor will issue to the State the corresponding service credits set forth in **Section 5.4(b)** ("**Service Level Credits**") in accordance with payment terms set forth in the Contract.

5.6 Corrective Action Plan. If two or more Critical Service Errors occur in any thirty (30) day period during (a) the Term or (b) any additional periods during which Contractor does or is required to perform any Hosted Services, Contractor will promptly investigate the root causes of these Service Errors and provide to the State within five (5) Business Days of its receipt of notice of the second such Support Request an analysis of such root causes and a proposed written corrective action plan for the State's review, comment and approval, which, subject to and upon the State's written approval, shall be a part of, and by this reference is incorporated in, the Contract as the parties' corrective action plan (the "**Corrective Action Plan**"). The Corrective Action Plan must include, at a minimum: (a) Contractor's commitment to the State to devote the appropriate time, skilled personnel, systems support and equipment and other resources necessary to Resolve and prevent any further occurrences of the Service Errors giving rise to such Support Requests; (b) a strategy for developing any programming, software updates, fixes, patches, etc. necessary to remedy, and prevent any further occurrences of, such Service Errors; and (c) time frames for implementing the Corrective Action Plan. There will be no charge to the State for Contractor's preparation or implementation of the Corrective Action Plan, or for any of Contractor's Corrective Action Plan activities set forth therein. The State may terminate the Contract for cause if Contractor fails to meet the requirements of the Corrective Action Plan.

5.7 Additional Remedies for Service Level Failures. Contractor's repeated failure to meet the Support Service Level Requirements for any Critical Service Errors or High Service Errors, or

any combination of such Errors, within the applicable Resolution time will constitute a material breach under the Contract. Without limiting the State's right to receive Service Level Credits, the State may terminate the Contract for cause in accordance with terms of the Contract.

## **6. Security.**

6.1 Protection of the State's Confidential Information. Throughout the Term and at all times in connection with its actual or required performance of the Hosted Services hereunder, Contractor will:

(a) maintain FedRAMP certification for the Hosted Services throughout the Term, and in the event the contractor is unable to maintain FedRAMP certification, the State may move the Software to an alternative provider, at contractor's sole cost and expense

(b) maintain an annual SSAE 16 SOC 2 Type 2 audit of the managed services security controls, and processes for the Hosting Service facility;

(c) ensure that the Application Software and System Software is securely hosted, supported, administered, and accessed in a data center that resides in the continental United States, and minimally meets Uptime Institute Tier 3 standards ([www.uptimeinstitute.com](http://www.uptimeinstitute.com)), or its equivalent;

(d) maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State's Confidential Information that comply with the requirements of the State's data security policies as set forth in the Contract, and must, at a minimum, remain compliant with the NIST Special Publication 800.53 (most recent version) MOD Controls;

(e) provide technical and organizational safeguards against accidental, unlawful or unauthorized access to or use, destruction, loss, alteration, disclosure, transfer, commingling or processing of such information that ensure a level of security appropriate to the risks presented by the processing of the State's Confidential Information and the nature of such Confidential Information, consistent with best industry practice and standards;

(f) take all reasonable measures to:

(i) secure and defend all locations, equipment, systems and other materials and facilities employed in connection with the Hosted Services and Contractor Systems against "hackers" and others who may seek, without authorization, to disrupt, damage, modify, access or otherwise use Contractor Systems, the Hosted Services or the information found therein;

(ii) prevent (A) the State and its Authorized Users from having access to the data of other customers or such other customer's users of the Hosted Services; (B) the State's Confidential Information from being commingled with or contaminated by the data of other customers or their users of the

Hosted Services; and (C) unauthorized access to any of the State's Confidential Information;

(g) State Data must be encrypted in transit and at rest using AES 256bit or higher encryption;

(h) the Hosted Services must be capable of supporting Identity Federation/Single Sign-on (SSO) capabilities using Security Assertion Markup Language (SAML) or comparable mechanisms; and

(i) the Hosted Services must be capable of supporting multi-factor authentication for privileged/administrative access.

6.2 Unauthorized Access. Contractor may not access, and shall not permit any access to, State Systems, in whole or in part, whether through Contractor's Systems or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State Systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this **Section 6.2**. All State-authorized connectivity or attempted connectivity to State Systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to Contractor from time to time.

6.3 Contractor Systems. Contractor will be solely responsible for the information technology infrastructure, including all computers, software, databases, electronic systems (including database management systems) and networks used by or for Contractor in connection with the Hosted Services ("**Contractor Systems**") and shall prevent unauthorized access to State systems through the Contractor Systems.

6.4 Security Audits. During the Term, Contractor will:

(a) maintain complete and accurate records relating to its data protection practices, IT security controls, and the security logs of any of the State's Confidential Information, including any backup, disaster recovery or other policies, practices or procedures relating to the State's Confidential Information and any other information relevant to its compliance with this **Section 6**;

(b) upon the State's request, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least five (5) Business Days prior notice of any such audit; (ii) undertakes such audit no more than once per calendar year, except for good cause shown; and (iii) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations and that complies with the terms and conditions of all data confidentiality, ownership, privacy, security and restricted use provisions of the Contract. The State may, but is not obligated to, perform such security audits, which shall, at the State's

option and request, include penetration and security tests, of any and all of the Contractor Systems and their housing facilities and operating environments;

(c) if requested by the State, provide a copy of Contractor's SSAE 16 SOC 2 Type 2 audit report to the State within thirty (30) days after Contractor's receipt of such report. Any such audit reports will be recognized as Contractor's Confidential Information; and

(d) if requested by the State, provide a copy of Contractor's FedRAMP System Security Plan. The System Security Plan will be recognized as Contractor's Confidential Information.

6.5 Nonexclusive Remedy for Security Breach. Any failure of the Hosted Services to meet the requirements of this Schedule with respect to the security of any State Data or other Confidential Information of the State, including any related backup, disaster recovery or other policies, practices or procedures, is a material breach of the Contract for which the State, at its option, may terminate the Contract immediately upon written notice to Contractor without any notice or cure period, and Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

**7. Redundancy, Data Backup and Disaster Recovery.** Contractor must, in accordance with the provisions of this **Section 7**, maintain or cause to be maintained disaster avoidance procedures designed to safeguard State Data and the State's other Confidential Information, Contractor's processing capability and the availability of the Hosted Services, in each case throughout the Term and at all times in connection with its actual or required performance of the Hosted Services. The force majeure provisions of **Section 8.1** do not limit Contractor's obligations under this **Section 7**.

7.1 Data Backup. Contractor will conduct, or cause to be conducted, daily back-ups of State Data and perform, or cause to be performed, other periodic back-ups of State Data on at least a weekly basis. All backed up State Data shall be located in the continental United States. Within three (3) Business Days of the State's written request and, in any case, on a quarterly basis, Contractor will provide the State with a copy of the backed up State Data in such machine readable format as is specified in **Schedule E** or the State otherwise reasonably requests. Contractor will provide all back-ups at its sole cost and expense.

7.2 Disaster Recovery/Business Continuity. Throughout the Term and at all times in connection with its actual or required performance of the Hosted Services hereunder, Contractor will:

(a) provide a backup and disaster recovery system at a location in the United States that is geographically remote from the primary system on which the Application Software, State Data, and Services are hosted, and provide a backup and disaster recovery plan to achieve a Recovery Point Objective (RPO) of 2 hours, and a Recovery Time Objective (RTO) of 4 hours (the "**DR Plan**"), and implement such DR Plan in the event of any unplanned interruption of the Hosted Services. Contractor's current DR Plan, revision history, and any reports or summaries relating to past testing of or pursuant to the DR Plan are attached as **Schedule D**. Contractor will



actively test, review and update the DR Plan on at least an annual basis using industry best practices as guidance. Contractor will provide the State with copies of all such updates to the Plan within fifteen (15) days of its adoption by Contractor. All updates to the DR Plan are subject to the requirements of this **Section 7.2**; and

(b) provide the State with copies of all reports resulting from any testing of or pursuant to the DR Plan promptly after Contractor's receipt or preparation. If Contractor fails to reinstate all material Hosted Services within the periods of time set forth in the DR Plan, the State may, in addition to any other remedies available under the Contract, in its sole discretion, immediately terminate the Contract for cause.

## **8. Force Majeure.**

8.1 Force Majeure Events. Subject to **Section 8.3**, neither party will be liable or responsible to the other party, or be deemed to have defaulted under or breached the Contract, for any failure or delay in fulfilling or performing any term hereof, when and to the extent such failure or delay is caused by: acts of God, flood, fire or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of the Contract, national or regional emergency, or any passage of law or governmental order, rule, regulation or direction, or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a "**Force Majeure Event**"), in each case provided that: (a) such event is outside the reasonable control of the affected party; (b) the affected party gives prompt written notice to the other party, stating the period of time the occurrence is expected to continue; (c) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

8.2 State Performance; Termination. In the event of a Force Majeure Event affecting Contractor's performance under the Contract, the State may suspend its performance hereunder until such time as Contractor resumes performance. The State may terminate the Contract by written notice to Contractor if a Force Majeure Event affecting Contractor's performance hereunder continues substantially uninterrupted for a period of five (5) Business Days or more. Unless the State terminates the Contract pursuant to the preceding sentence, any date specifically designated for Contractor's performance under the Contract will automatically be extended for a period up to the duration of the Force Majeure Event.

8.3 Exclusions; Non-suspended Obligations. Notwithstanding the foregoing or any other provisions of the Contract or this Schedule:

- (a) in no event will any of the following be considered a Force Majeure Event:
  - (i) shutdowns, disruptions or malfunctions of the Contractor Systems or any of Contractor's telecommunication or internet services other than as a result of general and widespread internet or telecommunications failures that are not limited to the Contractor Systems; or

(ii) the delay or failure of any Contractor Personnel to perform any obligation of Contractor hereunder unless such delay or failure to perform is itself by reason of a Force Majeure Event.

