



STATE OF MICHIGAN PROCUREMENT

Department Technology, Management and Budget

Central Procurement Services

320 S Walnut Street Lansing, MI 48933

P.O. Box 30026, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number **23**

to

Contract Number **MA071B1300067C**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	Various
	200 Emerald Bay Drive				
	Oldsmar FL 34677				
	Patricia Lydon		Contract Administrator	Kristine Mills	DTMB
	(727) 431-5213			517-242-6402	
	plydon@centurioncares.com			millsk11@michigan.gov	
	CV0049764				

CONTRACT SUMMARY

Michigan Automated Response Voice Interactive Network (MARVIN) and Interactive Voice Response (IVR) System Maintenance and Support

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	9 - 1 Year	August 31, 2026
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other			☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

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DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 Year	☐		August 31, 2027
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$4,330,488.00	\$0.00	\$4,330,488.00		

DESCRIPTION

Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice.

Effective 7/13/2026, the parties hereby agree to utilize the third and final option year of the Useful Life Extension. The revised Contract expiration date is 8/31/2027. The option year includes the following services:

- Cares IVR Hosted Base Technology Fee: \$246,864.00 (\$20,572.00/month x 12) (estimated)
- CARES IVR Hosted Usage Fee by Minute: Inbound Calls: \$120,000.00 (\$0.01/minute x 1,000,000 minutes/month x 12) (estimated)
- CARES IVR Hosted Usage Fee by Minute: Transfer Calls: \$18,000.00 (\$0.015/minute x 100,000 minutes/month x 12) (estimated)
- Total Estimated Costs: \$384,864

Additional funding is not required for these changes; existing contract funds are sufficient. Further, the parties agree to incorporate the updated ADA Compliance Language below:

“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, applications, content, and electronic documents. Due to a change in the law, the State is required to comply with specific accessibility standards for websites, applications, content, and documents. All websites, applications, software, content, and electronic documents, including but not limited to mobile applications, text, images, sounds, videos, controls, animations, links, and documents (including files in the following formats: PDF, word processing, presentation, and spreadsheet), created, provided, or made available by the Contractor under this Contract, must comply with WCAG 2.1 Level AA.”

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 Walker	(517) 599-1443	WalkerJ5@michigan.gov
LEO	Britton Mailand	(313) 456-3190	MailandB@michigan.gov



STATE OF MICHIGAN PROCUREMENT

Department Technology, Management and Budget

Central Procurement Services

320 S Walnut Street Lansing, MI 48933

P.O. Box 30026, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number **22**

to

Contract Number **MA071B1300067C**

CONTRACTOR	CENTURION CARES INC
	200 Emerald Bay Drive
	Oldsmar FL 34677
	Patricia Lydon
	(727) 431-5213
	plydon@centurioncares.com
	CV0049764

STATE	Program Manager	Various	Various
	Contract Administrator	Kristine Mills	DTMB
		517-242-6402	
		millsk11@michigan.gov	

CONTRACT SUMMARY

Michigan Automated Response Voice Interactive Network (MARVIN) and Interactive Voice Response (IVR) System Maintenance and Support

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	9 - 1 Year	August 31, 2026

PAYMENT TERMS	DELIVERY TIMEFRAME

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

MINIMUM DELIVERY REQUIREMENTS

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DESCRIPTION OF CHANGE NOTICE

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

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$4,330,488.00	\$0.00	\$4,330,488.00

DESCRIPTION
Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice. Effective 1/23/2026, the parties agree to add the attached Statement of Work to provide remote professional services for development and support of the Marvin (Weekly Certification) IVR application during the UIA MiUI Implementation project. No additional funding is required at this time; existing contracts funds will cover this change. 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 Walker	(517) 599-1443	WalkerJ5@michigan.gov
LEO	Britton Mailand	(313) 456-3190	MailandB@michigan.gov

STATEMENT OF WORK - IT CHANGE NOTICE

Project Title: Centurion Cares - Michigan MiUI Implementation - IVR Support	Period of Coverage: 01/01/26 – 09/30/26
Requesting Department: LEO/UIA	Date: 01/05/26
Agency Project Manager: Kristine Sparks	Phone: 313-456-3190
DTMB Project Manager: John Walker	Phone: 517-599-1443

Brief description of services to be provided:

BACKGROUND:

The Department of Labor and Economic Opportunity (LEO), Unemployment Insurance Agency (UIA) and the Department of Technology, Management & Budget (DTMB) are currently executing an IT modernization project of UIA's core business system. External system interfaces are within the functional capability scope of the new system and due to business process changes and technical system requirements, some external interface partners are required to make system changes to support the design, development, testing and implementation of their interfaces.

PROJECT OBJECTIVE:

The purpose of this "Change Notice 22" is to add a Statement of Work to Contract #MA071B1300067 ("the Contract") executed by and between the State of Michigan ("State") and CenturionCARES ("Contractor" or "CenturionCARES"). This Statement of Work is to provide remote professional services development and support for the Marvin (Weekly Certification) IVR application during the UIA MiUI Implementation project.

The work will entail support during Dress Rehearsal (DR2) in fourth quarter of 2025 and System Integration Testing (SIT), Dress Rehearsal 3, R1 cutover, User Acceptance Testing (UAT), R2 cutover in second quarter of 2026. In addition, Contractor will make changes to the IVR scripts and integration connectors to support a static header API Key, verbiage changes and change from Bi-weekly to weekly certifications.

SCOPE OF WORK:

The scope of work for this project will include the services listed below:

- **Services Description**

- ***Dress Rehearsal 2 (DR2 – Release 1)***

Contractor will modify the Marvin application to speak a customized, State supplied phrase and then hang-up the caller. The message will inform the caller that the application is currently unavailable. The Marvin application will be modified ahead of time and deployed on November 12 at 5pm ET on the development system. Verification of the modified Marvin Application will occur after deployment. On November 16, as determined by the State, the Marvin application will be reverted to its original state. After Contractor redeploys the original script, the correct operation will be confirmed.

- Contractor's engineering resources will only be available on November 12 and November 16 (at times specified above). The State of Michigan will utilize standard CenturionCARES support for any issues outside of these times.
- The change to the Marvin application will speak a State of Michigan supplied phrase(s) and hang-up the call. No other functionality will be provided for the modified application.
- All changes will take place on the development system only.

- ***Dress Rehearsal 3 (DR3 – Release 1)***

Contractor will modify the Marvin application to speak a customized, State supplied phrase and then hang-up the caller. The message will inform the caller that the application is currently unavailable. The Marvin application will be modified ahead of time and deployed at a date and time, as determined by the State, in Q1 2026 on the development system. Verification of the modified Marvin Application will occur after deployment. On a date and time as determined by the State in Q1 2026, the Marvin application will be reverted to its original state. After Contractor redeploys the original script, the correct operation will be confirmed.

- Contractor's engineering resources will only be available during the deployment and rollback for the Marvin application. The State of Michigan will utilize standard CenturionCARES support for any issues outside of these times.
- The change to the Marvin application will speak a State of Michigan supplied phrase(s) and hang-up the call. No other functionality will be provided for the modified application.
- All changes will take place on the development system only.

- ***Release 1 (R1) Cutover***

Contractor will modify the Marvin application to speak a customized, State supplied phrase and then hang-up the caller to both production and DR

systems. The deployment time will be at a date and time, as determined by the State, in Q1 2026. Verification of the modified Marvin Application will occur after deployment. At a time determined by the State of Michigan, the Marvin application will be reverted to its original state. After Contractor redeploys the original script, the correct operation will be confirmed.

- Contractor's engineering resources will only be available during the deployment and rollback times. The State of Michigan will utilize standard CenturionCARES support for any issues outside of these times.
 - The change to the Marvin application will speak a State of Michigan supplied phrase(s) and hang-up the call. No other functionality will be provided for the modified application.
 - All changes will take place regarding both the production and DR Marvin systems.
- ***System Integration Testing Support***
 Contractor will assist with troubleshooting issues that arise during Michigan's system integration testing. All work will be done during normal Contractor business hours. Contractor will provide support for the following:
 - **Technical Integration Support:** Provide support for the integration changes defined in this document.
 - **Environment Setup:** Assisting with test environment configuration for interfacing with the new UI Solution MiUI Application.
 - **Issue Resolution:** Providing technical support for any defects or integration issues identified during testing resulting from changes defined in this document.
 - ***User Acceptance Testing Support***
 Contractor will assist with troubleshooting issues that arise during Michigan's User Acceptance Testing (UAT). Contractor will provide support for the following:
 - **Functional Support:** Assisting with test script execution and clarifying system behavior.
 - **Issue Triage:** Working with the State of Michigan to identify issues resulting from Contractor changes associated with the Midas replacement.
 - **Collaboration:** Working with UIA business users, DTMB & Deloitte technical folks, and functional leads to ensure the system meets change requirements defined in this document.
 - ***IVR Application Phrase Verbiage Changes***

Contractor will modify the Marvin IVR application to replace up to (25) phrases within the IVR application. All State of Michigan phrases will be provided in the same format as previously provided. The phrases will not impact on the IVR application call flow (i.e. no additional menu options, logic changes or transfers). Tag numbers associated with the phrases to be replaced will be provided.

- ***Change Bi-Weekly to Weekly Support***

Currently, the claimant timeframe is controlled by data elements returned from Midas. Below describes the different conditions and Midas data element values. Contractor will only provide troubleshooting support for this. Any code or integration changes needed are outside the scope of this statement of work.

- To announce the next scheduled date, the data elements from the mainframe must match the following:
 - ATAA element must be 'N'
 - TotalNumberOfCertWeeks must be '0'
 - OpenWorkSearchCerts must be 'Y' or '1'
 - NextAppointmentDate must be in the MM/DD/YYYY format
- To allow the claimant to file, the data elements from the mainframe must match the following:
 - ATAA element must be 'N'
 - TotalNumberOfCerts must be greater than 1
 - OpenWorkSearchCerts must be 'Y' or '1'
 - MarvinDay must match the day the claimant can file 'M', 'T', or 'W'
 - MarvinTime and MarvinEndTime should be the window they can file their claims
- Claimant not allowed to file, the data elements from the mainframe must match the following:
 - MarvinDay set to something other than 'M', 'T', or 'W'

- ***Support API Key for all current Midas web methods***

Contractor will modify the header of the current web methods (see below) to add the header key X-API-KEY with a static hardcoded value supplied by State of Michigan. This header key will be used for authentication purposes with the Midas replacement. No other changes or additions will be made to the web methods other than adding this header key. The following are the web methods currently supported and the only ones being changed.

- GetDataBySSN
- SetPIN
- ResetPIN

- FileCertStandard
- FileCertATAA
- FileERP

- ***Dress Rehearsal 1 (DR1 – Release 2)***

Contractor will modify the Marvin application to speak a customized State supplied phrase and then hang-up the caller. The message will inform the caller that the application is currently unavailable. The Marvin application will be modified ahead of time and deployed at a date and time as determined by the State in Q2 2026 on the development system. Verification of the modified Marvin Application will occur after deployment. On a date and as determined by the State in Q2 2026, the Marvin application will be reverted to its original state. After Contractor redeploys the original script, the correct operation will be confirmed.

- Contractor engineering resources will only be available during the deployment and rollback for the Marvin application. The State of Michigan will utilize standard CenturionCARES support for any issues outside of these times.
- The change to the Marvin application will speak provided phrase(s) and hang-up the call. No other functionality will be provided for the modified application.
- All changes will take place on the development system only.

- ***Release 2 (R2) Cutover***

Contractor will deploy the modified Marvin application and associated integration changes as completed in the UAT (User Acceptance Testing). The deployment time will be at a date and time as determined by the State in Q2 2026. The correct operation of the new Marvin application will be verified after deployment.

- Contractor's engineering resources will only be available during the deployment times. The State of Michigan will utilize standard CenturionCARES support for any issues outside of these times.
- All changes will take place regarding both the production and DR Marvin systems.

TASKS:

Professional Services are listed above and in the attached CenturionCARES – IVR Telephone Solution document.

DELIVERABLES:

Milestone deliverables will not be considered complete until the Agency Project Manager has formally accepted them.

ACCEPTANCE CRITERIA:

Completion of the activities listed in the Services Description section as requested and prioritized by UIA.

PROJECT CONTROL AND REPORTS:

A monthly 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 monthly progress report must contain the following:

1. **Current Status:** Indicate the status of milestones activities, issues and risks during the current reporting period.
2. **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.

SPECIFIC DEPARTMENT STANDARDS:

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

PAYMENT SCHEDULE:

- Payment will be made on a Satisfactory acceptance of each Milestone (major part of the contract). 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.

MILESTONE SCHEDULE

Milestone	Description	Costs
1	Completion of Dress Rehearsal 2 (DR2) – R1	\$15,412.50
2	Completion of Dress Rehearsal 3 (DR3) – R1	\$600.00
3	Completion of Release 1 (R1) Cutover	\$400.00
4	Delivery for System Integration Testing API Key header integration development.	\$6,400.00

5	Completion of System Integration Testing Support	\$1,512.50
6	Delivery of IVR Application Phrase Verbiage Changes for UAT	\$1,600.00
7	Delivery of Change Bi-Weekly to Weekly Support for UAT.	\$1,600.00
8	Completion of User Acceptance Testing Support	\$2,100.00
9	Completion of Dress Rehearsal 1 (DR1) – R2	\$400.00
10	Completion of Release 2 (R2) Cutover	\$800.00
	TOTAL COST	\$30,825.00

EXPENSES:

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

PROJECT CONTACTS:

The designated Agency Project Manager is:

Name: Kristine Sparks

Department: LEO/UIA

Email Address: sparksk3@michigan.gov

Phone Number: 313-456-3190

The designated DTMB Project Manager is:

Name: John Walker

Department: DTMB/Agency Services

Email Address: walkerj5@michigan.gov

Phone Number: 517-599-1443

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

All professional services work will be performed remotely during normal business hours (8AM – 5PM CST) except where specifically designated in this SOW.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Project work will be provided during normal business hours (Monday-Friday, 8:00 am – 5:00 pm Central Standard Time) except where specifically designated in the SOW.

This purchase order is a release from Contract Number 071B1300067C. This purchase order, statement of work, and the terms and conditions of Contract Number 071B1300067C constitute the entire agreement between the State and the Contractor.



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

DTMB

320 S Walnut Street Lansing, MI 48933
P.O. Box 30026, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number 21

to

Contract Number MA071B1300067C

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar FL 34677
	Patricia Lydon
	(727) 431-5213
	plydon@centurioncares.com
	CV0049764

STATE	Program Manager	Various	Various
	Contract Administrator	Kristine Mills	DTMB
		517-242-6402	
		millsk11@michigan.gov	

CONTRACT SUMMARY

Michigan Automated Response Voice Interactive Network (MARVIN) and Interactive Voice Response (IVR) System Maintenance and Support

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	9 - 1 Year	August 31, 2025
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other			☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 Year	☐		August 31, 2026
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$4,330,488.00	\$0.00	\$4,330,488.00		

DESCRIPTION

Effective 7/29/2025, the State is exercising the 2nd option year of the Useful Life Extension. The revised contract expiration date is 8/31/2026.

Please note the Contract Administrator has been changed to Kristine Mills.

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 Walker	(517) 599-1443	WalkerJ5@michigan.gov
LEO	Britton Mailand	(313) 456-3190	MailandB@michigan.gov



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
320 S. Walnut Street 2nd Floor Lansing, MI 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **20**

to

Contract Number **MA071B1300067C**

CONTRACTOR	CENTURION CARES INC
	200 Emerald Bay Dr., Ste 100
	Oldsmar FL 34677
	Patricia Lydon
	(727) 431-5213
	PLydon@centurioncares.com
	CV0049764

STATE	Program Manager	Various	Various
	Contract Administrator	Lauren Stempek	DTMB
		(517) 243-4008	
		stempekl@michigan.gov	

CONTRACT SUMMARY

Michigan Automated Response Voice Interactive Network (MARVIN) and Interactive Voice Response (IVR) System Maintenance and Support

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	9 - 12 Months	August 31, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other			☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	12 Months	☒	3 Years	August 31, 2025
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,936,624.00	\$393,864.00	\$4,330,488.00		

DESCRIPTION

Effective 8/21/2024, the State is adding three option years to this contract through 5.7.6 of procurement policy for Useful Life, and executing the 1st option year now, making the contracts new expiration date 8/31/2025. Additionally, this contract adds \$393,864.00 in funding to cover the 1-year extension.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 8/20/2024.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	(517) 599-1443	WalkerJ5@michigan.gov
LEO	Britton Mailand	(313) 456-3190	MailandB@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 **19**
to
Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Susan McGrath
	(727) 431-5213
	smcgrath@centurioncares.com
	CV0049764

STATE	Program Manager	Various	LEO
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833 martinc20@michigan.gov	

CONTRACT SUMMARY				
MICHIGAN AUTOMATED RESPONSE VOICE INTERACTIVE NETWORK (MARVIN) AND INTERACTIVE VOICE RESPONSE (IVR) SYSTEM MAINTENANCE AND SUPPORT				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	9 - 1 Year	August 31, 2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card ☐ PRC ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1-year	☐		August 31, 2024
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,548,220.00	\$393,864.00	\$3,942,084.00		
DESCRIPTION				
Effective 7/21/2023, the State is exercising the ninth and final option year. The revised contract expiration date is 8/31/2024. The option year includes the following services:				
- IVR Hosted Base Technology Fee: \$246,864.00 (\$20,572.00/month x 12)				
- IVR Inbound call communication per minute (Usage billed monthly in arrears) (\$0.01/minute x 1,000,000 minutes/month x 12) - \$120,000.00 (estimated)				
- IVR Transfer call communication per minute rate (Usage billed monthly in arrears) (\$0.015/minute x 150,000 minutes/month x 12) - \$27,000.00 (estimated)				
Total estimated costs: \$393,864.00, utilizing funds previously authorized on 3/29/2022.				
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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Britton Mailand	517-456-3190	mailandb@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 **18**

to

Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Susan McGrath
	(727) 431-5213
	smcgrath@centurioncares.com
	CV0049764

STATE	Program Manager	Various	LEO
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY				
MICHIGAN AUTOMATED RESPONSE VOICE INTERACTIVE NETWORK (MARVIN) AND INTERACTIVE VOICE RESPONSE (IVR) SYSTEM MAINTENANCE AND SUPPORT				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	9 - 1 Year		August 31, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card		☐ PRC	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 year	☐		August 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,548,220.00	\$0.00	\$3,548,220.00		
DESCRIPTION				
Effective 7/29/2022, the State is exercising the eighth option year. The revised contract expiration date is 8/31/2023.				
Please note the LEO Program Manager has been changed to Britton Mailand.				
The option year includes the following services:				
- IVR Hosted Base Technology Fee: \$246,864.00 (\$20,572.00/month x 12)				
- IVR Inbound call communication per minute (Usage billed monthly in arrears) (\$0.01/minute x 1,000,000 minutes/month x 12) - \$120,000.00 (estimated)				
- IVR Transfer call communication per minute rate (Usage billed monthly in arrears) (\$0.015/minute x 150,000 minutes/month x 12) - \$27,000.00 (estimated)				
Total estimated costs: \$393,864.00, utilizing previously authorized funds.				

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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Britton Mailand	517-456-3190	mailandb@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 **17**

to

Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Susan McGrath
	(727) 431-5213
	smcgrath@centurioncares.com
	CV0049764

STATE	Program Manager	Various	LEO
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833 martinc20@michigan.gov	

CONTRACT SUMMARY				
MICHIGAN AUTOMATED RESPONSE VOICE INTERACTIVE NETWORK (MARVIN) AND INTERACTIVE VOICE RESPONSE (IVR) SYSTEM MAINTENANCE AND SUPPORT				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	7 - 1 Year		August 31, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card		☐ PRC	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		August 31, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,547,320.00	\$900.00	\$3,548,220.00		
DESCRIPTION				
Effective 6/29/2022, the following amendment for script changes are incorporated into this Contract per attached the attached quote. This Contract is increased by \$900.00.				
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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Kristine Sparks	313-456-2929	sparksk3@michigan.gov

MARVIN APPLICATION EXISTING PHRASE CHANGE: (Ticket #14914)

DESCRIPTION	
State of Michigan UIA wishes to make phrases changes to the hosted Marvin application. These phrases changes will be replacing existing phrases in the application with new phrases provided by the State of Michigan. This quote assumes up to (4) phrases will need to be replaced with State supplied phrases.	
ASSUMPTION	
• Up to (4) four phrases will be replaced with existing phrases. The new phrases will not add any additional functionality to the application. • State of Michigan will provide the final phrases to CenturionCARES in .wav format in later than June 10, 2022 • CenturionCARES will make the changes to the development system with the new phrases no later than June 17, 2022. • State of Michigan will finalize UAT on the application no later than June 28, 2022. • CenturionCARES will deploy the new approved phrases on the first weekend in July (July 2/ July3) for production use on July 5. • No changes to the Marvin application or web services are part of this quote. • All work will be performed remotely during normal business hours except for the deployment of the new phrases to production which will be on the first weekend in July.	
QUOTE TOTAL	\$900.00



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 **16**

to

Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY

MAINTENANCE AND SUPPORT FOR THE IVR

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year	March 31, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other			☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐	5 months	☒	2, one-year	August 31, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,383,210.00	\$164,110.00	\$3,547,320.00		

DESCRIPTION

Effective 3/29/2022, this Contract is extended four months, and is increased by \$164,110.00. The revised contract expiration date is 8/31/2022. The State is also adding two additional option years to the Contract. Pricing for the extension and option years is as follows:

Extension:

Cloud IVR hosting/maintenance/support: \$20,572.00 per month x 5 months = \$102,860.00

Option Years:

Cloud IVR hosting/maintenance/support: \$20,572.00 per month x 12 months = \$246,864.00 each

Telecommunications Costs:

Inbound call communication per minute rate (Usage billed monthly in arrears) \$0.01 per minute

Average 1,000,000 minutes per month = \$10,000.00 estimated per month.

Transfer call communication per minute rate (Usage billed monthly in arrears) \$0.015 per minute
Average 150,000 minutes per month = \$2,250.00 estimated per month.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 3/29/2022.

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	313-456-3814	walkerj5@michigan.gov
LEO	Kristine Sparks	313-456-2929	sparksk3@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 **15**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year		March 31, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card	☐ PRC	☐ Other	☐ Yes	☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		March 31, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,658,540.00	\$724,670.00	\$3,383,210.00		
DESCRIPTION				
Effective 8/10/2021, the following amendments are incorporated into this Contract per attached Change Management Request Approval Forms. These changes include the following:				
1. Removal of MLPS circuits originally installed as part of CN 13 and using encrypted web services instead. A one-time charge of \$3,450.00 will apply for the removal of the circuits, but the montly fee will decrease from \$21,000.00 to \$20,572.00 per month a savings of \$428, per month. A net decrease of \$830.00.				
2. Script changes for the addition of UI Work Search functionality in English and Spanish and Call Transfer functionality to the UIA Contact Center System. One time cost for the script changes of \$5,500.00. Transfer Call Communications cost of \$0.015 per minute to be billed in arrears. Monthly Estimate Usage of 4,000,000 minutues - \$60,000.00 per month - \$720,000.00 per year.				
The Contract is increased by \$724,670.00 for LEO use.				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central				

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	313-456-3814	walkerj5@michigan.gov
LEO	Kristine Sparks	313-456-2929	sparksk3@michigan.gov

CenturionCARES		
Change Management Request Approval Form		
Change Request Control Number:		Date Issued: 05/07/2021
Current SOW# (if applicable): CenturionCARES Michigan Hosted Midas Migration Project		
Basic Information		
Date Requested: 02/04/2021	Requested By: Curtis Todd	User Organization: State of Michigan, DTMB
Date Required: Undetermined	User Phone: 248-819-2247	User e-mail: toddc3@michigan.gov
Priority: Major ☐ High ☐ Medium ☐ Low		Project Code or Name: Midas UIA Hosted Midas Migration – Replace MPLS circuits with encrypted web services over public internet
Application or System: CenturionCARES hosted environment (Midas)		Release/Version: Cares 14.x
Deliverables This change request removes the MPLS circuits to be provided by CenturionCARES for communicating with the Midas system via the current on-premises integration to changing the integration to encrypted web services for transmission over the public internet. This will remove the dependency for the MPLS circuits; therefore, being removed as a deliverable. The following are changes to the original solution. - Remove the MPLS circuits at both State of Michigan locations as designated in the original design. - Change the current Midas integration to support encryption for use over the public internet. - Perform internal testing with new encrypted integration to confirm proper operation. - Provision the Midas hosted environments to utilize the public internet instead of the MPLS circuits. - Deploy new Midas integration connector to development hosted environment and support SOM during UAT. - Deploy approved Midas integration connector to the production environments.		
Assumptions CenturionCARES will not be responsible for any outages related to device/systems outside of its hosted data centers including any public internet outages.		
Timeline This change request has already been implemented during the implementation phase of the project.		
Additional Cost Estimated: The change in cost from the initial contract will be for both initial services setup and monthly cost as follows: - Professional Service Setup (one-time cost) increase as follows \$3,450.00 - Monthly Fixed Cost (monthly decrease from original as follows) (\$428.00) - This brings the Monthly Fixed Cost to \$20,572 per month as opposed to the original of \$21,000 per month)		
Supporting Documentation Attached? ☐ Yes ☒ No		
Change Approval/Disapproval		

Final Disposition: ☐ Disapprove Request ☐ Approve for Current Release ☐ Approve for Release # _____ ☐ Future Consideration		Reason for Rejection:
Client Management: (Name/Title) Curtis Todd	Phone Number: 248-819-2247	e-mail Address: toddc3@michigan.gov
Authorizing Client Signature:		Date Authorized:
Project Management: Berny Elsbernd	Phone Number: 262-317-5614	e-mail Address: belsbernd@centurioncares.com
Project Manager Signature: <i>Berny Elsbernd</i>		Date Authorized: 05/07/2021
Disposition		
Date Assigned:	Signature of Responsible Manager:	
Date Of Sign Off:	Signature of Authorized Client Representative:	

CenturionCARES Change Management Request Approval Form

Change Request Control Number:	Date Issued: 05/20/2021
---------------------------------------	-----------------------------------

05/20/2021

Current SOW# (if applicable): CenturionCARES Michigan Hosted Midas Migration Project

Basic Information	
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Date Requested: 05/18/2021

Requested By: Curtis Todd

User Organization: State of Michigan, DTMB
--

Date Required: Undetermined

User Phone: 248-819-2247

User e-mail:
toddc3@michigan.gov

Priority: Major

[]

Medium

Project Code or Name: Midas UIA Hosted Midas Migration – Work Search Transfer and New Custom Call Window Functionality
--

Midas UIA Hosted Midas Migration – Work Search Transfer and New Custom Call Window Functionality

Application or System: CenturionCARES hosted environment (Midas)
--

CenturionCARES hosted environment (Midas)

Release/Version: Cares 14.x

Cares 14.x

Deliverables

For this change request, SOM will provide up to (6) six combined English and Spanish phrases to CenturionCARES. CenturionCARES will perform the following professional services:

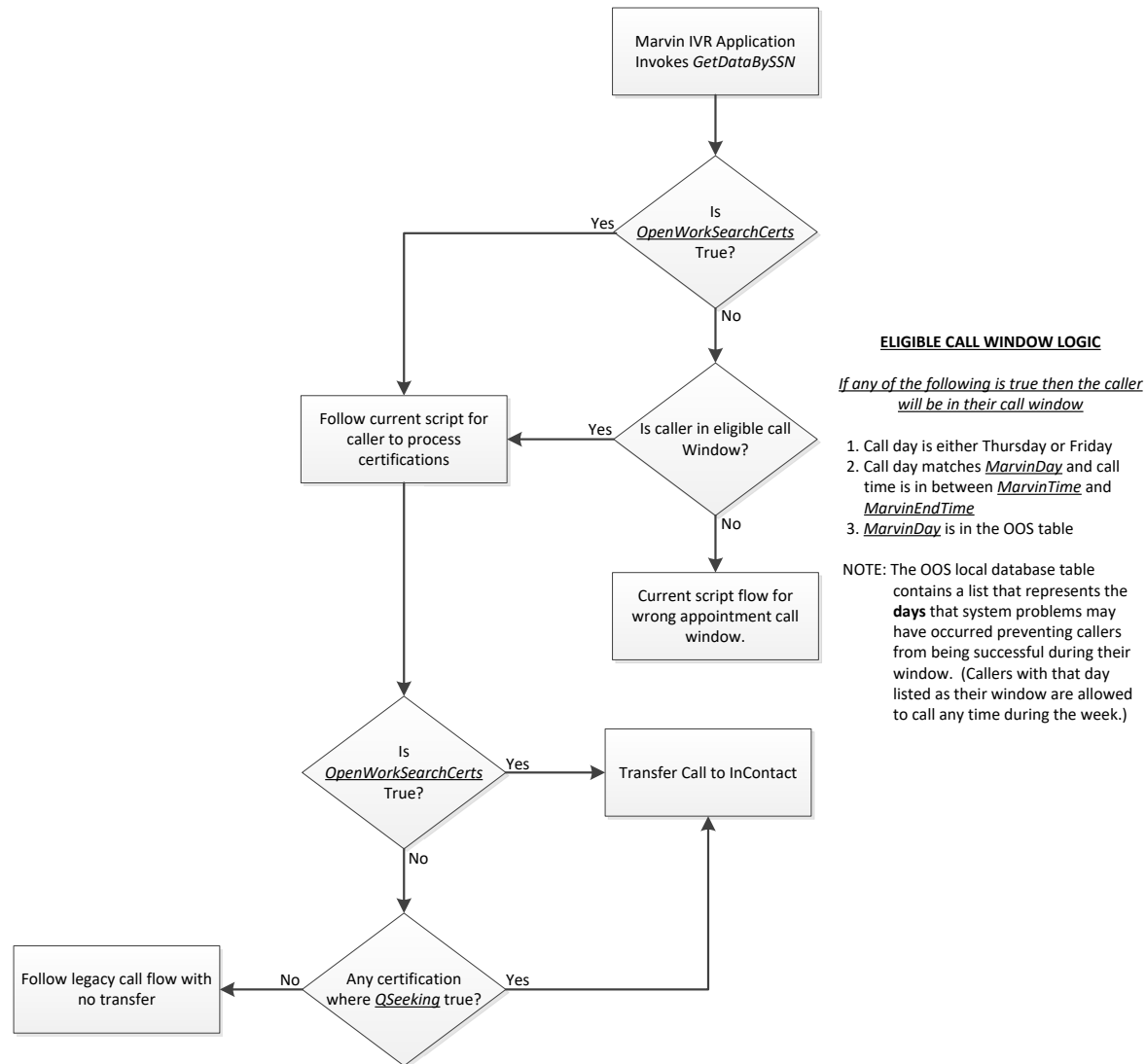
- Modify the CenturionCARES Midas integration connector to receive two new data elements: **<MarvinEndTime>** and **<OpenWorkSearchCerts>**.
- Modify the script and call window logic as reflected in the high level flowchart (see below).
- Perform speech adjustment on the (6) six provided combined English and Spanish phrases.
- Import (4) four of the phrases into the proper existing Midas English and Spanish script locations and add to the appropriate speech library.
- Create a new script announcement and add blind transfer functionality to both the English and Spanish Midas scripts. This will be at the single point in the script which replaces the phrase stating a check will be sent.
- Provision Telecommunication trunks and Midas hosted environments (Production, DR and test) to perform blind transfers from the script.
- Deploy new Midas script and Midas integration connector to development hosted environment and support SOM during UAT.
- Deploy approved Midas script and Midas integration connector to the production environments.