(b) no Force Majeure Event modifies or excuses Contractor's obligations under **Sections 22** (State Data), **23** (Confidentiality), or **19** (Indemnification) of the Contract, **Section 8** (Disaster Recovery and Backup) of this Schedule, the Availability Requirement defined in this Schedule, or any security requirements under the Contract, the applicable Statement of Work, or applicable Schedule.

**SCHEDULE C - PRICING**

The contractor will provide Hosting and technical support for all existing AIS software applications and websites. All ongoing technical support and scope of work deliverables contained within this RFP will be provided.

**Table 1 – Consolidated Pricing**

	<b>Total Hosting and Maintenance</b>	<b>Technical Consulting/Support, and End User Support (Fixed Hourly Rate, Est. Hrs. 840/Yr.)</b>	<b>Enhancements (Fixed Hourly Blended Rate, Est. Hrs. 7300/Yr.)</b>
Year 1	\$124,345	\$33,600	\$438,000
Year 2	\$102,345	\$33,600	\$438,000
Year 3	\$102,345	\$33,600	\$438,000
<b>Total Base</b>	<b>\$329,035</b>	<b>\$100,800</b>	<b>\$1,314,000</b>
Year 4 (Option)	\$97,224	\$33,600	\$438,000
Year 5 (Option)	\$97,224	\$33,600	\$438,000
Total Option	\$194,448	\$67,200	\$876,000
	<b>Total Base Contract</b>		<b>\$1,743,835</b>
	<b>Total Option</b>		<b>\$876,000</b>

**Table 2 - Using Government Cloud Monthly Hosting and Maintenance (firm fixed price)**

	Hosting	Implementation	SQL license	DR (including data transfers)	Offsite Database backup & Storage	Monthly Security Audit Reports & Updates	Tier 2 Security Analysis	Total Hosting and Maintenance
Year 1	\$63,345	\$22,000	Included	\$13,200	\$7,800	\$18,000	Included	<b>\$124,345</b>
Year 2	\$63,345		Included	\$13,200	\$7,800	\$18,000	Included	<b>\$102,345</b>
Year 3	\$63,345		Included	\$13,200	\$7,800	\$18,000	Included	<b>\$102,345</b>
<b>Total Base</b>	<b>\$190,035</b>	<b>\$22,000</b>	Included	<b>\$39,600</b>	<b>\$23,400</b>	<b>\$54,000</b>	Included	<b>\$329,035</b>
Year 4 (Option)	\$60,177		Included	\$12,539	\$7,409	\$17,099	Included	<b>\$97,224</b>
Year 5 (Option)	\$60,177		Included	\$12,539	\$7,409	\$17,099	Included	<b>\$97,224</b>
Total Option	\$120,354		Included	\$25,078	\$14,818	\$34,198	Included	<b>\$194,448</b>

**Table 2 - Technical Consulting/Support, and End User Support**

	Est. Hrs (per Yr)	Hourly Rate	Extended Price
Year 1	840	\$40	\$33,600.00
Year 2	840	\$40	\$33,600.00
Year 3	840	\$40	\$33,600.00
<b>Total Base</b>	<b>2520</b>		<b>\$100,800.00</b>
Option Year 4	840	\$40	\$33,600.00
Option Year 5	840	\$40	\$33,600.00

Notes:

1. Prices quoted are all inclusive - vendor staff, materials, travel, management overhead, etc. – for providing AASA-directed end user support as described in Article 1 section 1.104.
2. The State intends to establish funding for 760 hours per year for Partner Channel AASA-directed end user support. Actual funding will occur on a yearly basis, and there is no guarantee as to the level of funding, if any, available to the project.
3. Prices quoted are hourly rate.

**Table 3 – IT Resource Rate Table (for Enhancements)**

	Est. Hrs (per Yr)	Blended Rate for Enhancements	Extended Price
Year 1	7300	\$60.00	\$438,000.00
Year 2	7300	\$60.00	\$438,000.00
Year 3	7300	\$60.00	\$438,000.00
<b>Total Base</b>	<b>21900</b>		<b>\$1,314,000.00</b>
Option Year 4	7300	\$60.00	\$438,000.00
Option Year 5	7300	\$60.00	\$438,000.00

<b>Key Staff</b>	<b><u>Staffing Category</u></b>	<b><u>Hourly Rate</u></b>
X	System analyst / technical lead	\$70
X	Programmer / developer	\$60
X	Security specialist	\$60
	Network engineer / admin	\$60
	Application Tester	\$55

### Projections of 44,500 hours

All contractor staff that work on or have access to OSA applications, data, databases, and/or hardware (e.g., servers), software, and/or equipment will complete and submit to OSA a completed AIS user profile form and a DIT security form. The contractor will comply with all AIS user profile form requirements and OSA and DIT policies and procedures.

**SCHEDULE D – DISASTER RECOVERY PLAN**

**State of Michigan  
Aging & Adult Services Aging (AASA)**

**Aging Information System (AIS)**

**Disaster Recovery & Continuity of Operations Plan**

Version 2.0

January 12, 2016

Prepared By

AASA & Acro Service Corporation

### Document Amendment History

<b>Version</b>	<b>Date</b>	<b>Summary of Changes</b>	<b>Author</b>
1.0	09/27/2011	First Release	Vijay Rao
2.0	01/12/2016	UniTrends implementation AIS Continuity of Operations Plan	Vijay Rao



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## **Definitions**

**Activation** – Once a continuity of operations plan has been implemented, whether in whole or in part, it is considered “activated.”

**Continuity** – An uninterrupted ability to provide services and support, while maintaining organizational viability, before, during, and after an event.

**Continuity capability** – The ability of an organization to continue to perform its essential functions, using continuity of operations and continuity of government programs and continuity requirements that have been integrated into the organization’s daily operations, with the primary goal of ensuring the preservation and continuing performance of AIS operations under all conditions.

**Continuity facilities** – Locations, other than the primary AIS facility at ISERV, used to carry out essential AIS functions, particularly in a continuity situation. The continuity facility for the AIS is located at ACRO services in Livonia, Michigan.

**Continuity of Operations**– An effort within individual agencies to ensure they can continue to perform AIS Mission Essential Functions (MEFs) during a wide range of emergencies, including localized acts of nature, accidents, and technological or attack-related emergencies.

**Continuity event** – Any event that causes an agency to relocate its operations to an alternate or other continuity site to assure continuance of its essential functions.

**Continuity personnel** - Those personnel, both senior and core, who provide the leadership advice, recommendations, and functional support necessary to continue essential operations.

**Devolution** – The capability to transfer responsibility for essential functions from an agency’s primary operating staff and facilities to other agency employees and facilities.

**Disaster** – A sudden calamitous event bringing potentially great damage, loss or destruction

**Essential Functions (EFs)** – The set of AIS functions that must be continued throughout, or resumed rapidly after, a disruption of normal activities.

**Emergency** – An unforeseen combination of circumstances or the resulting state that calls for immediate action

**Normal Operations** – Generally and collectively, “normal operations” refer to the broad functions undertaken by an organization when it is assigned responsibility for a given functional area; these functions include day to day tasks, planning and execution of tasks.

**Plan** – A proposed or intended method of getting from one set of circumstances to another. A plan is often used to move from the present situation towards the achievement of one or more objectives or goals.

**Production facility** – The site of normal AIS day-to-day operations. This site is currently ISERV in Grand Rapids, Michigan.

**Recovery** – The implementation of prioritized actions required to return an organization’s processes and support functions to operational stability following an interruption or disaster.

**Recovery Time Objective (RTO):** RTO is defined as the maximum time (in elapsed hours) that the AIS system can remain unavailable to its users before the business processes resume. This metric influences the selection and cost of the recovery site to be used for resumption of operation.

**Recovery Point Objective (RPO):** This is defined as the maximum acceptable data loss (in terms of elapsed hours) that can occur as a result of rebuilding the AIS database at a secondary site from the most recent system backup media. Again, the value of this

target can affect the selection, frequency and cost of the backup process as well as the off-site storage service.

**Risk** – The likelihood or probability that a loss of information assets or breach of security will occur

**Risk Analysis** – The process of evaluating the vulnerability of information assets to various threats, the costs or impact of potential losses and the alternative means of removing or minimizing risks

**Risk assessment** – The identification and assessment of hazards.

**Risk Management** – The process of taking actions to avoid risks or reduce risks to acceptable levels

**Telework** – The ability to work at a location other than the official duty station to perform work or emergency duties. This may include, but is not limited to, using portable computers, personal computers, high-speed telecommunications links, and mobile communications devices.

**Testing and training (T&T)** – Measures to ensure that an agency's continuity plan is capable of supporting the continued execution of the agency's essential functions throughout the duration of a continuity situation.

**Vital records** – Electronic and hardcopy documents, references, and records that are needed to support essential functions during a continuity situation. The two basic categories of vital records are (1) emergency operating records and (2) rights and interests records.

## **EXECUTIVE OVERVIEW**

### **INTRODUCTION**

The AIS Disaster Recovery & Continuity of Operations (DR/CO) Plan identifies the risks and describes the procedures to deal with potential disasters and the precautions to be taken by the Aging & Adult Services Agency (AASA) related to Aging Information System (AIS) applications and web sites that are hosted and managed by Acro Service Corporation (Acro) under contract with AASA. The purpose of the DR/CP Plan is to minimize the downtime due to the impact of a disaster and to return to operation in a timely manner. In the event of a disaster, this plan will establish a chain of command that will set in motion a number of activities to be performed by pre-assigned staff members.