Assumptions

- State of Michigan will supply to CenturionCARES up to (3) three English and (3) three Spanish phrases in the standard .wav format by no later than end of business on May 24, 2021.
- Michigan will provide the final wsdI, appropriate test data and deploy the modified Midas web service in a test environment for CenturionCARES no later than end of business on May 24, 2021.
- Of the (6) six supplied phrases, (4) four will be existing phrases already spoken in the Midas script and only two (an English and Spanish) will be new.
- The Hosted Midas script will perform only blind transfers which releases the call from CenturionCARES control. At this point the call originator will hear any call progression from the far side. (InContact)
- The script change will only incorporate the blind transfer functionality at a single point in the script (replacing the check sent phrase with a new SOM supplied phrase and then execute the blind transfer) all other portions of the script will operate as currently in production on the

premise systems unless explicitly specified in this document.		
Timeline CenturionCARES will implement the blind transfer, Midas web service change and described call window logic (see below) functionality along with the phrase work described above, having the application ready for UAT no later than end of business on May 27, 2021 provided approval of this change management is received no later than 12pm ET (noon) on May 21, 2021. NOTE: Any changes or modifications requests for this work received after May 21, 2021 12pm ET will not be able to be implemented for the June 6, 2021 deployment.		
Additional Cost Estimated: The cost for adding the transfer functionality will be for both services and usage as follows: - Professional Service (one-time cost) \$5,550.00 - Transfer call communication per minute rate (Usage billed monthly in arrears) \$0.015		
Supporting Documentation Attached? ☐ Yes ☒ No		
Change Approval/Disapproval		
Final Disposition: ☐ Disapprove Request ☐ Approve for Current Release ☐ Approve for Release # _____ ☐ Future Consideration		Reason for Rejection:
Client Management: (Name/Title) Curtis Todd	Phone Number: 248-819-2247	e-mail Address: toddc3@michigan.gov
Authorizing Client Signature:		Date Authorized: 5/20/2021
Project Management: Berny Elsbernd	Phone Number: 262-317-5614	e-mail Address: belsbernd@centurioncares.com
Project Manager Signature: <i>Berny Elsbernd</i>		Date Authorized: 05/20/2021
Disposition		
Date Assigned:	Signature of Responsible Manager:	
Date Of Sign Off:	Signature of Authorized Client Representative:	

MICHIGAN CALL WINDOW HIGH LEVEL FLOW



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 **14**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677		Contract Administrator	Christopher Martin	DTMB
	Susan McGrath			(517) 643-2833	
	(727) 431-5213			martinc20@michigan.gov	
	smcgrath@centurioncares.com				
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	March 31, 2022	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card ☐ PRC ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		March 31, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,646,540.00	\$12,000.00	\$2,658,540.00		
DESCRIPTION				
Effective 5/12/2021, the following amendments are incorporated into this Contract per attached Vendor Quotes. The change includes two different script changes for MARVIN, at a cost of \$8,500.00 and \$3,500.00 respectively. This Contract is increased by \$12,000.00 for LEO/UIA use.				
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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@michigan.gov

DESCRIPTION	
State of Michigan UI wishes to make changes to the Marvin application. See change description below for list of changes. <u>ASSUMPTIONS</u> 1. No additional script functionality other than stated below: 2. Modify the script as follows: a. After the question What is the date you were scheduled to begin work? A date must be entered and there are validations on the date. The validations are listed by the question. b. If Yes to COVID Reason 4 then all of the additional New questions related to 4 must be presented. (see table below) c. Modify the wsdl to accommodate the additional question responses. 3. Modify the Web Services integration to add and remove the below specified data elements in the FileCertStandard element type. (See below). 4. All work will be done remotely at CenturionCARES facilities. 5. State of Michigan will be responsible for providing all additional English and Spanish phrases. 6. CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES	
<u>Marvin Application Changes</u> <u>SUMMARY:</u> • Modify the Marvin IVR application based on changes described above. • Modify Web Services method call to pass the additional responses. • Provide remote support for UAT and Deployment. • Project Management	
QUOTE TOTAL	\$8,500.00

MICHIGAN MARVIN WSDL CHANGES

Additional Data Elements (under FileCertStandard Element)

- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareA" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareA1" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareA2" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareA3" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareB" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSchoolCareB1" type="xs:string"/>`
- `<xs:element minOccurs="1" maxOccurs="1" name="QCovidEmploymentScheduledDate" type="xs:dateTime"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidQuarantineHealth" type="xs:string"/>`

Deleted Data Elements (under FileCertStandard Element)

- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidReducedHours" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidSeekPartTime" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidInsufficientwork" type="xs:string"/>`
- `<xs:element minOccurs="0" maxOccurs="1" name="QCovidDeniedBenefits" type="xs:string"/>`

• **MICHIGAN MARVIN PHRASE AND FLOW TABLE**

2609	PUA	For the week ending			
2610	COVID-19	please respond yes or no to the COVID-19 related reason(s) for your unemployment or reduced work hours.			
2611	COVID REASON 1	You have been diagnosed with COVID-19, or you are experiencing symptoms of COVID-19 and were seeking a medical diagnosis.			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2612	COVID REASON 2	A member of your household was diagnosed with COVID-19.			
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2613	COVID REASON 3	You were providing care for a family member or a member of your household who has been diagnosed with COVID-19			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2614	COVID REASON 4	A child or other person in your household that you have primary caregiving responsibility of is unable to attend school or a care facility because the school or facility is closed as a direct result of the COVID-19 public health emergency			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes- go to 4A If No - go

					to 5
Need new tag	COVID REASON 4A	Are you the primary caregiver for a child in your household that is unable to attend school because the school is closed as a direct result of the COVID-19 public health emergency?			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 4A1
Need new tag	COVID REASON 4A1	For the week ending mm/dd/yyyy, was the child(ren)'s school instruction 100% online?			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 4A2
Need new tag	COVID REASON 4A2	For the week ending mm/dd/yyyy, did the child(ren)'s school provide a combination of in-person and online instruction			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 4A3
Need new tag	COVID REASON 4A3	For the week ending mm/dd/yyyy, did the child(ren)'s school provide the option of in-person full-time instruction?			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 4B

Need new tag	COVID REASON 4B	Are you the primary caregiver for a person in the household that is unable to attend a care facility that is closed as a direct result of the COVID-19 health emergency			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 4B1
Need new tag	COVID REASON 4B1	Is facility care required for this person for you to be able to return to work			New Recording Tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		If Yes/No - go to 5
2615	COVID REASON 5	You were unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency.			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		

Need new tag	COVID REASON 6A	What is the date you were scheduled to begin work?			New Recording Tag Need to capture a date after this question. Dates enter must fall between 02/02/2020 and Saturday date of the certification. Example if the Saturday date is 01/16/2021 then any date between 02/02/2020 and 01/16/2021 can be entered. The error message should be heard if the
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					date is prior to 02/02/2020 or after 1/16/2021
1184	You entered	You entered	Usted marcó,		New functionality
		<Date>			Date
2617	COVID REASON 7	You have become the breadwinner or major support for your household because the prior head of the household died as a direct result of COVID-19			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2618	COVID REASON 8	You had to quit your job as a direct result of COVID-19.			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		

2619	COVID REASON 9	You were unable to reach the place of employment because you have been advised by a health care provider to self-quarantine due to concerns related to COVID-19			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2620	COVID REASON 10	Your place of employment was closed as a direct result of the COVID-19 public health emergency.			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2621	COVID REASON 11	You are self-employed, an independent contractor, 1099 filer, or farmer and experienced a significant reduction of services as a result of COVID-19			Need to re-record tag
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		
2625	COVID REASON 12	You are unemployed or under-employed for some other reason.			
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.		



CenturionCARES, Inc. • 200 Emerald Bay Drive, Suite 100 • Oldsmar, FL. 34677 • 727-431-5300

DESCRIPTION	
State of Michigan UI wishes to make additional changes to the PUA Certification project on the Marvin application. See additional change description below for list of changes. <u>ASSUMPTIONS</u> 1. No additional script functionality other than stated below: 2. Modify the script as follows: a. Ask up to (3) three additional questions beyond the questions defined in the original PUA certification changes. b. Modify the wsdl to accommodate the additional question responses. 3. Modify the Web Services integration to add additional data elements for the new questions (WSDL to be supplied by Michigan). 4. All work will be done remotely at CenturionCARES facilities. 5. State of Michigan will be responsible for providing all additional English and Spanish phrases. 6. CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES	
<u>Marvin Application Changes</u> <u>SUMMARY:</u> • Modify the Marvin IVR application based on changes described above. • Modify Web Services method call to pass the additional question responses. • Provide remote support for UAT and Deployment. • Project Management	
QUOTE TOTAL	\$3,500.00



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 **13**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	DTMB
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year		November 30, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card	☐ PRC	☐ Other	☐ Yes	☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☒		March 31, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,847,596.00	\$798,944.00	\$2,646,540.00		
DESCRIPTION				
Effective 12/15/2020, this Contract is extended sixteen (16) months, and is increased by \$798,944.00. The revised contract expiration date is 3/31/2022.				
The following amendments are incorporated into this Contract per attached Terms and Schedules. This change includes the following: • Scope - Schedule A - Statement of Work • Pricing - Schedule B - IVR Cloud • Terms - Including Schedules for Insurance, SLA's, and Data Security				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 12/15/2020.				

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@michigan.gov

STATE OF MICHIGAN

SOFTWARE TERMS AND CONDITIONS

These Terms and Conditions, together with all Schedules (including the Statement(s) of Work), Exhibits and any other applicable attachments or addenda (Collectively this "Contract") are agreed to between the State of Michigan (the "**State**") and Centurion Cares, Inc. ("**Contractor**"), a Florida Corporation. This Contract is effective on 12/1/2020 ("**Effective Date**"), and unless terminated, will expire on 3/31/2022 (the "**Term**").

This Contract may be renewed for up to two additional one-year periods. Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

1. Definitions. For the purposes of this Contract, the following terms have the following meanings:

"**Acceptance**" has the meaning set forth in **Section 9**.

"**Acceptance Tests**" means such tests as may be conducted in accordance with **Section 9.1** and a Statement of Work to determine whether the Software meets the requirements of this Contract and the Documentation.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control" (including the terms "controlled by" and "under common control with") means the direct or indirect ownership of more than fifty percent (50%) of the voting securities of a Person.

"**Allegedly Infringing Materials**" has the meaning set forth in **Section 18.2(b)**.

"**Approved Open-Source Components**" means Open-Source Components that may be included in or used in connection with the Software and are specifically identified in an exhibit to a Statement of Work and approved by the State.

"**Authorized Users**" means all Persons authorized by the State to access and use the Software under this Contract, subject to the maximum number of users specified in the applicable Statement of Work.

"**Business Day**" means a day other than a Saturday, Sunday 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 agency to (a) act as the agency's representative in all matters relating to the Contract, and (b) co-sign off on notice of Acceptance for the Software. The Business Owner will be identified in a Statement of Work.

"**Business Requirements Specification**" means the initial specification setting forth the State's business requirements regarding the features and functionality of the Software, as set forth in a Statement of Work.

"**Change**" has the meaning set forth in **Section 2.2**.

"**Change Notice**" has the meaning set forth in **Section 2.2(b)**.

"**Change Proposal**" has the meaning set forth in **Section 2.2(a)**.

"**Change Request**" has the meaning set forth in **Section 2.2**.

"**Confidential Information**" has the meaning set forth in **Section 22.1**.

"Configuration" means State-specific changes made to the Software without Source Code or structural data model changes occurring.

"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 any Change Notices under this Contract. Each party's Contract Administrator will be identified in a Statement of Work.

"Contractor" has the meaning set forth in the preamble.

"Contractor's Bid Response" means the Contractor's proposal submitted in response to the Solicitation Type.

"Contractor Hosted" means the Hosted Services are provided by Contractor or one or more of its Permitted Subcontractors.

"Contractor Personnel" means all employees of Contractor or any subcontractors or Permitted Subcontractors involved in the performance of Services hereunder.

"Customization" means State-specific changes to the Software's underlying Source Code or structural data model changes.

"Deliverables" means the Software, and all other documents 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 a Statement of Work and all Work Product.

"Deposit Material" refers to material required to be deposited pursuant to this **Section 28**.

"Documentation" means all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Software.

"DTMB" means the Michigan Department of Technology, Management and Budget.

"Effective Date" has the meaning set forth in the preamble.

"Fees" means the fees set forth in the Pricing Schedule attached as **Schedule B**.

"Financial Audit Period" has the meaning set forth in **Section 23.1**.

"Harmful Code" means any software, hardware or other technologies, devices or means, the purpose or effect of which is to: (a) permit unauthorized access to, or to destroy, disrupt, disable, encrypt, modify, copy, or otherwise harm or impede in any manner, any (i) computer, software, firmware, data, hardware, system or network, or (ii) any application or function of any of the foregoing or the integrity, use or operation of any data Processed thereby; or (b) prevent the State or any Authorized User from accessing or using the Services as intended by this Contract, and includes any virus, bug, trojan horse, worm, backdoor or other malicious computer code and any time bomb or drop dead device.

"HIPAA" has the meaning set forth in **Section 20.1**.

"Hosted Services" means the hosting, management and operation of the Operating Environment, Software, other services (including support and subcontracted services), and related resources for remote electronic access and use by the State and its Authorized Users, including any services and facilities related to disaster recovery obligations.

“Implementation Plan” means the schedule included in a Statement of Work setting forth the sequence of events for the performance of Services under a Statement of Work, including the Milestones and Milestone Dates.

“Integration Testing” has the meaning set forth in **Section 9.2(a)**.

“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.

“Loss or Losses” means all losses, including but not limited to, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

“Maintenance Release” means any update, upgrade, release or other adaptation or modification of the Software, including any updated Documentation, that Contractor may generally provide to its licensees from time to time during the Term, which may contain, among other things, error corrections, enhancements, improvements or other changes to the user interface, functionality, compatibility, capabilities, performance, efficiency or quality of the Software.

“Milestone” means an event or task described in the Implementation Plan under a 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 a Statement of Work.

“New Version” means any new version of the Software, including any updated Documentation, that the Contractor may from time to time introduce and market generally as a distinct licensed product, as may be indicated by Contractor's designation of a new version number.

“Nonconformity” or **“Nonconformities”** means any failure or failures of the Software to conform to the requirements of this Contract, including any applicable Documentation.

“Open-Source Components” means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License, or other obligation, restriction or license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative 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 6**.

“Operating Environment” means, collectively, the platform, environment and conditions on, in or under which the Software is intended to be installed and operate, as set forth in a Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software, system architecture, configuration, computing hardware, ancillary equipment, networking, software, firmware, databases, data, and electronic systems (including database management systems).

“PAT” means a document or product accessibility template, including any Information Technology Industry Council Voluntary Product Accessibility Template or VPAT®, that specifies how information and software products, such as websites, applications, software and associated content, conform to WCAG 2.0 Level AA.

“Permitted Subcontractor” means any third party hired by Contractor to perform Services for the State under this Contract or have access to State Data.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association or other entity.

“Pricing Schedule” means the schedule attached as **Schedule B**.

“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) for the State, to co-sign off on its notice of Acceptance for the Software. Each party’s Project Manager will be identified in a Statement of Work.

“Representatives” means a party’s employees, officers, directors, partners, shareholders, agents, attorneys, successors and permitted assigns.

“RFP” means the State’s request for proposal designed to solicit responses for Services under this Contract.

“Services” means any of the services, including but not limited to, Hosted Services, Contractor is required to or otherwise does provide under this Contract.

“Service Level Agreement” means the schedule attached as **Schedule D**, setting forth the Support Services Contractor will provide to the State, and the parties’ additional rights and obligations with respect thereto.

“Site” means the physical location designated by the State in, or in accordance with, this Contract or a Statement of Work for delivery and installation of the Software.

“Software” means Contractor’s software as set forth in a Statement of Work, and any Maintenance Releases or New Versions provided to the State and any Customizations or Configurations made by or for the State pursuant to this Contract, and all copies of the foregoing permitted under this Contract.

“Source Code” means the human readable source code of the Software to which it relates, in the programming language in which the 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, build, operate, support, maintain and develop modifications, upgrades, updates, adaptations, enhancements, new versions and other derivative works and improvements of, and to develop computer programs compatible with, the Software.

“Specifications” means, for the Software, the specifications collectively set forth in the Business Requirements Specification, Technical Specification, Documentation, Solicitation Type or Contractor’s Bid Response, if any, for such Software, or elsewhere in a Statement of Work.

“State” means the State of Michigan.

“State Data” has the meaning set forth in **Section 21.1**.

“State Materials” means all materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, 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 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.

“Statement of Work” means any statement of work entered into by the parties and incorporated into this Contract. The initial Statement of Work is attached as **Schedule A**.

“Stop Work Order” has the meaning set forth in **Section 15**.

“Support Services” means the software maintenance and support services Contractor is required to or otherwise does provide to the State under the Service Level Agreement.

“Support Services Commencement Date” means, with respect to the Software, the date on which the Warranty Period for the Software expires, and fees for support become applicable, or such other date as may be set forth in a Statement of Work.

“Technical Specification” means, with respect to any Software, the document setting forth the technical specifications for such Software and included in a Statement of Work.

“Term” has the meaning set forth in the preamble.

“Testing Period” has the meaning set forth in **Section 9.1(b)**.

“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 2.5(b)**.

“Unauthorized Removal Credit” has the meaning set forth in **Section 2.5(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 Software by or on behalf of the State under this Contract, except that User Data does not include the 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 Software without additional user input without the inclusion of user derived Information or additional user input.

“Warranty Period” means the ninety (90) calendar-day period commencing on the date of the State's Acceptance of the Software and for which Support Services are provided free of charge.

“WCAG 2.0 Level AA” means level AA of the World Wide Web Consortium Web Content Accessibility Guidelines version 2.0.

“Work Product” means all State-specific deliverables that Contractor is required to, or otherwise does, provide to the State under this Contract including but not limited to Customizations, application programming interfaces, computer scripts,

macros, user interfaces, reports, project management documents, forms, templates, and other State-specific documents and related materials together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

2. Duties of Contractor. Contractor will provide Services and Deliverables pursuant to Statement(s) of Work entered into under this Contract. Contractor will provide all Services and Deliverables in a timely, professional manner and in accordance with the terms, conditions, and Specifications set forth in this Contract and the Statement(s) of Work.