### **PURPOSE**

The purpose of the AIS is to provide online programmatic and financial data collection for MDHHS/AASA grantee reporting, monitoring and grant performance purposes. To accomplish this mission, MDHHS-AASA must ensure that AIS operations are performed efficiently with minimal disruption, especially during an emergency. This document provides planning and program guidance for implementing the AIS DR/CO Plan to help ensure the AIS is capable of conducting essential missions and functions under all threats and conditions. While the severity and consequences of an emergency cannot be predicted, effective contingency planning can minimize the impact on AIS operations.

The AIS DR/CO Plan purpose is to ensure its operations are performed efficiently with minimal disruption, especially during an emergency. This document provides planning and program guidance for implementing the AIS DR/CO Plan to ensure the AIS is capable of performing essential functions and operations under all threats and conditions. The current changing threat environment and recent emergencies, including acts of nature, accidents, technological emergencies, and military or terrorist attack-related incidents, have increased the need for viable continuity of operations capabilities.

### **MAJOR PLAN GOALS**

The major goals of this plan are the following:

- To minimize interruptions to the normal operations
- To limit the extent of disruption and damage
- To minimize the client impact of the interruption
- To establish alternative means of operation in advance
- To train personnel with emergency procedures
- To provide for smooth and rapid restoration of service

## MAJOR PLAN OBJECTIVES

The AIS DR/CO Plan objectives are listed below:

- Ensure that the AIS can perform its *Essential Functions* (EFs) under all conditions
- Minimize equipment, software and data loss/damage
- Execute a successful order of succession with accompanying authorities in the event a disruption renders MDHHS-AASA leadership unable, unavailable, or incapable of assuming and performing their authorities and responsibilities of AIS management.
- Reduce or mitigate disruptions to operations
- Ensure that MDHHS-AASA has facilities where the AIS can continue to perform its EFs, as appropriate, during a continuity event
- Protect essential AIS equipment, records, and other assets, in the event of a disruption
- Achieve timely and orderly AIS recovery and reconstitution from an emergency
- Ensure and validate continuity readiness through a continuity testing and training

## SCOPE

The AIS DR/CO Plan applies to the functions, operations, and resources necessary to ensure the continuation of AIS essential functions in the event its normal operations at ISERV are disrupted or threatened with disruption. This plan applies to AASA staff and staff from ACRO assigned to the AIS.

AIS DR/CO Plan is based on the assumption that MDHHS/AASA will not receive warning of an impending emergency. As a result, a risk assessment is essential to focusing continuity planning. The AIS continuity facility at ACRO was selected following an assessment of the need for the secure and timely continuity of operations. This assessment addressed the following:

- Identification of all hazards
- A vulnerability analysis/assessment to determine the effects of all hazards
- An analysis of implementing risk mitigation, prevention, or control measures
- An analysis of acceptable risk
- Sufficient distance between each facility location or threatened area and other facilities or locations that are potential sources of disruptions or threats
- Sufficient levels of physical security required to protect against identified threats
- Sufficient levels of information security required to protect against identified threats



## PLANNING ASSUMPTIONS

The AIS DR/CO Plan is based on the following assumptions:

- An emergency condition may require the relocation of AIS operations
- AASA staff may be required at the continuity facility at ACRO
- The ACRO continuity site will support AIS operations within 48 hours from the time the AIS DR/CO Plan is activated until normal operations can be resumed

As such, this DR/COP Plan describes the procedures to be followed and the actions that will be taken by specific personnel at AASA and Acro to cope with various disasters.

## DISASTER EVENT STATEMENT

The Disaster Event Statement is officially announced by the AIS Management Recovery Team (MRT). The AIS MRT initiates the plan and provides guidance on the responsibilities of organizations and individuals to perform their tasks.

## SECURITY AND PRIVACY STATEMENT

The disclosure of information in this plan (or related system documentation) could compromise the security of essential equipment, services, and systems of MDHHS-AASA or otherwise impair its ability to carry out essential functions. Distribution of the Continuity plan in whole or in part is limited to those personnel who need to know the information in order to successfully implement the plan.

MDHHS/AASA will distribute copies of the AIS DR/CO PLAN on a need to know basis. In addition, copies of the plan will be distributed to other organizations as necessary to promote information sharing and facilitate a coordinated interagency continuity effort. MDHHS/AASA will distribute updated versions of the AIS DR/CO PLAN annually or as critical changes occur.

## **IDENTIFICATION OF DISASTER SCENARIOS / RISK ANALYSIS**

### **AIS SYSTEM RELATED FAILURES**

These are defined as failure of the individual IT assets owned by AASA and placed at the remote hosting center (currently the Iserv managed facility in Grand Rapids, MI) that affect the availability of the AIS applications to the users. The circumstances of these failures vary, but are generally limited to failure of equipment components or software code and addressed by the Acro's AIS Support Team.

### **HOSTING CENTER DISASTERS**

An event which creates a physical, technical or security threat such as the power failure, network feed loss, building breach/damage etc. that creates an extended period of unavailability of the AIS system and database for the users. The AIS Disaster Recovery Team consisting of Acro and AASA personnel are tasked with mitigating these events including re-hosting the application and data at a stand-by secondary facility (to be selected and implemented as a follow-up to this plan) within a short time to resume AIS availability to the users.

### **REGION-WIDE DISASTERS**

An event which creates a physical, technical or security threat such as a regional power failure, network backbone failure, earthquake, floods, etc. that makes both the primary and the backup data centers unavailable for an extended period of time. The AIS Disaster Recovery Team consisting of Acro and AASA personnel are tasked with mitigating these events including operating the critical AIS/AASA business processes in an offline mode till either the primary or the backup data center can be restored for operations. The actual offline mode processes and procedures will be developed, documented and maintained by the AASA team and communicated to users (such as Area Agencies and Service Providers) in the event a Region-wide Disaster occurs.

### **ANTICIPATED RISKS**

**Fire** – The fire is not a low risk as the Iserv facility in Grand Rapids, MI since it is equipped with fire alarms, fire suppression mechanism and fire extinguishers.

**Rain or water damage** - Flooding due to heavy rain does not directly pose a threat to Iserv facility. It generally does not affect operations unless there is water damage due to an extensive amount of rain. This could pose a threat to equipment.

**Earthquake** - If an earthquake impacts the whole building, it will also affect computing services and AIS availability. The Iserv building is built with solid concrete and steel beams and would most likely withstand a moderate tremor. But, if an earthquake of sizeable magnitude hits, power failure to the building and the servers may occur.

**Aircraft collision** - Occasionally planes fly over the building depending on wind direction and visibility. This situation can be a threat to the building if a plane should lose altitude and crash into building. Significant damage and injury could occur to buildings, cars and personnel.

**Bomb Threat** - A bomb threat is an unusual occurrence. If advanced warning were received by department personnel, that area and perhaps the entire building would immediately be evacuated. A bomb explosion could destroy equipment and cause injury to personnel anywhere in the building.

**Software Failure** - Software malfunctions occasionally occur. These are more probable when the software application is new. Although software is rigorously tested before delivery, it is likely that some errors not to be detected until the software is actually deployed. When such issues are reported, Acro analysts will analyze the issue and resolve it in a timely manner.

**Power Failures** - Power failures can come in the form of surges (sudden voltage spikes on power lines), brownouts in which the power falls below operating levels, and blackouts in which the power is cut off completely. Several events can contribute to power failures including storms, downed power lines and earthquakes. The Iserv facility has Uninterruptible Power Supply (UPS) units and backup generators for hosted client equipment and also has power feed from multiple electricity providers.

**Security Threats** - Security threats can be caused by a computer hacker trying to break into the system. Several software programs are currently in place to prevent and detect an unauthorized user's attempt to access files or accounts inappropriately. AIS application and network security is reviewed and updated on a regular basis.

## **SECTION I: DISASTER RECOVERY PLAN**

The following sections this document describe the strategy for the disaster recovery and actions to be taken by the AIS recovery team and supporting personnel when a disaster occurs affecting the continued availability of the AIS system. Specifically, the document contains:

1. Organizational information of the AIS recovery team and responsibilities
2. An up-to-date inventory of the hardware and software components making up the AIS system
3. Various procedures and checklists to be used by the recovery team during the recovery process

### **AIS DISASTER RECOVERY ORGANIZATION**

#### **Management Recovery Team**

Key MDHHS-AASA and Acro personnel who are responsible for this plan are collectively known as the AIS MRT. Upon plan activation, these members will convene per the AIS DR/CO Plan. The AIS MRT will coordinate the activities of all the disasters. Upon plan activation, MRT personnel must establish an operational AIS to perform essential functions within 48 hours from the time of the activation of the AIS DR/CO PLAN until normal operations can be resumed.

The Management Recovery Team is composed of the following individuals:

<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Phone</b>
Scott Wamsley	MRT Director	MDHHS/AASA	(517) 241-0624
Vijay Rao	AIS IT Infrastructure Manager	Acro	(734) 542-4210
Vishwas Tare	AIS Application Manager	Acro	(734) 632-4265
Emma Buycks	Emergency Team Coordinator	MDHHS/AASA	(517) 372-9364
Cindy Albrecht	Emergency Team Coordinator	MDHHS/AASA	(517) 335-4016

**Following an emergency or disaster, the chain of command is as follows:**

1. The MRT Director
2. If the MRT Director is not available, the AIS IT Infrastructure Manager
3. If the MRT Director and AIS IT Infrastructure Manager are not available, the AIS Application Manager is responsible.

#### **Responsibilities of the Emergency Team Coordinator (ETC)**

1. Alert all AASA staff and main users to be on standby.
2. Make certain that all other support staff required for the specific situations is immediately notified and activated.
3. Prioritize system and application support levels.

#### **Responsibilities of the AIS IT Infrastructure Manager:**

1. Have a thorough knowledge of the DR and COP Plan and assist the ETC to ensure that all aspects of the plan are implemented.
2. Take primary responsibility for fixing and hardware, network, security or system software issues (including vendor coordination) in the event of system related failures.
3. Take primary responsibility for making the backup site operational (including restoring system images and database from backup storage) in case the primary hosting center becomes unavailable.
4. Provide backup support for the ETC in charge and assist with coordinating personnel and recovery procedures.
5. Document changes made to the plan over time and coordinate testing of the plan to ensure a successful recovery after an emergency or disaster.

#### **Responsibilities of the AIS Application Manager:**

1. Have a thorough knowledge of the Disaster Recovery and Continuity of Operations Plan and assist the ETC to ensure that all aspects of the plan are implemented.
2. Take primary responsibility for fixing AIS application software and making it available in the event of application related failures.
3. Take secondary responsibility for making the backup site operational (including retesting applications) in case the primary hosting center becomes unavailable.
4. Provide backup support for the ETC in charge and assist with coordinating personnel and recovery procedures.

### **AIS CURRENT CONFIGURATION**

#### **Application/Service Profile:**

The following is an inventory of applications and services constituting the total AIS portfolio:

AIS applications and websites

1. [www.osapartner.net](http://www.osapartner.net) public website

2. Partner Channel Login
3. ADRC Information System
4. National Aging Information System (NAPIS)
5. Volunteer Information System (VIS)
6. Legal Services Information System (LSI)
7. OSA Secure Grantee Report – File Retrieval
8. OSA Secure Report – File Drop
9. Congregate Meals
10. Nutrition Management
11. Annual & Multi-Year Planning System (AMPS)
12. Resource Maintenance at Source
13. Partner Channel User Management System
14. Vendor User Administration
15. AIS Projects Document Library
16. Financial Information Reporting Systems Technology (FIRST)
17. ADRC Resource Requests
18. Michigan.gov site interface components

**Hardware Asset Inventory:**

<u>Manufacturer</u>	<u>Description</u>	<u>Model</u>	<u>Serial Number</u>	<u>Own or Leased</u>
Juniper	Firewall	SRX 240	AG3111AA0422	Own
UniTrends	Backup Appliance at iServ, Grand Rapids, Production site	Unitrends Recovery-714S	714s-601-50216	Own
UniTrends	Backup Appliance at Acro, Livonia, DR site	Unitrends Recovery-714S	714s-601-50211	Own
HP	Switches (Qty: 2)	ProCurve Switch 2810 -24 ports		Own
Dell	SQL Prod Server	PE1950	Service Tag: D221HH1	Own
Dell	PC2 server	PE1950	Service Tag: 8HZ9VH1	Own
Dell	LFS Server	PE1950	Service Tag: 8HZBVH1	Own
Dell	APP2 Server	PE1950	Service Tag: F221HH1	Own
Dell	PUB2 Server	PE1950	Service Tag: 8HZCVH1	Own
Dell	SAN	ArrayAX4-5-DPE	Service Tag: 50SBFD1 EMC Serial No: APM00101100650	Own
Dell	SAN	ArrayAX4-5-DAE	Service Tag: 9MSBFD1	Own

<u>Manufacturer</u>	<u>Description</u>	<u>Model</u>	<u>Serial Number</u>	<u>Own or Leased</u>
			EMC Serial No: APM00101100690	
Dell	Fiber Switch	E-Brocade 300	Serial # ALJ0649E03F  Dell service tag: FTLK1L1	Own
Dell	Fiber Switch	E-Brocade 300	Serial # ALJ0604F09F / Dell service tag: 9JNK1L1	Own

<b>Miscellaneous inventory</b>		
<b>Description</b>	<b>Quantity</b>	<b>Comments</b>
Rack	1	Iserve-owned
Software CDs		Operating System, SQL Database, Dell SAN
Documentation		Licensing documents  Warranty documents

**Note:**

It is suggested that the asset list be audited and updated every 6 months.

**AIS Backup Schedule:**

All production server backups are taken by Unitrends Recovery-714S Backup Appliance at iServ, Grand Rapids at Production site. The schedules are automatic. Both File/Folder level and respective Database backups are taken. All volumes are protected.



APP2 server (Active Directory repository)	Incremental backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
LFS server	Incremental backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
LFS SQL Databases (Staging databases)	Differential backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
LFS SQL Databases (Staging databases)	Full backups at 3:00AM on Sundays
PC2 server (Partner Channel production websites, Partner Channel staging websites)	Incremental backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
PUB2 server (Public website)	Incremental backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
SQLProd server	Incremental backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
SQLProd SQL Databases (Production databases)	Differential backups at 7:00PM, Recurring daily –M, Tu, W, Th, Fr
SQLProd SQL Databases (Production databases)	Full backups at 3:00AM on Sundays

**AIS Replication Schedule:**

All server backups will be replicated from Backup Appliance at iServ, Grand Rapids, Production site to Backup Appliance at Acro, Livonia disaster recovery center using a secured site-to-site VPN over the internet. Continuous replication of all servers will occur using the below schedule. Bandwidth is throttled at 80%.

Monday	8:00AM to 7:00PM – Available bandwidth 10%
Monday	7:00PM to next day 8:00AM – Available bandwidth 80%
Tuesday	8:00AM to 7:00PM – Available bandwidth 10%
Tuesday	7:00PM to next day 8:00AM – Available bandwidth 80%
Wednesday	8:00AM to 7:00PM – Available bandwidth 10%
Wednesday	7:00PM to next day 8:00AM – Available bandwidth 80%
Thursday	8:00AM to 7:00PM – Available bandwidth 10%
Thursday	7:00PM to next day 8:00AM – Available bandwidth 80%
Friday	8:00AM to 7:00PM – Available bandwidth 10%
Friday	7:00PM to next day 12:00AM – Available bandwidth 80%
Saturday	12:00AM to next day 12:00AM – Available bandwidth 80%
Sunday	12:00AM to next day 8:00AM – Available bandwidth 80%

## RECOVERY PLAN DETAILS

### **DATA BACKUP & OFFSITE STORAGE**

To protect the vital AIS data and computer software belonging to AASA from a disaster or major service loss, backup procedures have been implemented. In addition, off-site storage facilities will be secured as a follow-up to this disaster recovery (DR) Plan.

### **DISASTER RECOVERY TARGETS**

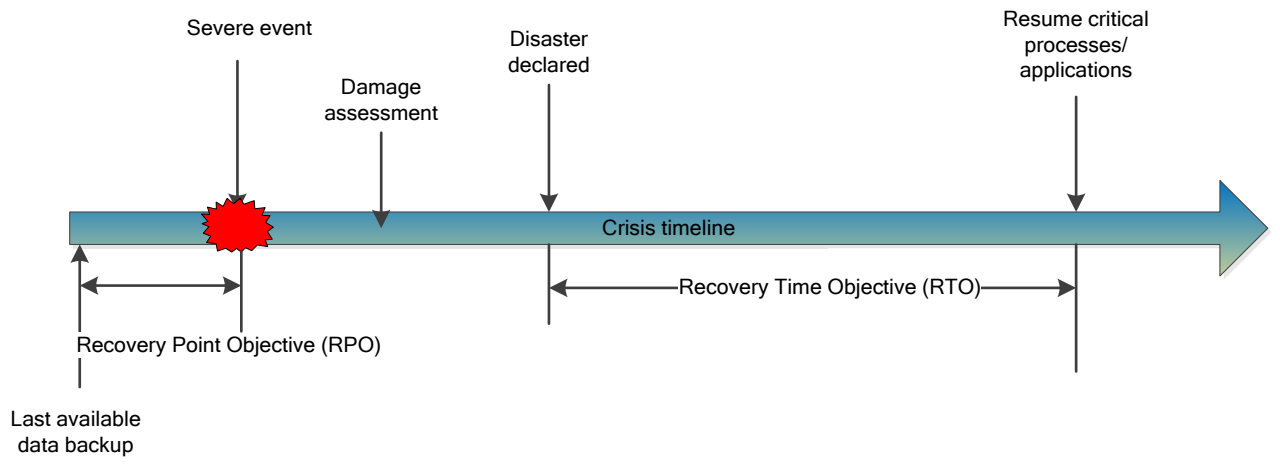
Based on the analysis of the AIS applications, users and business processes AASA has determined the following targets for effectiveness of any recovery process to be executed after a disaster:

1. **Recovery Time Objective (RTO):** RTO is defined as the maximum time (in elapsed hours) that the AIS system can remain unavailable to its users before the business processes resume. This metric influences the selection and cost of the recovery site to be used for resumption of operation.

Currently, AASA has specified the RTO for AIS systems to be 48 hours.