2.1 Statement of Work Requirements. No Statement of Work will be effective unless signed by each party's Contract Administrator. The term of each Statement of Work will commence on the parties' full execution of a Statement of Work and terminate when the parties have fully performed their obligations. The terms and conditions of this Contract will apply at all times to any Statements of Work entered into by the parties and incorporated into this Contract. The State will have the right to terminate such Statement of Work as set forth in **Section 16**. Contractor acknowledges that time is of the essence with respect to Contractor's obligations under each Statement of Work and agrees that prompt and timely performance of all such obligations in accordance with this Contract and the Statements of Work (including the Implementation Plan and all Milestone Dates) is strictly required.

2.2 Change Control Process. The State may at any time request in writing (each, a "**Change Request**") changes to a Statement of Work, including changes to the Services and Implementation Plan (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 2.2**.

(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 written proposal for implementing the requested Change ("**Change Proposal**"), setting forth:

- (i) a written description of the proposed Changes to any Services or Deliverables;
- (ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any additional or modified Services or Deliverables; and (B) the effect of such Changes, if any, on completing any other Services under a Statement of Work;
- (iii) any additional State Resources Contractor deems necessary to carry out such Changes; and
- (iv) any increase or decrease in Fees resulting from the proposed Changes, which increase or decrease will reflect only the increase or decrease in time and expenses Contractor requires to carry out the 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 the State's Contract Administrator and will constitute an amendment to a Statement of Work to which it relates; 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) retract the Change Request
- (ii) require Contractor to continue to negotiate a Change Notice; or
- (iii) terminate this Contract under **Section 16**.

(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 a 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 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 and its Support Services under this Contract.

(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.

2.3 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) upon request, require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, 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
- (iii) upon request, or as otherwise specified in a Statement of Work, perform background checks on all Contractor Personnel prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks on Contractor Personnel. Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018.

(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.

2.4 Reserved.

2.5 Reserved.

2.6 Subcontractors. Contractor must obtain prior written approval of the State, which consent may be given or withheld in the State's sole discretion, before engaging any Permitted Subcontractor to provide Services to the State under this Contract. Third parties otherwise retained by Contractor to provide Contractor or other clients of contractor with services are not Permitted Subcontractors, and therefore do not require prior approval by the State. Engagement of any subcontractor or Permitted Subcontractor by Contractor 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 subcontractor (including such Permitted Subcontractor and Permitted Subcontractor's employees who, to the extent providing Services or Deliverables, will 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;

(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; and

(d) notify the State of the location of the Permitted Subcontractor and indicate if it is located within the continental United States.

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

If to State:	If to Contractor:
Christopher Martin 525 West Allegan Street PO Box 30026 Lansing, MI 48909 martinc20@michigan.gov 517-643-2833	Kirk Wormington 200 Emerald Bay Drive, Suite 100 Oldsmar, FL 34677 kwormington@centurioncares.com 727-431-5299

4. Insurance. Contractor must maintain the minimum insurances identified in the Insurance Schedule attached as **Schedule C.**

5. Software License.

5.1 **Subscription License.**

(a) For so long as State is in material compliance with the terms of this Contract, Contractor hereby grants to the State, exercisable by and through its Authorized Users, a nonexclusive, royalty-free, irrevocable right and license during the Term and such additional renewal periods, if any, as Contractor is required to perform Services under this Contract or any Statement of Work, to:

- (i) access and use the Software, including in operation with other software, hardware, systems, networks and services, for the State's business purposes, including for Processing State Data;
- (ii) generate, print, copy, upload, download, store and otherwise Process all GUI, audio, visual, digital and other output, displays and other content as may result from any access to or use of the Software;

- (iii) prepare, reproduce, print, download and use a reasonable number of copies of the Specifications and Documentation for any use of the Software under this Contract; and
- (iv) access and use the Software for all such non-production uses and applications as may be necessary or useful for the effective use of the Software hereunder, including for purposes of analysis, development, configuration, integration, testing, training, maintenance, support and repair, which access and use will be without charge and not included for any purpose in any calculation of the State's or its Authorized Users' use of the Software, including for purposes of assessing any Fees or other consideration payable to Contractor or determining any excess use of the Software as described in **Section 3.2(c)** below.

(b) License Restrictions. The State will not: (a) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make the Software available to any third party, except as expressly permitted by this Contract or in any Statement of Work; or (b) use or authorize the use of the Software or Documentation in any manner or for any purpose that is unlawful under applicable Law.

(c) Use. The State will pay Contractor the corresponding Fees set forth in a Statement of Work or Pricing Schedule for all Authorized Users access and use of the Software. Such Fees will be Contractor's sole and exclusive remedy for use of the Software, including any excess use.

5.2 Reserved

5.3 **State License Grant to Contractor**. The State hereby grants to Contractor a limited, non-exclusive, non-transferable license (i) to use the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos, solely in accordance with the State's specifications, and (ii) to display, reproduce, distribute and transmit in digital form the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos in connection with promotion of the Services as communicated to Contractor by the State. Use of the State's (or individual agency's, department's or division's) name, trademarks, service marks or logos will be specified in the applicable Statement of Work. Contractor is provided a limited license to State Materials for the sole and exclusive purpose of providing the Services.

6. Open-Source Licenses. Any use hereunder of Open-Source Components will be governed by, and subject to, the terms and conditions of the applicable open-source license ("**Open-Source License**"). Contractor will identify and describe in an exhibit to a Statement of Work each of the Approved Open-Source Components of the Software, and include an exhibit attaching all applicable Open-Source Software Licenses or identifying the URL where these licenses are publicly available.

7. Intellectual Property Rights

7.1 Ownership Rights in Software

(a) For purposes of this **Section 7** only, the term "Software" does not include Customizations.

(b) Subject to the rights and licenses granted by Contractor in this Contract and the provisions of **Section 7.1(c)**:

- (i) Contractor reserves and retains its entire right, title and interest in and to all Intellectual Property Rights arising out of or relating to the Software; and
- (ii) none of the State or Authorized Users acquire any ownership of Intellectual Property Rights in or to the Software or Documentation as a result of this Contract.

(c) As between the State, on the one hand, and Contractor, on the other hand, the State has, reserves and retains, sole and exclusive ownership of all right, title and interest in and to State Materials, User Data, including all Intellectual Property Rights arising therefrom or relating thereto.

7.2 Rights in Open-Source Components. Ownership of all Intellectual Property Rights in Open-Source Components will remain with the respective owners thereof, subject to the State's rights under the applicable Open-Source Licenses.

7.3 The State is and will be the sole and exclusive owner of all right, title, and interest in and to all Work Product developed exclusively for the State under this Contract, including all Intellectual Property Rights. In furtherance of the foregoing:

(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.

8. Software Implementation.

8.1 Implementation. Contractor will as applicable deliver, install, configure, integrate, and otherwise provide and make fully operational the Software on or prior to the applicable Milestone Date in accordance with the criteria set forth in a Statement of Work and the Implementation Plan.

8.2 Site Preparation. Unless otherwise set forth in a Statement of Work, Contractor is responsible for ensuring the relevant Operating Environment is set up and in working order to allow Contractor to deliver and install the Software on or prior to the applicable Milestone Date. Contractor will provide the State with such notice as is specified in a Statement of Work, prior to delivery of the Software to give the State sufficient time to prepare for Contractor's delivery and installation of the Software. If the State is responsible for Site preparation, Contractor will provide such assistance as the State requests to complete such preparation on a timely basis.

9. Software Acceptance Testing.

9.1 Acceptance Testing.

(a) Unless otherwise specified in a Statement of Work, when Contractor notifies the State in writing that the Hosted Services are ready for use in a production environment, Acceptance Tests will be conducted as set forth in this **Section 9** to ensure the Software conforms to the requirements of this Contract, including the applicable Specifications and Documentation.

(b) All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in a Statement of Work, commence on the receipt by the State of the notification in **Section 9.1(a)**, and be conducted diligently for up to thirty (30) Business Days, or such other period as may be set forth in a Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in a Statement of Work or, if a 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.

9.2 Contractor is solely responsible for all costs and expenses related to Contractor's performance of, participation in, and observation of Acceptance Testing.

(a) Upon delivery and installation of any application programming interfaces, Configuration or customizations, or any other applicable Work Product, to the Software under a Statement of Work, additional Acceptance Tests will be performed on the modified Software as a whole to ensure full operability, integration, and compatibility among all elements of the Software ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in **Section 9.1**, **Section 9.4**, and **Section 9.5**.

(b) 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 or part or feature of the Software. 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.

9.3 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.

(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 9.4** and **Section 9.5**.

(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.

(c) If such notice is provided by Contractor and identifies no Non-Conformities, the State will have thirty (30) Business Days to use the Software in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that the Software 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 and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Section 9.4** and **Section 9.5**; or
- (ii) provide Contractor with a written notice of its Acceptance of such Software, which must be signed by the State's Business Owner and Project Manager.

9.4 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, in accordance with the requirements set forth in a 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 9.1(a)** or **Section 9.3(c)(i)**, identifying any Non-Conformities.

9.5 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in the Software after a second or subsequent delivery of the Software, or Contractor fails to re-deliver the Software 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 9**;
- (b) accept the Software as a nonconforming deliverable, in which case the Fees for such Software will be reduced equitably to reflect the value of the Software as received relative to the value of the Software had it conformed; or

(c) deem the failure to be a non-curable material breach of this Contract and a Statement of Work and terminate this Contract for cause in accordance with **Section 16.1**.

9.6 **Acceptance.** Acceptance ("**Acceptance**") of the Software (subject, where applicable, to the State's right to Integration Testing) and any Deliverables will occur on the date that is the earliest of the State's delivery of a notice accepting the Software or Deliverables under **Section 9.3(b)**, or **Section 9.3(c)(ii)**.

10. Non-Software Acceptance.

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

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

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

11. Assignment. Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other state agency or subdivision. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.

12. Change of Control. Contractor will notify the State, within 30 days of any public announcement or otherwise once legally permitted to do so, of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following:

- (a) a sale of more than 50% of Contractor's stock;
- (b) a sale of substantially all of Contractor's assets;
- (c) a change in a majority of Contractor's board members;
- (d) consummation of a merger or consolidation of Contractor with any other entity;
- (e) a change in ownership through a transaction or series of transactions;
- (f) or the board (or the stockholders) approves a plan of complete liquidation.

A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes. In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

13. Invoices and Payment.

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

13.2 The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Services and Deliverables. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

13.3 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. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

13.4 Right of Setoff. 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.

13.5 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 exclusive 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.

13.6 Pricing/Fee Changes. All Pricing set forth in this Contract will not be increased, except as otherwise expressly provided in this Section.

(a) The Fees will not be increased at any time except for the addition of additional licenses, the fees for which licenses will also remain firm in accordance with the Pricing set forth in the Pricing Schedule.

(b) Excluding federal government charges and terms. Contractor warrants and agrees that each of the Fees, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent fees, economic or product term or warranty being offered to any commercial or government customer of Contractor. If Contractor enters into any arrangements with another customer of Contractor to provide the products or services, available under this Contract, under more favorable prices, as the prices may be indicated on Contractor's current U.S. and International price list or comparable document, then this Contract will be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Contractor will immediately notify the State of such Fee and formally memorialize the new pricing in a Change Notice.

14. Reserved

15. Reserved

16. Termination, Expiration, Transition. The State may terminate this Contract, the Support Services, or any Statement of Work, in accordance with the following:

16.1 Termination for Cause. In addition to any right of termination set forth elsewhere in this Contract:

- (a) The State may terminate this Contract for cause, in whole or in part, if Contractor,
 - (i) endangers the value, integrity, or security of State Systems, State Data, or the State's facilities or personnel;
 - (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; or (iii) 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 written notice of the Contractor's breach and allow Contractor thirty (30) days in which to cure such breach, except in the case of a breach involving the security of State Data or other type of breach that would otherwise not be subject to a cure. If Contractor fails to cure such breach (as identified with particularity in the written notice), then State may issue a termination notice specifying whether Contractor must:

- (i) cease performance immediately. Contractor must submit all invoices for Services accepted by the State within 30 days of the date of termination. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contractor for Services accepted by the State under this Contract, or
- (ii) continue to perform for a specified period.

(c) The State will only pay for amounts due to Contractor for Services 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. Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination, including any prepaid Fees. Further, 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 Public Interest. 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. Contractor must submit all invoices for Services accepted by the State within 30 days of the date of termination. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contractor for Services accepted by the State under this Contract, or

(b) continue to perform in accordance with **Section 16.3**. If the State terminates this Contract for public interest, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities to the extent the funds are available.

(c) If the State terminates this Contract for public interest under section 16.2 (a) or 16.2 (b), during the first twelve (12) months after the Go-Live date for Cloud Service, the State will pay the remaining monthly fixed costs as set forth in Schedule B for the number months remaining in that 12 month period.

16.3 Transition Responsibilities.

(a) 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; 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:

- (i) continuing to perform the Services at the established Contract rates;

- (ii) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services to the State or the State's designee;
- (iii) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, and comply with **Section 22.5** regarding the return or destruction of State Data at the conclusion of the Transition Period; and
- (iv) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the "**Transition Responsibilities**"). The Term of this Contract is automatically extended through the end of the Transition Period.

17. Indemnification

17.1 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), arising out of or relating to:

- (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract;
- (b) any infringement, misappropriation, or other violation of any Intellectual Property Right or other right of any Third Party;
- (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and
- (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

17.2 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:

- (a) regular updates on proceeding status;
- (b) participate in the defense of the proceeding;
- (c) employ its own counsel; and to
- (d) 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 17**, 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.

17.3 The State is constitutionally prohibited from indemnifying Contractor or any third parties.

18. Infringement Remedies.

18.1 The remedies set forth in this Section 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.

18.2 If any Software or any component thereof, other than State Materials, is found to be infringing or if any use of any Software 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:

(a) procure for the State the right to continue to use such Software or component thereof to the full extent contemplated by this Contract; or

(b) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Software and all of its components non-infringing while providing fully equivalent features and functionality.

18.3 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:

(a) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials and any other aspects of the Software provided under a Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract; and

(b) 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 without disruption.

18.4 If Contractor directs the State to cease using any Software under **Section 18.3**, the State may terminate this Contract for cause under **Section 16.1**. Unless the claim arose against the Software independently of any of the above specified actions, Contractor will have no liability for any claim of infringement arising solely from:

(a) Contractor's compliance with any designs, specifications, or instructions of the State; or

(b) modification of the Software by the State without the prior knowledge and approval of Contractor.

19. Disclaimer of Damages and Limitation of Liability.

19.1 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.

19.2 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 GREATER OF (I) THE TOTAL AMOUNTS ACTUALLY PAID TO CONTRACTOR BY STATE FOR THE APPLICABLE SERVICES DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM, OR (II) ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00).

19.3 Exceptions. Subsections (a) (Disclaimer of Damages) and (b) (Limitation of Liability) above, will not apply to damages arising from either party's recklessness, bad faith, or intentional misconduct.

20. Disclosure of Litigation, or Other Proceeding. Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a Permitted Subcontractor, or an officer or director of Contractor or Permitted Subcontractor, that arises during the term of the Contract, including:

(a) a criminal Proceeding;

(b) a parole or probation Proceeding;

- (c) a Proceeding under the Sarbanes-Oxley Act;
- (d) a civil Proceeding involving:
 - (i) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or
 - (ii) a governmental or public entity's claim or written allegation of fraud; or
- (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

21. State Data.

21.1 Ownership. The State's data ("**State Data**"), which will be treated by Contractor as Confidential Information, includes:

- (a) User Data; and
- (b) any other data collected, used, Processed, stored, or generated by the State in connection with the Services, including but not limited to:
 - (i) 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

21.2 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.

21.3 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, any applicable Statement of Work, and applicable law;
- (c) keep and maintain State Data in the continental United States and
- (d) 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.

21.4 As between Contractor and State, Contractor will pay any fees or costs related to each Permitted Subcontractor's compliance with these provisions, including without limitation terms governing audits and inspections.

21.5 Discovery. Contractor will immediately notify the State upon receipt of any requests which in any way might reasonably require access to State Data or the State's use of the Software and Hosted Services, if applicable. Contractor will notify the State Project Manager by the fastest means available and also in writing. In no event will Contractor provide such notification more than twenty-four (24) hours after Contractor receives the request. Contractor will not respond to subpoenas, service of process, FOIA requests, and other legal requests related to the State without first notifying the State and obtaining

the State's prior approval of Contractor's proposed responses. Contractor agrees to provide its completed responses to the State with adequate time for State review, revision and approval.

21.6 Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of 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) with approval and assistance from the State, 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

(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) 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.

21.7 **Section 21** survives termination or expiration of this Contract.

22. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. This **Section 22** survives termination or expiration of this Contract.

22.1 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; or,

(c) should reasonably be recognized as confidential information of the disclosing party.

The term "Confidential Information" does not include any information or documentation that was or is:

(d) in the possession of the State and subject to disclosure under the Michigan Freedom of Information Act (FOIA);

- (e) already in the possession of the receiving party without an obligation of confidentiality;
- (f) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights;
- (g) obtained from a source other than the disclosing party without an obligation of confidentiality; or,
- (h) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party).

For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

22.2 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 and Permitted Subcontractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this **Section 22.1**.

22.3 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.

22.4 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 Statement of Work corresponding to the breach or threatened breach.

22.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within five (5) Business 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. Upon confirmation from the State, of receipt of all data, Contractor must permanently sanitize or destroy the State's Confidential Information, including State Data, from all media including backups using National Security Agency ("NSA") and/or National Institute of Standards and Technology ("NIST") (NIST Guide for Media Sanitization 800-88) data sanitation methods or as otherwise instructed by the State. If the State determines that the return of any Confidential Information is not feasible or necessary, Contractor must destroy the Confidential Information as specified above. The Contractor must certify the destruction of Confidential Information (including State Data) in writing within five (5) Business Days from the date of confirmation from the State.

23. Records Maintenance, Inspection, Examination, and Audit.

23.1 Right of Audit. Pursuant to MCL 18.1470, 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 four (4) 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.

23.2 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.

23.3 Application. This **Section 23** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

24. Support Services. Contractor will provide the State with the Support Services described in the Service Level Agreement attached as **Schedule D** to this Contract. Such Support Services will be provided:

(a) Thereafter, for so long as the State elects to receive Support Services for the Software, in consideration of the State's payment of Fees for such services in accordance with the rates set forth in the Pricing Schedule.

25. Data Security Requirements. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will 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 **Schedule E** to this Contract.

26. Training. Contractor will provide, at no additional charge, training on all uses of the Software permitted hereunder in accordance with the times, locations and other terms set forth in a Statement of Work. Upon the State's request, Contractor will timely provide training for additional Authorized Users or other additional training on all uses of the Software for which the State requests such training, at such reasonable times and locations and pursuant to such rates and other terms as are set forth in the Pricing Schedule.

27. Maintenance Releases; New Versions

27.1 Maintenance Releases. Provided that the State is current on its Fees, during the Term, Contractor will provide the State, at no additional charge, with all Maintenance Releases, each of which will constitute Software and be subject to the terms and conditions of this Contract.

27.2 New Versions. Provided that the State is current on its Fees, during the Term, Contractor will provide the State, at no additional charge, with all New Versions, each of which will constitute Software and be subject to the terms and conditions of this Contract.

27.3 Installation. The State has no obligation to install or use any Maintenance Release or New Versions. If the State wishes to install any Maintenance Release or New Version, the State will have the right to have such Maintenance Release or New Version installed, in the State's discretion, by Contractor or other authorized party as set forth in a Statement of Work. Contractor will provide the State, at no additional charge, adequate Documentation for installation of the Maintenance Release or New Version, which has been developed and tested by Contractor and Accepted Tested by the State. The State's decision not to install or implement a Maintenance Release or New Version of the Software will not affect its right to receive Support Services throughout the Term of this Contract.

28. Reserved

29. Contractor Representations and Warranties.

29.1 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.
- (e) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606.

29.2 Software Representations and Warranties. Contractor further represents and warrants to the State that:

- (a) it is the legal and beneficial owner of the entire right, title and interest in and to the Software, including all Intellectual Property Rights relating thereto;
- (b) it has, and throughout the license term, will retain the unconditional and irrevocable right, power and authority to grant and perform the license hereunder;
- (c) it 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;
- (d) the Software, and the State's use thereof, is and throughout the license term will be free and clear of all encumbrances, liens and security interests of any kind;
- (e) neither its grant of the license, nor its performance under this Contract does or to its knowledge will at any time:
 - (i) conflict with or violate any applicable law;
 - (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 to any third party;
- (f) when used by the State or any Authorized User in accordance with this Contract and the Documentation, the Software, the Hosted Services, if applicable, or Documentation as delivered or installed by Contractor does not or will not:
 - (i) infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of any third party; or
 - (ii) fail to comply with any applicable law;

(g) as provided by Contractor, the Software, Contractor systems and Services does not or will not at any time during the license term contain any:

(i) Harmful Code; or

(ii) Open-Source Components that operate in such a way that it is developed or compiled with or linked to any Open-Source Components, other than Approved Open-Source Components specifically described in a Statement of Work.

(h) all Documentation is and will be complete and accurate in all material respects when provided to the State such that at no time during the license term will the Software have any material undocumented feature; and

(i) it will perform all Services in a timely, skillful, professional and workmanlike manner in accordance with commercially reasonable industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under this Contract and will devote adequate resources to meet Contractor's obligations under this Contract;

(j) when used in the Operating Environment (or any successor thereto) in accordance with the Documentation, all Software as provided by Contractor, will be fully operable, meet all applicable specifications, and function in all respects, in conformity with this Contract and the Documentation;

(k) 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 Services, 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;

(l) no Maintenance Release or New Version, when properly installed in accordance with this Contract, will have a material adverse effect on the functionality or operability of the Software.

(m) If Contractor Hosted:

(i) Contractor will not advertise through the Hosted Services (whether with adware, banners, buttons or other forms of online advertising) or link to external web sites that are not approved in writing by the State;

(ii) the Software and Services will in all material respects conform to and perform in accordance with the Specifications and all requirements of this Contract, including the Availability and Availability Requirement provisions set forth in the Service Level Agreement;

(iii) all Specifications are, and will be continually updated and maintained so that they continue to be, current, complete and accurate and so that they do and will continue to fully describe the Hosted Services in all material respects such that at no time during the Term or any additional periods during which Contractor does or is required to perform the Services will the Hosted Services have any material undocumented feature;

(n) 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 Software or with the Hosted Services, if applicable, will apply solely to Contractor or its Permitted Subcontractors. 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.

29.3 Disclaimer. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, CONTRACTOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, WITH RESPECT TO THIS CONTRACT.

30. Conflicts and Ethics. Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct

or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any Permitted Subcontractor that performs Contract Activities in connection with this Contract.

31. Compliance with Laws. Contractor, its subcontractors, including Permitted Subcontractors, and their respective Representatives must comply with all laws in connection with this Contract.

32. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and Executive Directive [2019-09](#), Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive [2019-09](#)), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of the Contract.

33. Unfair Labor Practice. Under MCL 423.324, the State may void any Contract with a Contractor or Permitted Subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

34. Governing Law. This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Contractor waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint an agent in Michigan to receive service of process.

35. Non-Exclusivity. Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor, nor does it provide Contractor with a right of first refusal for any future work. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Services from other sources.

36. Force Majeure

36.1 Force Majeure Events. 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.

36.2 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.

36.3 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 Hosted Services 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 Hosted Services; 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 21** (State Data), **22** (Confidentiality), or **17** (Indemnification) of the Contract, Disaster Recovery and Backup requirements set forth in the Service Level Agreement, Availability Requirement (if Contractot Hosted) defined in the Service Level Agreement, or any security requirements under the Contract.

37. Dispute Resolution. The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance. Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 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 does not limit the State's right to terminate the Contract.

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

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

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

41. Survival. The rights, obligations and conditions set forth in this **Section 41** and **Section 1** (Definitions), **Section 16.3** (Transition Responsibilities), **Section 17** (Indemnification), **Section 19** (Disclaimer of Damages and Limitations of Liability), **Section 21** (State Data), **Section 22** (Non-Disclosure of Confidential information), **Section 29** (Representations and Warranties), **Section 50** (Effect of Contractor Bankruptcy) and **Schedule C** Insurance, and any right, obligation or condition that, by its express terms or nature and context is intended to survive the termination or expiration of this Contract, survives any such termination or expiration.

42. Contract Modification. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

43. Reserved.

44. Accessibility Requirements.

44.1 All Software provided by Contractor under this Contract, including associated content and documentation, must conform to WCAG 2.0 Level AA. Contractor must provide a description of conformance with WCAG 2.0 Level AA specifications by providing a completed PAT for each product provided under the Contract. At a minimum, Contractor must

comply with the WCAG 2.0 Level AA conformance claims it made to the State, including the level of conformance provided in any PAT. Throughout the Term of the Contract, Contractor must:

- (a) maintain compliance with WCAG 2.0 Level AA and meet or exceed the level of conformance provided in its written materials, including the level of conformance provided in each PAT;
- (b) comply with plans and timelines approved by the State to achieve conformance in the event of any deficiencies;
- (c) ensure that no Maintenance Release, New Version, update or patch, when properly installed in accordance with this Contract, will have any adverse effect on the conformance of Contractor's Software to WCAG 2.0 Level AA;
- (d) promptly respond to and resolve any complaint the State receives regarding accessibility of Contractor's Software;
- (e) upon the State's written request, provide evidence of compliance with this Section by delivering to the State Contractor's most current PAT for each product provided under the Contract; and
- (f) participate in the State of Michigan Digital Standards Review described below.

44.2 State of Michigan Digital Standards Review. Contractor must assist the State, at no additional cost, with development, completion, and on-going maintenance of an accessibility plan, which requires Contractor, upon request from the State, to submit evidence to the State to validate Contractor's accessibility and compliance with WCAG 2.0 Level AA. Prior to the solution going-live and thereafter on an annual basis, or as otherwise required by the State, re-assessment of accessibility may be required. At no additional cost, Contractor must remediate all issues identified from any assessment of accessibility pursuant to plans and timelines that are approved in writing by the State.

44.3 Warranty. Contractor warrants that all WCAG 2.0 Level AA conformance claims made by Contractor pursuant to this Contract, including all information provided in any PAT Contractor provides to the State, are true and correct. If the State determines such conformance claims provided by the Contractor represent a higher level of conformance than what is actually provided to the State, Contractor will, at its sole cost and expense, promptly remediate its Software to align with Contractor's stated WCAG 2.0 Level AA conformance claims in accordance with plans and timelines that are approved in writing by the State. If Contractor is unable to resolve such issues in a manner acceptable to the State, in addition to all other remedies available to the State, the State may terminate this Contract for cause under **Section 16.1**.

44.4 Contractor must, 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 arising out of its failure to comply with the foregoing accessibility standards

44.5 Failure to comply with the requirements in this **Section 44** shall constitute a material breach of this Contract.

45. Further Assurances. Each party will, upon the reasonable request of the other party, execute such documents and perform such acts as may be necessary to give full effect to the terms of this Contract.

46. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Contract is to be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party has authority to contract for nor bind the other party in any manner whatsoever.

47. Headings. The headings in this Contract are for reference only and do not affect the interpretation of this Contract.

48. No Third-party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing herein, 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.

49. Equitable Relief. Each party to this Contract acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Contract may give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto is, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy. Each party to this Contract agrees that such party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section.

50. 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 Software and Deliverables are 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 and other Deliverables. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate will 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 or other Deliverables, 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.

51. Schedules. All Schedules that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule A	Statement of Work
Schedule B	Pricing Schedule
Schedule C	Insurance Schedule
Schedule D	Service Level Agreement
Schedule E	Data Security Requirements
Schedule F	Disaster Recovery Plan
Schedule G	Transition Plan
Schedule H	Federal Provisions Addendum

52. Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together are deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Contract. A signed copy of this Contract delivered by facsimile, e-mail or other means of electronic transmission (to which a signed copy is attached) is deemed to have the same legal effect as delivery of an original signed copy of this Contract.

53. Entire Agreement. These Terms and Conditions, including all Statements of Work and other Schedules and Exhibits (again collectively the "Contract") 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 Terms and Conditions, the Schedules, Exhibits, and a Statement of Work, the following order of precedence governs: (a) first, these Terms and Conditions and (b) second, Schedule E – Data Security Requirements and (c) third, each Statement of Work; and (d) fourth, the remaining Exhibits and Schedules to this Contract. NO TERMS ON CONTRACTOR'S 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, EVEN IF ATTACHED TO STATE'S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

SCHEDULE A
STATEMENT OF WORK

1. DEFINITIONS

The following terms have the meanings set forth below. All initial capitalized terms that are not defined below shall have the respective meanings given to them in Section 1 of the Contract Terms and Conditions.

Term	Definition
DTMB	Department of Technology, Management, and Budget
IVR	Interactive Voice Response
LEO	Department of Labor and Economic Opportunity
MARVIN	Michigan Automated Response Voice Interactive Network
PAT	Product Accessibility Template
TFC	Telephone Filed Claims
UI	Unemployment Insurance
UIA	Unemployment Insurance Agency

2. BACKGROUND

LEO/UIA's IVR system the Michigan Automated Response Voice Interactive Network (MARVIN) is a self-help Certification system, provides automated Unemployment Benefits Applications for "Claimant Certification" which is the process used to assure that a claimant is still unemployed and seeking work, to ensure Unemployment Insurance (UI) eligibility requirements. The IVR system provides telephone access to the Agency's IT environment and constitutes the backbone of the Marvin system. It has essentially replaced the 50+ UIA branch offices that had utilized in-person claims processing to provide UI benefits. It is one of two mechanisms available to Michigan citizens to apply for UI benefits (The other is the Internet Filed Claims (IFC) system, which processes claims via the Web.) The IVR-based system reaches claimants that do not have Internet access or who have questions or require help. Consequently, it is essential to maintain the IVR system and provide high reliability for this automated system. Maintenance for "break/fix" services includes remote alarm and intervention services 8:00am to 5:00pm business days. Specialty application software for text-to-speech, right-to-use, and annual maintenance is included for the self-help Certification system (MARVIN),

PURPOSE

The State is seeking a *Contractor Hosted* Software Solution and applicable Services

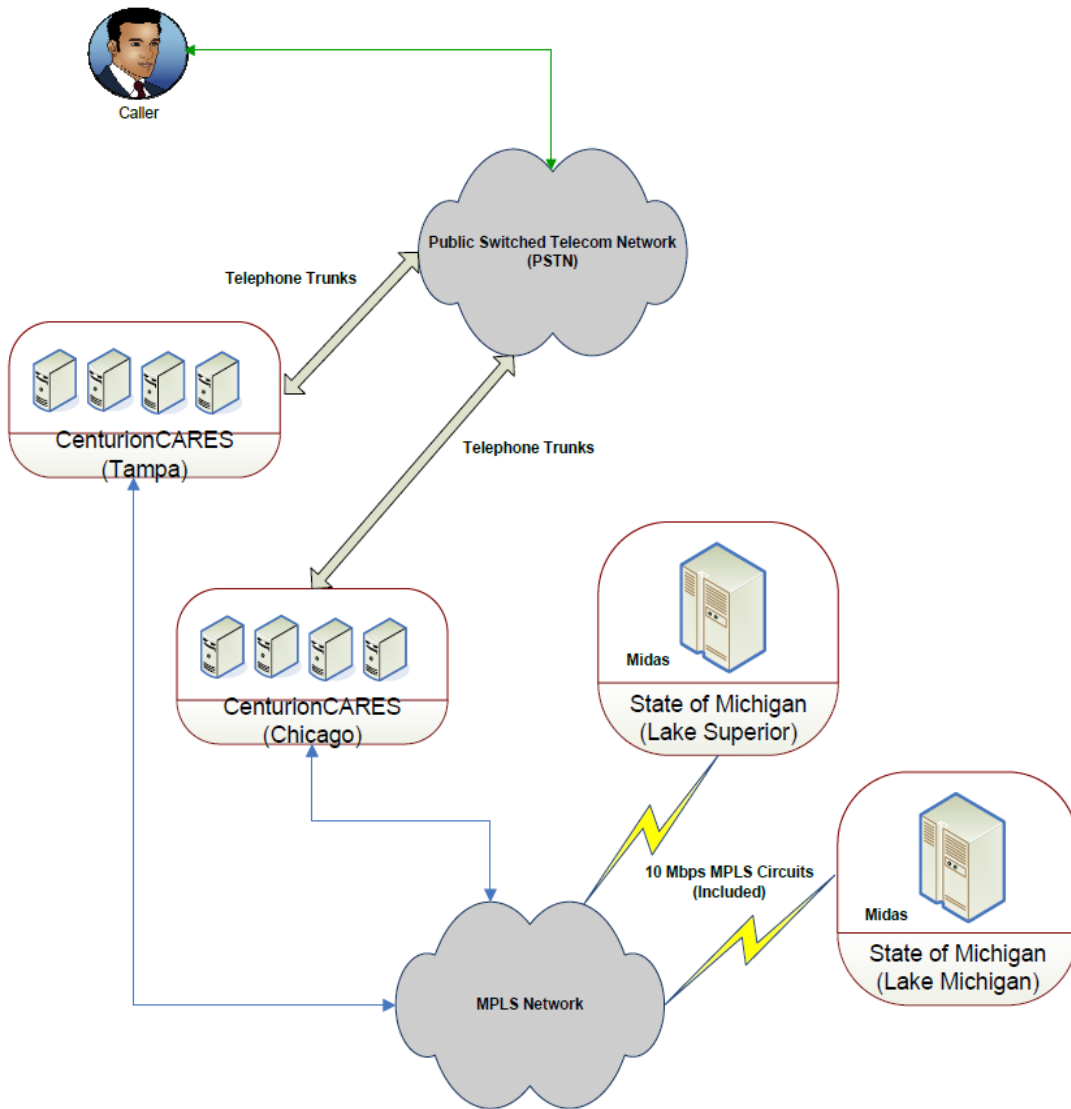
- CARES IVR Platform at both Primary and Redundant locations
 - (1008) IVR Port Capacity at both primary and redundant locations
- (2) 10Mbps MPLS Circuits at the following locations (for Midas)
 - Lake Michigan Hosting Center – 6100 E. Paris Ave, Caledonia MI 49316
 - Lake Superior Hosting Center – 7064 Crowner Dr, Dimondale MI 48821
- Migration of production Marvin IVR applications to cloud solution.