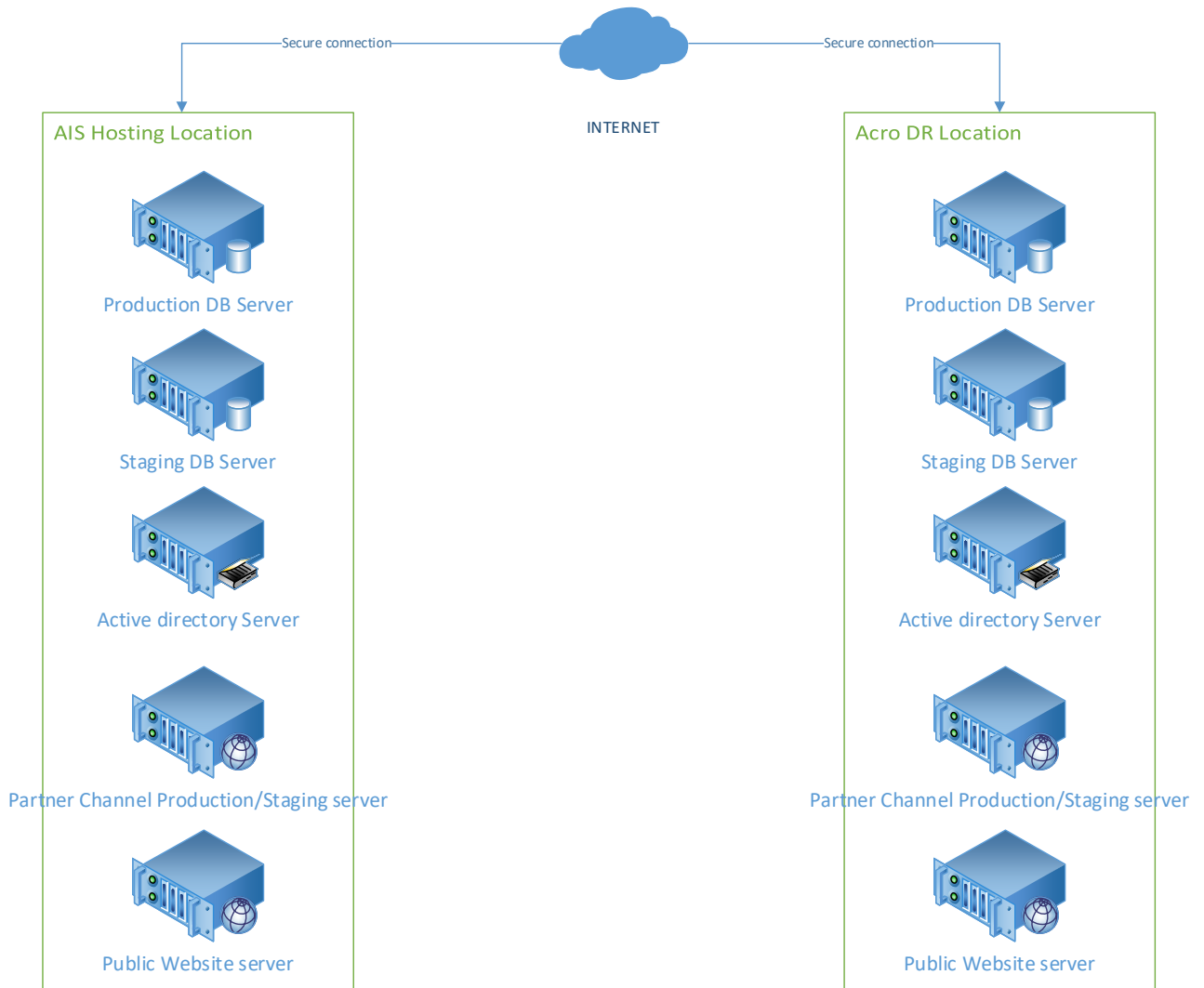
2. **Recovery Point Objective (RPO):** This is defined as the maximum acceptable data loss (in terms of elapsed hours) that can occur as a result of rebuilding the AIS database at a secondary site from the most recent system backup media. Again, the value of this target can affect the selection and cost of the backup process as well as the storage mechanism.

Currently, AASA has specified the RPO for AIS systems to be 24 hours.



## Secondary Site

AASA has contracted with Acro to host the DR setup at the datacenter in Livonia, MI.



The functional roles of the five AIS servers will be handled by five servers at Acro's data center. These DR servers will have adequate capacity and use a NAS storage device to store the AIS files and data. Acro will use Unitrends device to restore the AIS application files, database and other system repositories needed for disaster recovery. Acro has successfully tested this solution in its test environment. This solution is totally secure as the data is encrypted before transferring over the internet. In addition to the data transfer security, the disaster recovery systems will have password-protected access limited to only Acro's AIS administrators.

In case of disaster, the DR servers at Acro's data center can be configured so that operation of Partner Channel and Public sites can resume at the current web addresses with minimal data loss. The operation at the DR site can continue until the AIS hosting site and setup is restored.

## **DISASTER RECOVERY PROCEDURES**

The following three procedures are critical to any disaster recovery plan.

### **Emergency Response Procedures**

The emergency phase begins with the initial response to a disaster. During this phase, the existing emergency plans and procedures of Iserv direct the efforts to protect life and property. Security over the area is established as local support services such as the Police and Fire Departments are enlisted through existing mechanisms.

If the emergency situation appears to affect the main Iserv data center hosting the AIS system, through damage to either data processing or support facilities, or if access to the facility is prohibited, the Iserv duty person will closely monitor the event, notifying MRT personnel, as needed, to assist in damage assessment. Once access to the facility is permitted, an assessment of the damage is made to determine the estimated length of the outage. If access to the facility is precluded, then the estimate includes the time until the effect of the disaster on the facility can be evaluated.

If the estimated outage is less than 24 hours, recovery will be initiated on-site at the iServ facility itself without activating the hot (secondary) site. If the outage is estimated to be longer than 24 hours, then the Iserv duty person alerts the MRT and the DR Plan is activated. The recovery process then moves into the back-up phase.

The MRT remains active until recovery is complete to ensure that the AIS will be ready in the event the situation changes.

### **Backup Operations Procedures**

The back-up phase begins with the initiation of the appropriate MRT Plan(s) for outages enduring longer than 48 hours. In the initial stage of the back-up phase, the goal is to resume processing of critical applications. Processing will resume either at the original hosting center or at the hot site, depending on the results of the assessment of damage to equipment and the physical structure of the building.

In the back-up phase, the hot site must support applications for up to 5 weeks. During this period, processing of the AIS systems resumes, possibly in a degraded mode, up to the capacity of the hot site. Within this 5 week period, the original hosting center will be returned to full operational status if possible or an alternate hosting site will be selected in consultation with AASA.

### **Permanent Recovery Actions Procedures**

The time required for recovery of the functional area and the eventual restoration of normal processing depends on the damage caused by the disaster. The time frame for recovery can vary from few days to several months. However, if the damaged area requires a longer period of reconstruction, then an alternative hosting center will be contracted to provide on-going processing for all applications through the rest of the AIS contract period.

In any case, the recovery process begins immediately after the disaster and takes place in parallel with back-up operations at the designated hot site. The primary goal is to restore normal operations as soon as possible.

If the disaster results in unrecoverable damage to the AIS equipment, appropriate insurance carrier(s) will be contacted to file required claims to get funding for the new equipment. In addition, based on the hardware vendors' order fulfillment times, new purchase orders will be released to the vendors to procure replacements for the damaged equipment so that a full configuration can be put together for rebuild and test.

### **DISASTER ACTION CHECKLIST**

Following are the tasks that are executed as part of the Disaster Recovery Procedures:

1. Plan Initiation
  - a. Notify senior management
  - b. Contact and set up disaster recovery team
  - c. Determine degree of disaster
  - d. Implement proper application recovery plan dependent on extent of disaster
  - e. Monitor progress
  - f. Contact backup site and establish schedules
  - g. Contact all other necessary personnel—both user and data processing
  - h. Contact vendors—both hardware and software
  - i. Notify users of the disruption of service
2. Follow-Up Checklist
  - a. List teams and tasks of each
  - b. List all personnel and their telephone numbers
  - c. Establish user participation plan
  - d. Determine applications to be run and in what sequence
  - e. Check all data being taken to backup site before leaving and leave inventory profile at home location
  - f. Set up primary vendors for assistance with problems incurred during emergency
  - g. Take copies of system and operational documentation and procedural manuals.
  - h. Ensure that all personnel involved know their tasks
  - i. Notify insurance companies

**Recovery Start-up Procedures (for use after a disaster):**

1. Notify Acro's Disaster Recovery services staff of the need to utilize service and of recovery plan selection.

**Note:**

Recovery Time Objective phase begins at the time Acro is notified of recovery plan selection.

- a. Disaster notification phone numbers  
(734) 432-4210 or (734) 632-4265

These telephone numbers are in service from 8 am until 5 pm Monday through Friday.

2. Disaster notification number: (248) 755-0485  
This telephone number is in service for disaster notification after business hours, on weekends, and during holidays. Please use this number only for the notification of the actual disaster.
3. Provide Mr. Scott Wamsley with an equipment delivery site address (when applicable), a contact, and an alternate contact for coordinating service and telephone numbers at which AASA contacts can be reached 24 hours a day.
4. Contact power and telephone service suppliers and schedule any necessary service connections.
5. Notify Mr. Scott Wamsley immediately if any related plans should change.

**Hot (Secondary) Site Procedures:**

This site will be the backup system for temporary use while the primary site is being reestablished.

1. Notify Management Recovery Team of the nature of the disaster and of its intent for initiating the use of the hot site (backup site).
2. Acro's DR staff will verify that all needed system backups are available to restore on the backup system.
3. Make sure that the disaster recovery team at the disaster site has the necessary information to begin restoring the site. (See Disaster site rebuilding below.)
4. Acro's DR staff will begin loading the system from the backup media.
5. Begin normal operations as soon as possible:
  - a. Daily jobs
  - b. Daily backups
  - c. Weekly backups
6. Plan and schedule backup of the hot-site system in order to restore the system on the primary system, after the primary system is restored.

**DISASTER SITE REBUILDING (permanent recovery)**



The time required for recovery of the functional area and the eventual restoration of normal processing depends on the damage caused by the disaster. The time frame for recovery can vary from few days to several months. In any case, the recovery process begins immediately after the disaster and takes place in parallel with backup operations at the designated hot site. The primary goal is to restore normal operations as soon as possible.

#### **DISASTER RECOVERY TESTING**

Testing the DR Plan on an on-going basis is an essential element of preparedness. Partial tests of individual components and recovery plans of specific applications will be carried out on a regular basis in consultation with AASA. A comprehensive exercise of the DR capabilities and support by the designated hot site facility will be performed at least on an annual basis. Appendix C lists the test plan to be used during these tests.