- Contractor will provide the hardware, software, redundancy, telecommunications, and data connectivity to the State of Michigan. Contractor will move all that is associated with MARVIN application to the CARES Cloud.

Assumptions:

- Data connectivity required between State of Michigan (Midas) and CenturionCARES hosted facility. (MPLS circuits included in quote).
- State of Michigan will need to provide space, power and network connectivity (copper or fiber) at each of the MPLS locations for the provided managed routers into the State's network.
- State of Michigan will port existing toll-free number to CenturionCARES for the duration of the contract. CenturionCARES will return ownership of phone number at termination of the contract.
- Final monthly fee will depend on both monthly and usage charges for the month.
- Marvin application will be ported from current production environment with no additional changes except for the following:
 - CenturionCARES will add one additional call data event to track abandoned calls. An abandoned call will be determined by the caller hanging up the call before Midas returns information back to the CenturionCARES system. After which the call will be determined as being completed.
- CenturionCARES will migrate the current on-premise text to speech licenses to the CenturionCARES cloud environment for use by the Marvin application.
- 12 Month Contract Term (minimum for cloud services)

State of Michigan Hosted Marvin Topology Diagram



CALL FLOW DIAGRAM AND DESCRIPTION

1. Caller dials same toll-free number and is directed to CenturionCARES hosted facility location. (CenturionCARES will take ownership of toll-free number for duration of contract only)
2. Call is handled by CenturionCARES hosted IVR platform. The Marvin application will reach the Midas system via the MPLS network. The solution includes MPLS data circuits (10 Mbps) at each of the two locations (Lake Superior and Lake Michigan)
3. State of Michigan will not need any telecommunication lines on Premise and the solution includes all equipment for the data circuits up to the State's network.

3. IT ENVIRONMENT RESPONSIBILITIES

Definitions:

Facilities – Physical buildings containing Infrastructure and supporting services, including physical access security, power connectivity and generators, hvac systems, communications connectivity access and safety systems such as fire suppression.

Infrastructure – Hardware, firmware, software, and networks, provided to develop, test, deliver, monitor, manage, and support IT services which are not included under Platform and Application.

Platform – Computing server software components including operating system (OS), middleware (e.g. Java runtime, .NET runtime, integration, etc.), database and other services to host applications

Application – Software programs which provide functionality for end user and Contractor services

Storage – Physical data storage devices, usually implemented using virtual partitioning, which store software and data for IT system operations

Backup – Storage and services that provide online and offline redundant copies of software and data

Development - Process of creating, testing and maintaining software components

Component Matrix	Disclose subcontractor name(s), if applicable.
Facilities	CenturionCARES for hosted facilities, State for providing space for managed routers
Infrastructure	CenturionCARES
Platform	CenturionCARES
Application	CenturionCARES
Storage	CenturionCARES
Backup	CenturionCARES
Development	CenturionCARES

4. RESERVED

5. USER TYPE AND CAPACITY

Type of User	Access Type	Number of Users	Number of Concurrent Users
Public Citizen	Read and Write	1,000,000+	1,008

State Employee	Admin	25	10
Approved Third Party	Admin	6	2

Contractor Solution must meet the expected number of concurrent Users.

6. RESERVED

7. SOFTWARE

Software requirements are identified in **Schedule A – Table 1 Business Specification Worksheet**.

Look and Feel Standards

All software items provided by the Contractor must adhere to the State of Michigan Application/Site standards which can be found at <https://www.michigan.gov/standards>.

Licensing Structure

This solution operates under a subscription license model, for the use of the solution and the associated actual phone charges are post billed after the fact. See Schedule B – Pricing.

8. INTEGRATION

Contractor must integrate their solution to the following technologies:

Current Technology	Fast Enterprises – UI Benefit System
Volume of Data	Same as the existing solution – switch from State Hosted to Cloud Hosted version
Format of the input & export files	Same as the existing solution provided by Contractor.

9. RESERVED

10. TRAINING SERVICES

The Contractor must provide administration and end-user training for implementation, go-live support, and transition to customer self-sufficiency.

11. TRANSITION RESPONSIBILITIES

Bidder must provide a detailed transition-in and transition-out plan, including any roles or responsibilities expected of the State. The plan must demonstrate the steps to migrate between Bidder's Solution and third-party Solutions.

12. DOCUMENTATION

Contractor must provide all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Software.

Contractor must develop and submit for State approval complete, accurate, and timely Solution documentation to support all users, and will update any discrepancies, or errors through the life of the contract.

The Contractor's user documentation must provide detailed information about all software features and functionality, enabling the State to resolve common questions and issues prior to initiating formal support requests.

13. ADDITIONAL PRODUCTS AND SERVICES

No additional products or services are needed at this time.

14. CONTRACTOR PERSONNEL

Contractor Contract Administrator. Contractor resource who is responsible to(a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

Contractor
Name: Kirk Wormington Phone: 813-924-6201 Email: kwormington@centurioncares.com

15. CONTRACTOR KEY PERSONNEL

Contractor Project Manager. Contractor resource who is responsible to serve as the primary contact with regard to services who will have the authority to act on behalf of the Contractor in matters pertaining to the implementation services, matters pertaining to the receipt and processing of Support Requests and the Support Services.

Contractor
Name: Berny Elsbernd Phone: 262 317-5614 Email: belsbernd@centurioncares.com

Contractor Security Officer. Contractor resource who is responsible to respond to State inquiries regarding the security of the Contractor's Solution. This person must have sufficient knowledge of the security of the Contractor Solution and the authority to act on behalf of Contractor in matters pertaining thereto.

Contractor
Name: Dean Hoover Phone: 262-317-5622 Email: dhoover@centurioncares.com

16. CONTRACTOR PERSONNEL REQUIREMENTS

Background Checks. If requested, 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.

17. STATE RESOURCES/RESPONSIBILITIES

The State will provide the following resources as part of the implementation and ongoing support of the Solution.

State Contract Administrator. The State Contract Administrator is the individual appointed by the State to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

State Contract Administrator
Name: Christopher Martin Phone: 517-643-2833 Email: martinc20@michigan.gov

State Project Manager. The State Project Manager will serve as the primary contact with regard to the State's responsibilities for implementation Services.

State Project Manager
Name: John Walker Phone: 313-456-3814 Email: walkerj5@michigan.gov

Program Managers. The DTMB and Agency Program Managers will jointly approve all Deliverables and day to day activities.

DTMB Program Manager
Name: John Walker Phone: 313-456-3814 Email: walkerj5@michigan.gov

Agency Program Manager
Name: Akosua Baiden Phone: 313-456-3339 Email: baidena@michigan.gov

18. MEETINGS

At start of the engagement, the Contractor Project Manager must facilitate a project kick off meeting with the support from the State's Project Manager and the identified State resources to review the approach to accomplishing the project, schedule tasks and identify related timing, and identify any risks or issues related to the planned approach. From project kick-off until final acceptance and go-live, Contractor Project Manager must facilitate weekly meetings (or more if determined necessary by the parties) to provide updates on implementation progress. Following go-live, Contractor must facilitate monthly meetings (or more or less if determined necessary by the parties) to ensure ongoing support success.

The Contractor must attend the following meetings, all remotely via the web, at no additional cost to the State:

- Weekly Status Meeting until the transition to the cloud based system is completed.
- Quarterly Meetings for the remainder of the Contract as needed.

19. PROJECT CONTROL & REPORTS

Once the Project Kick-Off meeting has occurred, the Contractor Project Manager will monitor project implementation progress and report on a weekly basis to the State's Project Manager the following:

- Progress to complete milestones, comparing forecasted completion dates to planned and actual completion dates
- Accomplishments during the reporting period, what was worked on and what was completed during the current reporting period
- Tasks planned for the next reporting period
- Identify any existing issues which are impacting the project and the steps being taken to address those issues
- Identify any new risks and describe progress in mitigating high impact/high probability risks previously identified
- Monthly Report of System metrics; System availability, number of calls, number of dropped calls, number of abandoned calls, call duration, report showing peak call times (daily/weekly/monthly), any additional information that would be helpful for support and maintenance.

20. PROJECT MANAGEMENT

The Contractor Project Manager will be responsible for maintaining an project schedule (or approved alternative) identifying tasks, durations, forecasted dates and resources – both Contractor and State - required to meet the timeframes as agreed to by both parties.

Changes to scope, schedule or cost must be addressed through a formal change request process with the State and the Contractor to ensure understanding, agreement and approval of authorized parties to the change and clearly identify the impact to the overall project.

SUITE Documentation

In managing its obligation to meet the above milestones and deliverables, the Contractor is required to utilize the applicable [State Unified Information Technology Environment \(SUITE\)](#) methodologies, or an equivalent methodology proposed by the Contractor.

SUITE's primary goal is the delivery of on-time, on-budget, quality systems that meet customer expectations. SUITE is based on industry best practices, including those identified in the Project Management Institute's PMBoK and the Capability Maturity Model Integration for Development. It was designed and implemented to standardize methodologies, processes, procedures, training, and tools for project management and systems development lifecycle management. It offers guidance for efficient, effective improvement across multiple process disciplines in the organization, improvements to best practices incorporated from earlier models, and a common, integrated vision of improvement for all project and system related elements.

While applying the SUITE framework through its methodologies is required, SUITE was not designed to add layers of complexity to project execution. There should be no additional costs from the Contractor, since it is expected that they are already following industry best practices which are at least similar to those that form SUITE's foundation.

SUITE's companion templates are used to document project progress or deliverables. In some cases, Contractors may have in place their own set of templates for similar use. Because SUITE can be tailored to fit specific projects, project teams and State project managers may decide to use the Contractor's provided templates, as long as they demonstrate fulfillment of the SUITE methodologies.

Milestones/Deliverables for Implementation

The State's proposed milestone schedule and associated deliverables are set forth below.

Milestone Event	Associated Milestone Deliverable(s)	Schedule
Project Planning	Project Kickoff	Contract Execution + 20 calendar days
Requirements and Design Validation	Validation sessions, Final Requirement Validation Document, Final Design Document, Final Implementation Document	Execution + 30 calendar days
Provision environments	Validate Test and Production environments	Execution + 75 calendar days

Installation and Configuration of software	Final Solution and Testing Document	Execution + 90 calendar days
Testing and Acceptance	Final Test Results Report, Final Training Documentation, Final Acceptance	Execution+105 calendar days
Production Support Services	Ongoing after Final Acceptance.	Ongoing

Contractor must provide a Work Breakdown Structure (WBS) that corresponds with the milestone dates set forth above (or alternatively proposed schedule). The WBS must be detailed enough to identify all State and Contractor responsibilities.

21. ADDITIONAL INFORMATION

The State reserves the right to purchase any additional services or products from the Contractor during the duration of the Contract.

SCHEDULE B
PRICING

MONTHLY FIXED COST	
Monthly Recurring Total (Per 12 Month Contract)	\$21,000.00
MONTHLY VARIABLE COST	
Communication Cost Per Minute Rate (to be billed Monthly in Arrears)	\$.01
INITIAL SETUP COST	
Initial Set Up Fee Total	\$198,200.00
DOWN PAYMENT	
CenturionCARES Annual Hardware Maintennace Credit-(Budgeted Credit)	(\$41,055.00)
CenturionCARES Annual Software Maintenance Credit- (Budgeted Credit)	(\$111,201.00)
Due with Order	45,944.00

Rate Card for Ancillary Professional Services.

RATE CARD (REMOTE SERVICES ONLY)

<u>ROLE</u>	<u>REMOTE HOURLY RATE</u>
Programmer-Analyst	\$132.00
Software Engineer	\$132.00
Systems Analyst	\$148.00
Systems Engineer	\$132.00
Systems Administrator	\$125.00
Database Administrator	\$132.00
Technical Writer	\$125.00
Quality Assurance Analyst	\$120.00
Hardware Technician	\$120.00
Project Manager	\$155.00
Network Engineer	\$145.00
Telecommunications Analyst	\$145.00
Application Architect	\$160.00

Technical Architect	\$165.00
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Price proposals must include a fixed-price hourly-rate rate card for ancillary professional services (e.g. future enhancement configuration services) broken down by role (e.g. Solution design architect). If Bidder differentiates between on-site and remote services, provide pricing for both.

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

Travel and Expenses

The State does not pay for overtime or travel expenses.

SCHEDULE C
INSURANCE SCHEDULE

Required Coverage.

1.1 **Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. All required insurance must: (i) protect the State from claims that arise out of, are alleged to arise out of, or otherwise result from Contractor's or subcontractor's performance; (ii) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (iii) be provided by a company with an A.M. Best rating of "A-" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimum Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations	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 04.
Automobile Liability Insurance	
If a motor vehicle is used in the performance of the Contract, Contractor must maintain motor vehicle liability coverage for bodily injury and property damage, as required by law, for the term of the Contract.	
Workers' Compensation Insurance	
<u>Minimum Limits:</u> Coverage according to applicable laws governing work activities	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimum Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
<u>Minimum 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

Required Limits	Additional Requirements
	and penalties, and website media content liability.

1.2 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.

1.3 If any required policies provide claims-made coverage, the Contractor must: (i) provide coverage with a retroactive date before the Effective Date of the Contract or the beginning of Contract Activities; (ii) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (iii) if coverage is cancelled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Contract, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

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

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

SCHEDULE D
SERVICE LEVEL AGREEMENT

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** 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 3.1**.

"Availability Requirement" has the meaning set forth in **Section 3.1**.

"Available" has the meaning set forth in **Section 3.1**.

"Contractor Service Manager" has the meaning set forth in **Section 2.1**.

"Corrective Action Plan" has the meaning set forth in **Section 4.6**.

"Critical Service Error" has the meaning set forth in **Section 4.4(a)**.

"Exceptions" has the meaning set forth in **Section 3.2**.

"High Service Error" has the meaning set forth in **Section 4.4(a)**.

"Hosted Services" has the meaning set forth in the Contract Terms and Conditions.

"Low Service Error" has the meaning set forth in **Section 4.4(a)**.

"Medium Service Error" has the meaning set forth in **Section 4.4(a)**.

"Resolve" has the meaning set forth in **Section 4.4(b)**.

"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 3.3**.

"Scheduled Uptime" means the total minutes in the Service Period.

"Service Availability Credits" has the meaning set forth in **Section 3.6(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 4.5**.

"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 3.1**.

“**Software**” has the meaning set forth in the Contract Terms and Conditions.

“**Software Support Services**” has the meaning set forth in **Section 4**.

“**State Service Manager**” has the meaning set forth in **Section 2.2**.

“**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 am to 5 pm ET, Monday through Friday excluding State Holidays.

“**Support Request**” has the meaning set forth in **Section 4.4(a)**.

“**Support Service Level Requirements**” has the meaning set forth in **Section 4.4**.

“**Term**” has the meaning set forth in the Contract Terms and Conditions.

2. Personnel

Contractor Personnel for the Hosted Services. Contractor will appoint a Contractor employee to serve as a primary contact with respect to the 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**”). The Contractor Service Manager will be considered Key Personnel under the Contract.

2.1 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 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**”).

3. Service Availability and Service Availability Credits.

3.1 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 99.95% 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 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: $(\text{Actual Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \div (\text{Scheduled Uptime} - \text{Total Minutes in Service Period Hosted Services or Software are not Available Due to an Exception}) \times 100 = \text{Availability}$.

3.2 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 3.3**.

3.3 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.

3.4 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. Measured response time will include only contractor supplied services and equipment and will not include any State system or device response time including but not limited to Midas. Unacceptable response times shall be considered to make the Software unavailable and will count against the Availability Requirement.

3.5 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.

3.6 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
≥99.95%	None
<99.95% but ≥99.0%	15%
<99.0% but ≥95.0%	50%
<95.0%	100%

(b) Any Service Availability Credits due under this **Section 3.6** 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 in accordance with the termination provisions of the Contract, on written notice to Contractor;

4. 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 4**. 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.

4.1 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 7 am to 7 pm ET, Monday-Saturday except for State Holidays,

(c) 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

(d) respond to and Resolve Support Requests as specified in this **Section 4**

4.2 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 4.4**, 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.

4.3 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 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 Software, including Maintenance Releases and New Versions of Software; and
- (b) all such 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.

4.4 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 4.4 ("Support Service Level Requirements")**, and the Contract.

4.5 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 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:
	Any Service Error Comprising or Causing any of the Following Events or Effects

Critical Service Error	• Issue affecting entire system or single critical production function; • System down or operating in materially degraded state; • Data integrity at risk; • Declared a Critical Support Request by the State; or • Widespread access interruptions.
High Service Error	• Primary component failure that materially impairs its performance; or • Data entry or access is materially impaired on a limited basis.
Medium Service Error	• 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.
Low Service Error	• Request for assistance, information, or services that are routine in nature.

4.6 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:

Support Request Classification	Service Level Metric (Required Response Time)	Service Level Metric (Required Resolution Time)	Service Level Credits (For Failure to Respond to any Support Request Within the	Service Level Credits (For Failure to Resolve any Support Request Within the

			Corresponding Response Time)	Corresponding Required Resolution Time)
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 Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to	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 the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved, which

			within the required response time.	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	Three (3) hours	Five (5) Business Days	N/A	N/A

4.7 **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 Service Manager and Contractor's management or engineering personnel, as appropriate.

4.8 **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 4.4(b)** ("**Service Level Credits**") in accordance with payment terms set forth in the Contract.

4.9 **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.

5. Data Storage, Backup, Resoration 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.

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

5.2 **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 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.

5.3 Data Restoration. Contractor will restore data from a backup upon written notice from the State. Contractor will restore the data within five (5) Business Days of the State's request. Contractor will provide up to one (1) data restoration per month at its sole cost and expense, for any data loss that is the result of the State's actions. The State will reimburse Contractor for any additional data restorations for any data loss that is a result of the State's actions at the rates specified in **Schedule B – Pricing**. If the data restoration is required due to the actions or inactions of the Contractor or its subcontractors, the data restoration will not count against the quarterly data restoration or require the State to reimburse Contractor for the restoration.

5.4 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 6**; 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.

SCHEDULE E
DATA SECURITY AGREEMENT

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.

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 https://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 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 hosted, supported, administered, accessed, and backed up in a data center(s) that resides in the continental United States, and minimally meets Uptime Institute Tier 3 standards (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 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 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 no 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 based on the risk level of the identified risk. For all findings associated with the Contractor's solution, at no additional cost, Contractor will be required to create or assist with the creation of State approved POAMs and perform related remediation activities. 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 shall 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 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 Hosted Services and their housing facilities and operating environments.

8.3 During the Term, Contractor will, when requested by the State, provide a copy of Contractor's or 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 must, at its sole cost and expense, scan all Contractor provided applications, and must analyze, remediate and validate all vulnerabilities identified by the scans as required by the State Secure Web Application and other applicable PSPs.

Contractor's application scanning and remediation must 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 either a) grant the State the right to dynamically scan a deployed version of the Software; or b) in lieu of the State performing the scan, Contractor must dynamically scan a deployed version of the Software using a State approved application scanning tool, and provide the State a vulnerabilities assessment after Contractor has completed such scan. These scans and assessments i) must be completed and provided to the State quarterly (dates to be provided by the State) 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.

(a) For Contractor provided applications, Contractor, at its sole expense, must provide resources to complete static application source code scanning, including the analysis, remediation and validation of vulnerabilities identified by application Source Code scans. These scans must be completed for all Source Code initially, for all updated Source Code, and for all Source Code for each major release and Contractor must provide the State a vulnerability assessment after Contractor has completed the required scans.

9.3 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 Contractor

must provide the State a vulnerability assessment after Contractor has completed the required scans if not provided as part of SAST and/or DAST reporting.

9.4 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.

SCHEDULE F - DISASTER RECOVERY PLAN

(Contractor's Disaster Recovery Plan is to be included as an attachment)

SCHEDULE H - Federal Provisions Addendum

This addendum applies to purchases that will be paid for in whole or in part with funds obtained from the federal government. The provisions below are required and the language is not negotiable. If any provision below conflicts with the State's terms and conditions, including any attachments, schedules, or exhibits to the State's Contract, the provisions below take priority to the extent a provision is required by federal law; otherwise, the order of precedence set forth in the Contract applies. Hyperlinks are provided for convenience only; broken hyperlinks will not relieve Contractor from compliance with the law.

1. Equal Employment Opportunity

If this Contract is a **"federally assisted construction contract"** as defined in [41 CFR Part 60-1.3](#), and except as otherwise may be provided under [41 CFR Part 60](#), then during performance of this Contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of [Executive Order 11246](#) of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by [Executive Order 11246](#) of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in [Executive Order 11246](#) of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in [Executive Order 11246](#) of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of [Executive Order 11246](#) of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

2. Davis-Bacon Act (Prevailing Wage)

If this Contract is a **prime construction contracts** in excess of \$2,000, the Contractor (and its Subcontractors) must comply with the Davis-Bacon Act ([40 USC 3141-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"), and during performance of this Contract the Contractor agrees as follows:

- (1) All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- (2) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (3) Additionally, contractors are required to pay wages not less than once a week.

3. Copeland "Anti-Kickback" Act

If this Contract is a contract for construction or repair work in excess of \$2,000 where the Davis-Bacon Act applies, the Contractor must comply with the Copeland "Anti-Kickback" Act ([40 USC 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"), which prohibits the Contractor and subrecipients from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any

part of the compensation to which he or she is otherwise entitled, and during performance of this Contract the Contractor agrees as follows:

- (1) Contractor. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The Contractor or Subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA or the applicable federal awarding agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a Contractor and Subcontractor as provided in 29 C.F.R. § 5.12.

4. Contract Work Hours and Safety Standards Act

If the Contract is **in excess of \$100,000** and **involves the employment of mechanics or laborers**, the Contractor must comply with [40 USC 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)), as applicable, and during performance of this Contract the Contractor agrees as follows:

- (1) Overtime requirements. No Contractor or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The State shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or Subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

5. Rights to Inventions Made Under a Contract or Agreement

If the Contract is funded by a federal "funding agreement" as defined under [37 CFR §401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the

substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with [37 CFR Part 401](#), "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act and the Federal Water Pollution Control Act

If this Contract is **in excess of \$150,000**, the Contractor must comply with all applicable standards, orders, and regulations issued under the Clean Air Act ([42 USC 7401-7671q](#)) and the Federal Water Pollution Control Act ([33 USC 1251-1387](#)), and during performance of this Contract the Contractor agrees as follows:

Clean Air Act

1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

Federal Water Pollution Control Act

- (1) The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

7. Debarment and Suspension

A "contract award" (see [2 CFR 180.220](#)) must not be made to parties listed on the government-wide exclusions in the [System for Award Management](#) (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement [Executive Orders 12549](#) ([51 FR 6370; February 21, 1986](#)) and 12689 ([54 FR 34131; August 18, 1989](#)), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than [Executive Order 12549](#).

- (1) This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by the State. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

8. Byrd Anti-Lobbying Amendment

Contractors who apply or bid for an award of **\$100,000 or more** shall file the required certification in Exhibit 1 – Byrd Anti-Lobbying Certification below. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

9. Procurement of Recovered Materials

Under [2 CFR 200.322](#), Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

- (1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
- (2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- (3) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

10. Additional FEMA Contract Provisions.

The following provisions apply to purchases that will be paid for in whole or in part with funds obtained from the Federal Emergency Management Agency (FEMA):

- (1) Access to Records. The following access to records requirements apply to this contract:
 - a. The Contractor agrees to provide the State, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
 - b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
 - c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
 - d. In compliance with the Disaster Recovery Act of 2018, the State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

- (2) Changes.
See the provisions regarding modifications or change notice in the Contract Terms.
- (3) DHS Seal, Logo, And Flags.
The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- (4) Compliance with Federal Law, Regulations, and Executive Orders.
This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.
- (5) No Obligation by Federal Government.
The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract.”
- (6) Program Fraud and False or Fraudulent Statements or Related Acts.
The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this contract.

Schedule H, Attachment 1 - Byrd Anti-Lobbying Certification

Contractor must complete this certification if the purchase will be paid for in whole or in part with funds obtained from the federal government and the purchase is greater than \$100,000.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Centurion Cares, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Date



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 **12**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	DTMB
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other				☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☒		November 30, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,695,340.00	\$152,256.00	\$1,847,596.00		
DESCRIPTION				
Effective 10/27/2020, this Contract is extended 2 months, and is increased by \$152,256.00. The revised contract expiration date is 11/30/2020. This extension is to allow time to complete the terms negotiations necessary for moving to the cloud based solution for MARVIN. All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 10/27/2020.				

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@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 **11**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year		September 30, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card		☐ PRC	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,688,840.00	\$6,500.00	\$1,695,340.00		
DESCRIPTION				
Effective 9/1/2020, the following amendment is incorporated into this Contract per the attached quote. This change includes the modifying the script for the bonus pay changes. The Contract is increased by \$6,500.00 for LEO use.				
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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@michigan.gov

DESCRIPTION	
State of Michigan UI wishes to make changes to the Marvin application. See change description below for list of changes. <u>ASSUMPTIONS</u> - No additional script functionality other than stated below: - Modify the Web Services integration to change the QBonusEmployers element type from ArrayOfEmployerSelected complex type to tns:ArrayOfEmployerEarnings complex type in the FileCertStandard element type. (See below). <code><xsd:element name="FileCertStandard"></code> <code>i.<xsd:element name="QBonusEmployers"</code> <code>type="tns:ArrayOfEmployerEarnings" maxOccurs="1" minOccurs="0"/></code> - Modify the BonusPay portion of the script to perform the same as the HolidayPay portion. (collect bonus pay amounts and pass in web service call. See above). - All work will be done remotely at CenturionCARES facilities. - No new phrases are required as part of this script change. - CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES	
<u>Marvin Application Changes</u> <u>SUMMARY:</u> - Modify the Marvin IVR application based on changes described above. - Modify Web Services method call to allow for passing bonus pay amounts. - Provide remote support for UAT and Deployment. - Project Management	
QUOTE TOTAL	\$6,500.00

Acknowledgement

By signing this document, the parties acknowledge that they have read understood, and agree with the contents of this document.

STATE OF MICHIGAN	CENTURIONCARES INC.
By: 	By:
Name: AKOSUA BAIDEN	Name:
Title: DIVISION ADMINISTRATOR	Title:
Date: 7/15/2020	Date:



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 **10**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS		EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year		September 30, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card		☐ PRC	☐ Other	☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,683,380.00	\$0.00	\$1,683,380.00		
DESCRIPTION				
Effective 6/23/2020, the following amendments are incorporated into this Contract per attached Quote. This change includes script and logic changes due to COVID-19. These enhancements total \$20,750.00 utilizing previously authorized funds.				
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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@michigan.gov

DESCRIPTION	
State of Michigan UI wishes to make changes to the Marvin application. See change description below for list of changes. <u>ASSUMPTIONS</u> - No additional script functionality other than stated below: - Caller will hear additional Covid-19 questions as specified in the COVID-19 section below. All questions are Yes/No and the caller will hear their response at the end of the questions. The Yes/No section under each question is the phrase the caller will hear based on their response. - Modify the Web Services integration to add additional input parameter for the caller's answer to additional Covid-19 questions as specified in the WSDL Changes sections below. - The change described is for the PUA certification type only. All other certification types will operate the same. - All work will be done remotely at CenturionCARES facilities. - State of Michigan will provide all English and Spanish phrases. - CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES	
<u>Marvin UI Application Changes</u> <u>SUMMARY:</u> - Modify the Marvin IVR application based on changes described in this quote. - Modify Web Services method call to allow for passing Covid-19 responses from caller. - Provide remote support for User Acceptance Testing. - Deploy updated applications to production servers. - Project Management	
QUOTE TOTAL	\$20,750.00

COVID-19 QUESTIONS AND CONFIRMATION STATEMENTS

1. You were diagnosed with COVID-19 or were experiencing symptoms of COVID-19 and seeking a medical diagnosis
 - a. Yes: You were diagnosed with COVID-19 or were experiencing symptoms of COVID-19 and seeking a medical diagnosis
 - b. No: You were not diagnosed with COVID-19 or experiencing symptoms of COVID-19 and seeking a medical diagnosis
2. A member of your household was diagnosed with COVID-19.
 - a. Yes: A member of your household was diagnosed with COVID-19.
 - b. No: A member of your household was not diagnosed with COVID-19.
3. You were unable to work because you were providing care for a family member or other member of your household who has been diagnosed with COVID-19.
 - a. Yes: You were unable to work because you were providing care for a family member or other member of your household who has been diagnosed with COVID-19.
 - b. No: You were not unable to work because you were providing care for a family member or other member of your household who has been diagnosed with COVID-19.
4. You were the primary caregiver for a child who was unable to attend school or other facility that was closed due to COVID-19.
 - a. Yes: You were the primary caregiver for a child who was unable to attend school or other facility that was closed due to COVID-19.
 - b. No: You were not the primary caregiver for a child who was unable to attend school or other facility that was closed due to COVID-19.
5. You were unable to work because you were self-quarantining or because you have been advised by a medical practitioner to self-quarantine due to COVID-19.
 - a. Yes: You were unable to work because you were self-quarantining or because you have been advised by a medical practitioner to self-quarantine due to COVID-19.
 - b. No: You were not unable to work because you were self-quarantining or because you have been advised by a medical practitioner to self-quarantine due to COVID-19.
6. You were scheduled to start new employment but could reach the workplace as a direct result of COVID-19.
 - a. Yes: You were scheduled to start new employment but could reach the workplace as a direct result of COVID-19.
 - b. No: You were not scheduled to start new employment but could reach the workplace as a direct result of COVID-19.
7. You became the breadwinner or major support for your household because the prior head of the household died as a direct result of COVID-19.
 - a. Yes: You became the breadwinner or major support for your household because the prior head of the household died as a direct result of COVID-19.
 - b. No: You did not become the breadwinner or major support for your household because the prior head of the household died as a direct result of COVID-19.
8. You quit your job as a direct result of COVID-19.
 - a. Yes: You quit your job as a direct result of COVID-19.
 - b. No: You did not quit your job as a direct result of COVID-19.
9. Your place of employment was closed as a direct result of the COVID-19.
 - a. Yes: Your place of employment was closed as a direct result of the COVID-19.
 - b. No: Your place of employment was not closed as a direct result of the COVID-19.
10. Your work hours were reduced as a direct result of COVID-19.
 - a. Yes: Your work hours were reduced as a direct result of COVID-19.
 - b. No: Your work hours were not reduced as a direct result of COVID-19.

- 11.** You were self-employed, an independent contractor, 1099 filer, or farmer, and were affected by COVID-19.
 - a.** Yes: You were self-employed, an independent contractor, 1099 filer, or farmer, and were affected by COVID-19.
 - b.** No: You were not self-employed, an independent contractor, 1099 filer, or farmer, and were not affected by COVID-19.
- 12.** You were seeking part-time employment during this week but unable to find work due to COVID-19.
 - a.** Yes: You were seeking part-time employment during this week but unable to find work due to COVID-19.
 - b.** No: You were not seeking part-time employment during this week but unable to find work due to COVID-19.
- 13.** You continue to have insufficient work history to qualify for regular unemployment compensation, and were unable to obtain employment due to a COVID19-related reason.
 - a.** Yes: You continue to have insufficient work history to qualify for regular unemployment compensation, and were unable to obtain employment due to a COVID19-related reason.
 - b.** No: You do not continue to have insufficient work history to qualify for regular unemployment compensation, and were unable to obtain employment due to a COVID19-related reason.
- 14.** You were unemployed or working less than regular hours as a result of COVID-19 and were denied benefits on another claim.
 - a.** Yes: You were unemployed or working less than regular hours as a result of COVID-19 and were denied benefits on another claim.
 - b.** No: You were not unemployed or working less than regular hours as a result of COVID-19 and were not denied benefits on another claim.
- 15.** You are unemployed or under-employed for some other reason.
 - a.** Yes: You are unemployed or under-employed for some other reason.
 - b.** No: You are not unemployed or under-employed for some other reason.