## VENDOR CONTACTS

Service	Vendor	Contact Info
Data center, internet	Iserv Company	Ryan DuShane Phone: 616.493.0577 Email: ryand@iserv.net
SAN, Fiber switches and Servers	Dell	Ken Wiesner, Enterprise Systems Consultant Phone: 248-613-7426 Email: Ken_Wiesner@dell.com
SSL Certificates	Verisign	Alain Allen, Security Advisor Phone: 866.893.656 x 5181 Email: aallen@verisign.com
Website domain registration/changes	Register.com	www.register.com
Unitrends backup appliances	Unitrends	Unitrends support support@unitrends.com Phone: 803-454-0300
Microsoft software, HP Switches	Insight	Pleshette Gales Insight Public Sector Phone: 800-688-8695 Email: pgaes@insight.com
Insurance claims	Acro's insurance carrier	

## **Section II: AIS Continuity of Operations Plan (COP)**

### **AIS Continuity of Operations Plan**

The purpose of the AIS COP is to provide instructions, guidance to support the performance of essential AIS functions during disasters or other situations that may disrupt normal operations.

#### **Concept of Operations**

##### *Phase I: Readiness and Preparedness:*

MDHHS-AASA participates in the full spectrum of readiness and preparedness activities to ensure its personnel can continue essential functions in an all-hazard risk environment.

MDHHS-AASA readiness activities are divided into two key areas:

##### **1) Organization readiness and preparedness**

MDHHS-AASA preparedness incorporates these components: a) Awareness of warning and threats; and b) Internal communications for executing changes to the threat level, if applicable.

##### **2) Staff readiness and preparedness**

MDHHS-AASA AIS-assigned and ACRO personnel must also prepare for a continuity event. These personnel should plan in advance what to do in an emergency.

During 2015/2016, MDHHS-AASA will conduct continuity readiness and preparedness activities (e.g., orientation training, informational sessions for senior leadership, etc.).

##### *Phase II: Activation and Relocation*

To ensure the ability to attain operational capability at continuity sites and with minimal disruption to operations, MDHHS-AASA has developed an activation and AIS relocation plans, which are captured in the following sections.

AIS DR/CO PLAN activation and relocation are scenario-driven processes that allow flexible and scalable responses to the full spectrum of emergencies and other events that could disrupt operations with or without warning during duty and non-duty hours. AIS DR/CO PLAN activation is not required for all emergencies and disruptive situations, since other actions may be deemed appropriate. The decision to activate the AIS DR/CO

PLAN and corresponding actions to be taken are tailored for the situation, based upon projected or actual impact and severity that may occur with or without warning. The AIS MRT may use the matrix below to assist in the decision to activate the AIS DR/CO PLAN.

Decision Matrix for Continuity Plan Implementation		
	Duty Hours	Non-Duty Hours
Event With Warning	<p>Is the threat aimed at the ISERV facility or surrounding area?</p> <p>Is the threat aimed at AIS hardware or software?</p> <p>Is the threat aimed at AIS hardware or software?</p>	<p>Is the threat aimed at the ISERV facility or surrounding area?</p> <p>Is the threat aimed at AIS hardware or software?</p> <p>Is the threat aimed at AIS hardware or software?</p>
Event Without Warning	<p>Is the AIS production facility affected?</p> <p>Are AIS operations, hardware or software affected?</p> <p>What are the incident observations/ instructions from ISERV or ACRO staff?</p>	<p>Is the AIS production facility affected?</p> <p>Are AIS operations, hardware or software affected?</p> <p>What are the incident observations/ instructions from ISERV or ACRO staff?</p>

As the decision authority, the MDHHS/AASA Executive Director and other MDHHS and MTMB authorities will be kept informed of the threat environment using all available means. Information provided to MDHHS official and others may include, but is not limited to:

- The AIS ability to execute essential functions
- Changes in AIS readiness or threat levels
- Potential or actual effects on AIS systems, facilities, and other vital equipment
- The expected duration of the emergency situation

**Alert and Notification Procedures**

The AIS DR/CO Plan includes guidance for communicating and coordinating activities with personnel before, during, and after a continuity event. MDHHS-AASA will take the following steps to communicate the AIS operating status with relevant staff:

- The Management Recovery Team Director (MRT Director) and MRT Team or designated successor will notify the AASA Executive Director and other MDHHS and MDTMB staff of the emergency requiring AIS DR/CO Plan activation.

- MRT Director and MRT Team will notify other relevant MDHHS/AASA AIS and other personnel, as well as affected and interdependent aging network entities with information regarding continuity activation and relocation status, operational and communication status, and the anticipated duration of relocation. These entities may include: production site staff at ISERV, other State of Michigan agencies, area agencies on aging, volunteer program sponsors and other AASSA grantee agencies/system users.
- MRT Director and MRT Team will communicate with continuity facilities and on-site support teams with information regarding continuity activation and relocation status and the anticipated duration of relocation
- The MRT Director and MRT Team will communicate with all MDHHS-AASA AIS staff and ACRO staff assigned to the AIS with instructions and guidance regarding the continuity activation and relocation

#### Relocation Process

Upon activation, the MRT Director (and other AIS assigned MDHHS/AASA staff, as needed) will contact and/or deploy to the ACRO continuity facility to support AIS essential functions and other continuity tasks. A map and directions to the continuity facility is found as Attachment I. Emergency procedures during duty hours with or without a warning are as follows:

MRT Director (and other AIS staff, as needed) will contact and, if needed, depart to the ACRO continuity facility from the primary operating facility or their current location using privately owned vehicles, the AASA-assigned vehicle, or other State of Michigan motor pool vehicle.

MDHHS/AASA staff not identified as AIS-assigned staff may be required to replace or augment the identified continuity personnel during activation. These activities will be coordinated by the MDHHS/AASA Executive Director or designee with the staff on a case-by-case basis.

#### PHASE III: CONTINUITY OPERATIONS

Upon activation of the AIS Continuity of Operations Plan, ISERV will continue to operate at its primary operating facility until ordered to cease operations by MDHHS/AASA and ACRO using telephone/cell phone and/or email. At that time, essential functions will transfer to the ACRO continuity facility. MDHHS-AASA must ensure that the AIS DR/CO PLAN can become operational within the minimal acceptable period of 48 hours for EF disruption.

Upon arrival at the ACRO continuity facility, the MRT Director and MRT Team will identify all organization leadership available at the continuity facility.

Upon arrival/communication with the continuity facility, MDHHS-AASA MRT Director and MRT Team will:

- Verify infrastructure systems, such as power and HVAC, are functional
- Receive all applicable instructions and updates
- Monitor the resumption of MDHHS-AASA AIS EF operations
- Prepare and disseminate instructions and reports, as required
- Field telephone inquiries/email related to the disaster event, AIS DR/Co Plan activation, AIS operations, etc.

During continuity operations, MDHHS-AASA may need to acquire necessary personnel, equipment, and supplies on an emergency basis to sustain operations until normal operations can be resumed. MDHHS-AASA maintains the authority for approving emergency acquisition by the AIS contractor.

#### PHASE IV: RECONSTITUTION OPERATIONS

Within 48 hours of an emergency AIS relocation, the following individuals will initiate and coordinate operations to salvage, restore, and recover the MDHHS-AASA AIS equipment and resources at the ISERV primary operating facility after receiving approval from the appropriate local, State, and Federal law enforcement and/or emergency services. The MRT Director and MRT Team will serve as the Reconstitution Manager for all phases of the reconstitution process.

During continuity operations, MRT Director must assess the status of the facilities affected by the event by phone, email or observation. Upon obtaining the status of the facility, MDHHS-AASA will estimate how much time is needed to repair the affected facility and/or identify a new facility. This determination is made in conjunction with ACRO, ISERV and MDTMB.

Reconstitution procedures will commence when the MRT Director and MRT Team ascertains that the emergency situation has ended and is unlikely to reoccur. These reconstitution plans are viable regardless of the level of disruption that originally prompted implementation of the Continuity of Operations Plan. Once the appropriate MDHHS-AASA authority has made this determination, one or a combination of the following options may be implemented, depending on the situation:

- Continue to operate from the continuity facility
- Reconstitute the MDHHS-AASA primary operating facility and begin an orderly return to the facility
- Begin to establish a reconstituted MDHHS-AASA in some other facility in the area or at another designated location

Prior to relocating to the current primary operating facility or another facility, the MRT Director and MRT Team will conduct appropriate security, safety, and health assessments to determine building suitability. In addition, the MRT Director and MRT Team will verify that all systems, communications, and other required capabilities are available and operational and that the AIS is fully capable of accomplishing all essential functions and operations at the new or restored facility.

Upon a decision by the MRT Director and MRT Team or other authorized person that the MDHHS-AASA primary operating facility can be reoccupied or that MDHHS-AASA will re-establish itself in a different facility:

- The MRT Director and MRT Team will develop space allocation and facility requirements
- The MRT Director and MRT Team will notify all personnel that the emergency or threat of emergency has passed and actions required of personnel in the reconstitution process using telephone and/or email.
- The MRT Director and MRT Team will coordinate with the MDTMB and other MDHHS officials to obtain office space for reconstitution, if the primary operating facility is uninhabitable

Upon verification that the required capabilities are available and operational and that the AIS is fully capable of accomplishing all essential functions and operations at the new or restored facility, MRT Director and MRT Team will begin supervising a return of personnel, equipment, and documents to the normal operating facility or a move to another temporary or permanent primary operating facility.

The AIS will continue to operate at its continuity facility until ordered to cease operations by the MRT Director and MRT Team using telephone and/or email. At that time, essential functions, equipment, records, etc. will transfer to the primary operating facility. MRT Director and MRT Team will instruct AIS assigned staff and system users to resume normal operations by telephone and/or e-mail.



MRT Director will conduct an After Action Review (AAR) once it is back in the primary operating facility or established in a new primary operating facility. MRT Director has the responsibility for initiating and completing the AAR. This AAR will study the effectiveness of the continuity plans and procedures and identify areas for improvement. The MRT Director will develop a remedial action plan as soon as possible after the reconstitution. In addition, the AAR will identify which, if any, records, databases, software, hardware and/or other AIS components were affected by the incident. AAR and improvement plans are maintained by the MRT Director and are found in the AIS Secure Document Repository.

#### MDHHS/AASSA Chain of Command (COC) and COC Devolution

See the MDHHS-AASSA Emergency Operations Plan for COC and COC devolution information and authority. AIS DR/CO Plan COC is identified in the *AIS Assignment of Responsibilities* section of document.

#### Organization and Assignment of Responsibilities

Key staff positions within AIS administration and AIS DR/CO Plan administration are described on page 11 and in the table below. These individuals are identified in the order of succession and delegation of authority. Specific responsibilities of these key continuity personnel are delineated below:

Position	Responsibilities
MRT Director	<ul style="list-style-type: none"> <li>▪ Provide strategic leadership and overarching policy direction for the AIS DR/CO Plan</li> <li>▪ Implement the AIS DR/CO Plan when necessary, or when directed by higher authority</li> <li>▪ Ensure adequate funding is available for emergency operations</li> <li>▪ Ensure all MRT organizations participate in continuity exercises</li> <li>▪ Update continuity of operations plan annually</li> </ul>
AIS IT Infrastructure Manager	<ul style="list-style-type: none"> <li>▪ Technical Lead for implementation/Operation of AIS DR/CO Plan</li> </ul>
AIS Application Manager	<ul style="list-style-type: none"> <li>▪ Applications Lead for implementation/Operation of AIS DR/CO Plan</li> </ul>
Emergency Team Coordinators	<ul style="list-style-type: none"> <li>▪ Be prepared to deploy and support organization essential functions in the event of a AIS DR/CO PLAN implementation</li> <li>▪ Be familiar with continuity planning and know individual roles and responsibilities in the event of continuity of operations plan activation</li> <li>▪ Participate in continuity training and exercises as directed</li> </ul>

#### Disaster Intelligence

During a continuity event, MDHHS-AASA will require the collection and dissemination of critical information. While specific incidents may cause additional or specialized reporting requirements, the following table lists examples of the information that MDHHS-AASA and Acro may collect and report regardless of incident type during a continuity event:

- AIS operational status and ability to conduct EFs
- Status of communications and IT systems
- Situation reports
- Emergency, Hazard and/or threat details
- AIS end user impact

### **Communications**

MDHHS-AASA has identified available and redundant critical communication systems (i.e., cell phones) to communicate with the ACRO continuity facility. Further, MDHHS-AASA maintains fully capable continuity communications that could support organization needs during all hazards and will give consideration to supporting social distancing operations including telework and other virtual offices.

### **Budgeting and Acquisition**

MDHHS-AASA budgets for capabilities that are essential to AIS continuity. Within the AIS budget, MDHHS-AASA allows flexibility budgets for AIS continuity. The ACRO AIS contract includes support of the AIS DR/CO Plan. During an emergency situation, the MRT Director is responsible for oversight and handling of emergency work by contractors.

### **Plan Development and Maintenance**

This AIS DR/CO PLAN, MDHHS-AASA essential functions, and supporting activities, will be reviewed by MDHHS/AASA and ACRO and updated annually from the date of publication. MDHHS/AASA MRT Director is responsible for the annual plan review and update. In addition, the plan will be updated when there are significant organizational or procedural changes or other events that impact continuity processes or procedures.

#### **IDENTIFICATION OF ESSENTIAL FUNCTIONS (EF)**

MDHHS-AASA has completed the EF review process and has as identified all current AIS functions as EFs.

#### **IDENTIFICATION OF CONTINUITY PERSONNEL**

In order to continue its AIS functions, MDHHS-AASA has determined the staff positions necessary to administer the continuity plan activation. The current MRT roster is found

on page 11. Each continuity member is selected by MDHHS/AASA and ACRO based upon:

- The predetermined essential functions that must be performed, regardless of the operational status of the MDHHS-AASA primary operating facility
- The member's knowledge and expertise in performing these essential functions

### **Vital Records Management**

"Vital records" refers to information systems and applications, electronic and hardcopy documents, references, and records needed to support AIS operations during a continuity event. MDHHS-AASA has incorporated its vital records program into the overall continuity program, plans, and procedures. The AIS MRT Director is the vital records manager

As soon as possible after activation of the AIS DR/CO Plan, but in all cases within 48 hours of activation, continuity personnel at the continuity facility for MDHHS-AASA must have access to the following:

- Electronic or hardcopy versions of vital records
- Supporting information systems, data and databases
- The ability to print hard copies of vital records
- Identifying Vital Records

MDHHS-AASA has identified the following as vital to its operations, and has assigned responsibility for those records to the MRT Director: MDHHS-AASA complete inventory and electronic copy of vital are located in the secure AIS document repository. Copies of vital records are also maintained offline at the ACRO continuity location to ensure continuity if the ISERV production site is damaged, destroyed, or unavailable. The AIS DR/CO Plan includes a summary of vital records, including:

- The AIS DR/CO Plan
- A list of MDHHS-AASA AIS, ACRO and ISERV key organization personnel and continuity personnel with up-to-date telephone numbers
- An inventory listing of the AIS hardware, software and related technology/equipment
- AIS technical infrastructure, application, security and systems documentation maintained in the AIS Secure Document Repository Application
- AIS continuity facility locations Information

## Continuity Facilities

MDHHS-AASA has designated the ACRO site at the address listed below as the AIS continuity facilities as part of its continuity of operations plan for the possibility of unannounced AIS relocation to continue essential AIS functions.

The MDHHS-AASA continuity facility ant ACRO maintains pre-positioned site preparation and activation plans in order to achieve full operational capability within 48 hours of notification. These site preparation and activation plans as detailed in this document. The MDHHS-AASA continuity facility is located at Acro Service Corporation, 39209 Six Mile Road, Suite 250, Livonia, MI 48152. A map of the surrounding area is attached to this plan.

## Continuity Personnel

During a continuity event, the AIS MRT Team will be activated by the AIS MRT Director to perform assigned AIS CR/CO Plan duties.

## Testing & Training (T&T) Program

MDHHS-AASA performs T&T events in accordance with the requirements specified below:

### Continuity T&T Requirements

Continuity TT&E Requirements			
	Monthly	Quarterly	Annually
Test alert, notification, and activation procedures			X
Test AIS systems and services at continuity facility			X
Test AIS capabilities to perform EFs			X
Test and exercise of required physical security capabilities at continuity facilities			X
Test internal and external interdependencies with respect to performance of EFs			X
Train continuity personnel on roles and responsibilities & DR/CO Plan procedures			X
Train leadership on AIS DR/CO Plan			X

Train on an organization's plan for continuity, addressing how the organization will identify and conduct its essential functions during an increased threat situation or in the aftermath of an emergency			X
Allow opportunity for continuity personnel to demonstrate their familiarity with AIS DR procedures			X

MDHHS-AASA formally documents and reports all conducted continuity T&T events, including documenting the date of the T&T event, the type of event, and names of participants. Documentation also includes test results, feedback forms, participant questionnaires, and any other documents resulting from the event.

#### T&T Documentation

Name of Event:	Type and Purpose of Event:	Date:	Testers:	Test Status:	Confirmation:
AIS DR/OC Testing	Test and validate ensure internal and external operations of AIS applications, data and databases	1/13/2015 <i>Next test: 1/2016</i>	Cindy Albrecht (MDHHS/AASA) Vishwas Tare (ACRO)	Passed – All systems, data and databases	Scott Wamsley

MDHHS-AASA has developed a Corrective Action Program (CAP) to assist in documenting, prioritizing, and resourcing continuity issues identified during continuity T&T activities, assessments, and emergency operations.

#### Corrective Action Program

Capability	Observation Title	Recommendation	Corrective Action	Primary Responsible Agency	Start Date	End Date
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## Appendix A - AIS Configuration in Normal Operation

### (AT PRIMARY SITE)

1. Juniper Firewall
2. HP Gigabit switches
3. SAN and Fiber switches
4. Unitrends

#### Server Machine Name: APP2:

Server Role: Domain controller, DNS Server and Veritas Backup Server

#### Server Machine Name: SQLProd:

Server Role: SQL Database server for production

#### Server Machine Name: LFS:

Server Role: SQL Database server for staging, Domain controller and DNS Server.

#### Server Machine Name: PUB2:

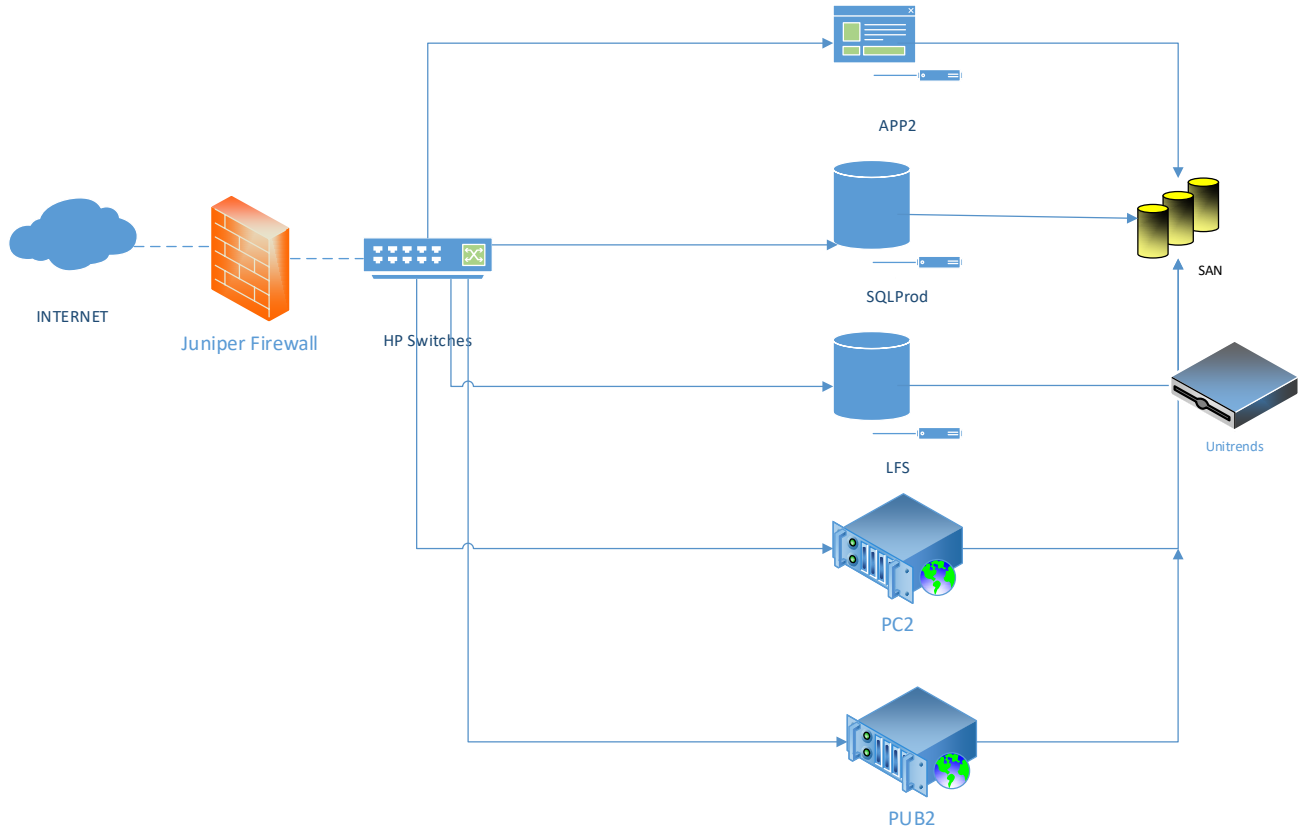
Server Role: IIS Web Server for Public sites

#### Server Machine Name: PC2:

Server Role: IIS Web Server for partner channel and staging sites

# Network diagram (Normal Operation) – Primary Site

Network Diagram (Normal operation) – Primary Site





## **Appendix B - AIS Configuration During Disaster Backup Mode**

### **(AT BACKUP SITE)**

DR Server -1 (Includes services of APP2)

Domain controller, DNS Server

DR Server -2 (Includes services of SQLProd server)

SQL Database server for production

DR Server -3 (Includes services of LFS server)

SQL Database server for staging, Domain controller and DNS Server

DR Server -4 (Includes services of PUB2 server)

IIS Web Server for Public sites

DR Server -5 (Includes services of PC2 server)

IIS Web Server for partner channel and staging sites

AIS applications and websites that should be restored in the following order of priority:

1. www.osapartner.net public website
2. Partner Channel Login
3. ADRC Information System
4. National Aging Information System (NAPIS)
5. Volunteer Information System (VIS)
6. Legal Services Information System (LSI)
7. OSA Secure Grantee Report – File Retrieval
8. OSA Secure Report – File Drop
9. Congregate Meals
10. Nutrition Management
11. Annual & Multi-Year Planning System (AMPS)
12. Resource Maintenance at Source
13. Partner Channel User Management System

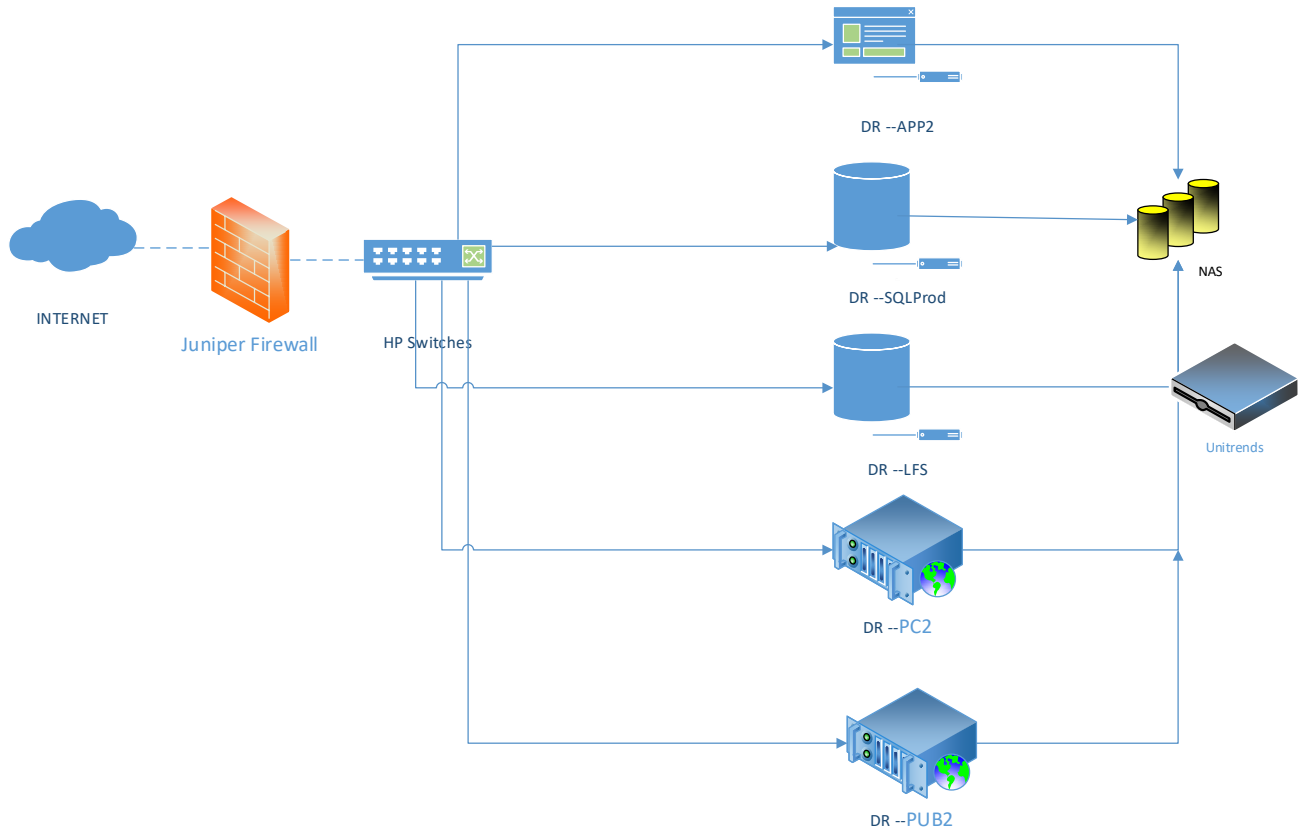
14. Vendor User Administration
15. AIS Projects Document Library
16. Financial Information Reporting Systems Technology (FIRST)
17. ADRC Resource Requests
18. Michigan.gov site interface components

During the emergency operations, it is not necessary to have the ability to set up new users or edit user profiles in the system.

The passwords of AIS application user accounts restored during a disaster recovery process may have to be reset and managed in manual mode.

# Network diagram –Backup Site

Network Diagram (Backup operation) – Acro, Livonia, DR Site



**Appendix C – Disaster Recovery Test Plan**

*Table 1. Conducting a recovery test*

Item	Yes	No	Applicable	Not Applicable	Comments
Select the purpose of the test. What aspects of the plan are being evaluated?					
Describe the objectives of the test. How will you measure successful achievement of the objectives?					
Meet with management and explain the test and objectives. Gain their agreement and support.					
Have management announce the test and the expected completion time.					
Collect test results at the end of the test period.					
Evaluate results. Was recovery successful? Why or why not?					
Determine the implications of the test results. Does successful recovery in a simple case imply successful recovery for all critical jobs in the tolerable outage period?					
Make recommendations for changes. Call for responses by a given date.					
Notify other areas of results. Include users and auditors.					
Change the disaster recovery plan manual as necessary.					

*Table 2. Areas to be tested*

Item	Yes	No	Applicable	Not Applicable	Comments
Recovery of individual application systems by using files and documentation stored off-site.					
Reloading of system tapes and performing a restoration by using files and documentation stored off-site.					
Ability to process on a different computer.					
Ability of management to determine priority of systems with limited processing.					
Ability to recover and process successfully without key people.					
Ability of the plan to clarify areas of responsibility and the chain of command.					
Effectiveness of security measures and security bypass procedures during the recovery period.					
Ability to accomplish emergency evacuation and basic first-aid responses.					
Ability of users of real-time systems to cope with a temporary loss of on-line information.					
Ability of users to continue day-to-day operations without applications or jobs that are considered noncritical.					

*Table 2. Areas to be tested*

Item	Yes	No	Applicable	Not Applicable	Comments
Ability to contact the key people or their designated alternates quickly.					
Ability of data entry personnel to provide the input to critical systems by using alternate sites and different input media.					
Availability of peripheral equipment and processing, such as printers and scanners.					
Availability of support equipment, such as air conditioners and dehumidifiers.					
Availability of support: supplies, transportation, communication.					
Distribution of output produced at the recovery site.					
Availability of important forms and paper stock.					
Ability to adapt plan to lesser disasters.					