WSDL CHANGES

- <xsd:element name="FileCertStandard">
 - <xsd:element name="QCovidDiagnose" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidHouseDiagnose" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidFamilyCare" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidSchoolCare" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidSelfQuarantine" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidEmploymentScheduled" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidHeadOfHouseDeath" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidQuit" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidEmployerClosed" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidReducedHours" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovid1099" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidSeekPartTime" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidInsufficientwork" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidDeniedBenefits" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QCovidOtherReason" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QPUAAbility" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QPUAAvailability" type="xsd:string" maxOccurs="1" minOccurs="0"/>
 - <xsd:element name="QPUASeekingWork" type="xsd:string" maxOccurs="1" minOccurs="0"/>
- <xsd:complexType name="MarvinData">
 - <xsd:element name="FirstCertWeek" type="xsd:boolean" maxOccurs="1" minOccurs="1"/>
 - <xsd:element name="PUAClaim" type="xsd:boolean" maxOccurs="1" minOccurs="1"/>



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 **9**
 to
 Contract Number **071B1300067**

CONTRACTOR	CENTURION CARES INC	STATE	Program Manager	Various	LEO
	720 Brooker Creek Blvd. Ste. 201				
	Oldsmar, FL 34677				
	Susan McGrath		Contract Administrator	Christopher Martin	DTMB
	(727) 431-5213			(517) 643-2833	
	smcgrath@centurioncares.com			martinc20@michigan.gov	
	CV0049764				

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR SYSTEM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45				
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other				☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,683,380.00	\$0	\$1,688,480.00		
DESCRIPTION				
Effective 6/16/2020, the following amendments are incorporated into this Contract per attached SOW and Quote. This change includes the following: FY20 Script changes and certification questions. The cost of these changes is \$5,100.00 using previously authorized funds. 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 Walker	313-456-3814	walkerj5@michigan.gov
LEO	Akosua Baiden	313-456-3339	BaidenA@michigan.gov



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

Project Title: FY20 Centurion-MARVIN Script Enhancements-Additional Cert Question & Logic V1	Period of Coverage: 06/01/2020 – 09/30/2020
Requesting Department: Unemployment Insurance Agency	Date: 05/27/2020
Agency Project Manager: Akousa Baiden	Phone: 313-456-3339
DTMB Project Manager: John Walker	Phone: 313-456-3814

Brief Description of Services to be provided:

BACKGROUND:

The State of Michigan Department of Talent & Economic Development/Talent Investment Agency (TED/TIA), Unemployment Insurance (UI) has completed a multi-year System Integration Project that resulted in a comprehensive rewrite of Unemployment Insurance (UI) systems. The UI Michigan Integrated Data Automated System (MiDAS) is now in production and the system is in the production maintenance and support phase. This system interfaces with the UI's Interactive Voice Response (IVR) system, Michigan Automated Response Voice Interactive Network (MARVIN) to perform benefits certification processing.

PROJECT OBJECTIVE:

This project is to have the IVR vendor, Centurion Inc. make additional script changes to the MARVIN system.

SCOPE OF WORK:

Centurion Cares, Inc. will:

- Modify the MARVIN IVR application based on changes described in the quote
- Modify Web Services method call to allow for additional certification question flag
- Provide remote support for UAT and Deployment
- Project Management

TASKS: Technical support is required to assist with the following tasks:

Planning, design, development, testing and implementation of the below deliverables and detailed quote.

DELIVERABLES:

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

Certification Question:

- Caller will hear additional certification question with phrase provided by State of Michigan
- Modify the Web Services integration to add additional input parameter for the caller's answer to additional certification question
- Modify script to not ask the quit and fired certification questions on the first certification on a New UI claim or PUA claim
- All work will be done remotely at CenturionCARES facilities
- State of Michigan will provide all English and Spanish phrases
- CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements

ACCEPTANCE CRITERIA: Completion of requested MARVIN changes to align with those functions of the MIDAS system and acceptance of user testing and implementation of changes.

PROJECT CONTROL AND REPORTS:

Project control will be managed by utilizing the DTMB standard lifecycle and project management methodologies. Weekly status reports will be provided by the DTMB Project Manager.

SPECIFIC DEPARTMENT STANDARDS:

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

PAYMENT SCHEDULE:

- MARVIN Script Enhancements Total: \$5,100.00

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

EXPENSES:

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

PROJECT CONTACTS:

The designated Agency Project Manager is:

Akousa Baiden
Unemployment Insurance
Agency Services
Cadillac Place
3024 West Grand Blvd.- Suite 12-500
Detroit, MI 48202

The designated DTMB Project Manager is:

John Walker
Department of Technology, Management and Budget
Agency Services
Cadillac Place
3024 West Grand Blvd. - Suite L-500
Detroit, MI 48202

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will remotely to access the MARVIN systems.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

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.

This PO is a release from MA# 071B1300067C. This PO, statement of work, and the terms and conditions of MA# 071B1300067C constitute the entire agreement between the State and the Contractor.



CenturionCARES, Inc. • 200 Emerald Bay Drive, Suite 100 • Oldsmar, FL. 34677 • 727-431-5300

DESCRIPTION	
State of Michigan UI wishes to make changes to the Marvin application. See change description below for list of changes. ASSUMPTIONS - No additional script functionality other than stated below: - Caller will hear additional certification question with phrase provided by State of Michigan. - Modify the Web Services integration to add additional input parameter for the caller's answer to additional certification question. <code><xsd:element name="FileCertStandard"></code> <code><xsd:element name="QFraud" type="xsd:string" maxOccurs="1" minOccurs="0"/></code> - Modify script to not ask the quit and fired certification questions on the first certification on a New UI claim or PUA claim. - The quit question is MV.06 and fired question is MV.08 - All work will be done remotely at CenturionCARES facilities. - State of Michigan will provide all English and Spanish phrases. - CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES	
<u>Marvin UI Application Changes</u> <u>SUMMARY:</u> - Modify the Marvin IVR application based on changes described above. - Modify Web Services method call to allow for additional certification question flag. - Provide remote support for UAT and Deployment. - Project Management	
<i>Marvin Script Enhancements Total</i>	\$5,100.00
QUOTE TOTAL	\$5,100.00



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 **071B1300067**

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Susan McGrath
	(727) 431-5213
	smcgrath@centurioncares.com
	CV0049764

STATE	Program Manager	MULTI	MULTI
		MULTI	
		MULTI	
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY				
MAINTENANCE AND SUPPORT FOR THE IVR SYSTEM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2019	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other				☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 year	☐		September 30, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,683,380.00	\$0.00	\$1,683,380.00		
DESCRIPTION				
Effective 8/5/2019, the State is exercising the Fifth and final option year. The revised contact expiration date is September 30, 2020. The cost of the option year is \$41,055.00 per contract and utilizing previously authorized funds.				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.				

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

AGENCY	NAME	PHONE	EMAIL
DTMB	John Walker	313-456-3814	walkerj5@michigan.gov
TED	Michelle Pryor	313-456-3190	pryorm@michigan.gov

July 23, 2019

Mr. John K. Walker
Business Relationship Manager
DTMB Customer Service
3024 W. Grand Boulevard – Suite L-500
Detroit, Michigan 48202
Phone: 313.456.3814

RE: Response for Request to Extend Software Support and Maintenance for the UIA Interactive Voice Recognition (IVR) System Contract 071B1300067.

Dear Mr. Walker,

CenturionCARES, Inc. is pleased to respond to the State's request to extend Software Support and Maintenance Contract #071B1300067. The extension will be for one year covering the date period October 1, 2019 through September 30, 2020. CenturionCARES is providing this Response to the State's extension request with terms of the original Contract #071B1300067 remaining in effect.

Sincerely,



Kirk R. Wormington
President & CEO
CenturionCARES, Inc.

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 **071B1300067**

CONTRACTOR	CENTURION CARES INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Bradley Karas
	(727) 431-5213
	bkaras@centonline.com
	CV0049764

STATE	Program Manager	Multi	MULTI
		Multi	
		Multi	
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2019
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS		EXTENDED PURCHASING	
☐ P-Card ☐ PRC ☐ Other		☐ Yes ☒ No	

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,668,380.00	\$15,000.00	\$1,683,380.00		

DESCRIPTION

Effective 4/3/2019, the following amendment is incorporated into this Contract per attached SOW and Quote. The change includes testing if software will operate if server is upgraded. The Contract is increased by \$15,000.00 for testing.

Please note the Program Manager has been changed to Elena Davidova for DTMB and Michelle Pryor for TED/UIA.

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	Elena Davidova	517-335-9674	davidovae@michigan.gov
TED	Michelle Pryor	313-456-3190	pryorm@michigan.gov



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

Project Title: Centurion- upgrade TTS from Server 2008 to VMWare Windows 2016 VM	Period of Coverage: March - May 2019
Requesting Department: Unemployment Insurance Agency	Date: 03/25/2019
Agency Project Manager: Michelle Pryor	Phone: 313-456-2699
DTMB Project Manager: Michael Mowers	Phone: 313-456-6639

BACKGROUND:

State of Michigan UI wishes to upgrade their TTS (text to speech) Nuance servers from the current Windows 2008 to a VMWare Windows 2016 VM partition. This quote is for hourly professional services to assist State of Michigan to run a proof of concept to determine the compatibility of the existing Linux IVR systems and the VMWare Windows 2016 TTS systems.

PROJECT OBJECTIVE:

Update Server from Server 2008 to Server 2016 and determine if the Nuance TTS will work in the new environment.

SCOPE OF WORK:

Provide Nuance Text to Speech Proof of Concept professional services to determine if the current TTs system will function in the Server 2016 VM environment

Project will consist of the following high level POC steps:

1. Michigan creates a new Windows 2016 VMware partition and provides remote to access to CenturionCARES.
2. CenturionCARES installs current version of Nuance TTS software on W2K16 VM partition.
3. CenturionCARES points Linux IVR production systems to a single current production TTS system.
4. Michigan shuts down other production TTS system.
5. Michigan changes W2K16 network setting to same IP address and MAC as shutdown TTS production system.
6. CenturionCARES configures development IVR system to use W2K16 system.
7. CenturionCARES performs internal testing on TTS functionality on development IVR system.
8. Michigan shutdowns W2K16 system.
9. Michigan restarts productions TTS system currently off (step 4)

DELIVERABLES:

- Quality assurance testing to determine whether text to speech is spoken properly on newly built W2K16 system.

- Provide remote professional services support.
- Project Management

ACCEPTANCE CRITERIA:

Proof of concept is successful and the system functionality remains at same or above levels of the previous system.

PROJECT CONTROL AND REPORTS:

Project control will be managed by utilizing the DTMB standard lifecycle and project management methodologies. Weekly status reports will be provided by the DTMB Project Manager.

SPECIFIC DEPARTMENT STANDARDS:

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

PAYMENT SCHEDULE:

- Professional services rendered as described (\$15,000) (Detailed quote attached)

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

EXPENSES:

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

PROJECT CONTACTS:

The designated Agency Project Manager is:

Michelle Pryor
Unemployment Insurance
Agency Services
Cadillac Place
3024 West Grand Blvd.- Suite L-500
Detroit, MI 48202

The designated DTMB Project Manager is:

Elena Davidova
EPMO-PMO Supporting MDOT
Department of Technology, Management & Budget
DavidovaE@michigan.gov
517-335-9674

AGENCY RESPONSIBILITIES AND ASSUMPTIONS:

- No additional script functionality will be added as part of this Quote.
- This project is only for proof of concept and does not include any production deployment or changes to the existing CenturionCARES solution.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will remotely to access the MARVIN systems.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

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.

This PO is a release from MA# 071B1300067. This PO, statement of work, and the terms and conditions of MA# 071B1300067 constitute the entire agreement between the State and the Contractor.

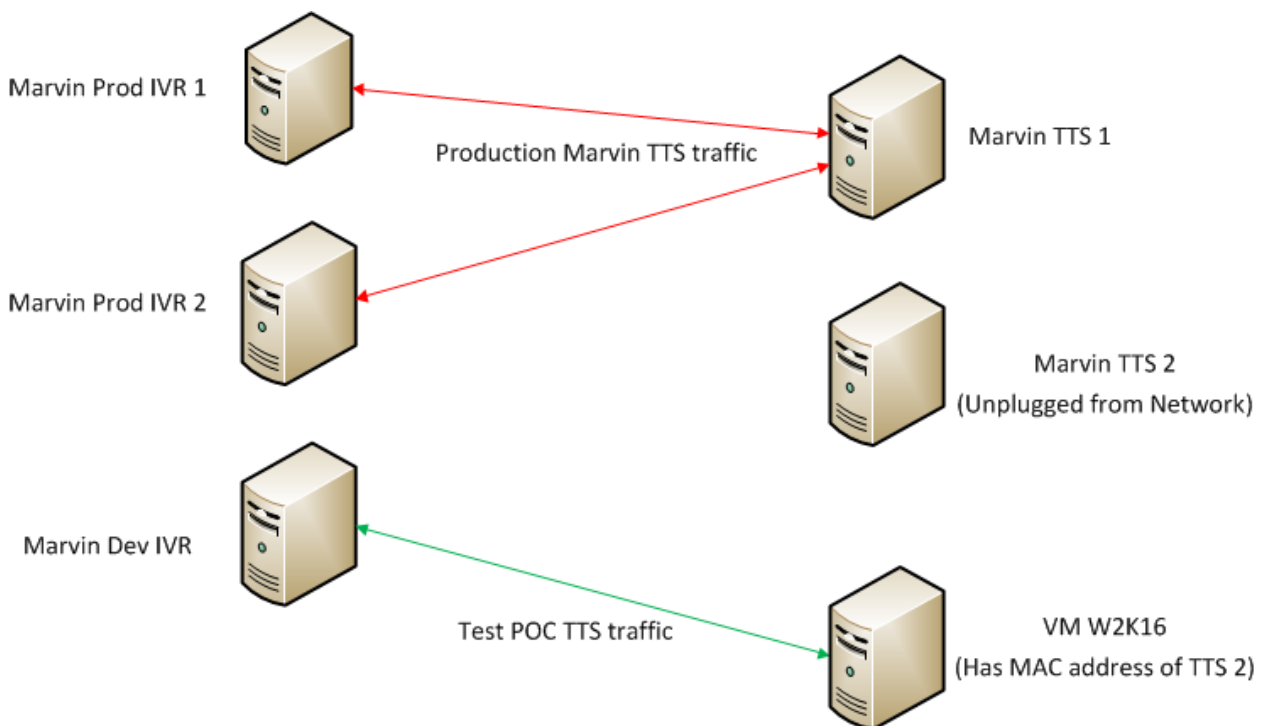
Document Overview

This document is a Statement of Work (SOW) to provide professional services for remotely performing a proof of concept to determine continued functionality of the Marvin IVR Text to Speech after a proposed operating system upgrade of the TTS servers. The proof of concept will utilize the current development Marvin IVR system and a newly built VM Windows 2016 system with the current TTS software and licenses installed. Since the newly built TTS system will utilize the current software and licenses, one production TTS system will need to be taken out of production so the MAC address can be used by the new VM system (This is for license authentication).

Setup Phase

During the setup phase, both CenturionCARES and State of Michigan will work to setup the infrastructure for the proof of concept. The following steps are needed during the setup phase.

STEP	TASK	RESOURCE
1	Create VM partition running Windows 2016	Michigan
2	Provide CenturionCARES remote access to partition	Michigan
3	Install TTS software/licenses on VM partition	CenturionCARES
4	Configure both Linux IVR systems to single production TTS system	CenturionCARES
5	Disable Marvin TTS 2 system by unplugging network cable	Michigan
6	Change VM partition system MAC address to same as unplugged TTS system (step 5)	Michigan
7	Configure Linux Development IVR system to use VM partition system for TTS	CenturionCARES



Marvin Web for State of Michigan

The above diagram depicts the configuration after the setup phase. The proof of concept testing will be performed on the Marvin development IVR system.

Testing Phase

During this phase, CenturionCARES will load test scripts on the Marvin development system for functional and performance testing. The testing phase can range from 1 – 4 days depending on the results of the tests.

Rollback Plan

In the event the unplugged TTS system needs to be put back into production, the following steps will need to be performed:

STEP	TASK	RESOURCE
1	Stop current tests running on development system	CenturionCARES
2	Shutdown VM W2K16 partition	Michigan
3	Plug network cable into Marvin TTS 2 system.	Michigan
4	Configure Marvin Prod IVRs to utilize Marvin TTS 2 (if step 4 is successful)	CenturionCARES

Analysis Phase

During this phase, CenturionCARES will review the logs for both the system and TTS software to determine any anomalies. This phase will result in one of three outcomes as defined below:

OUTCOME	MEANING	ACTION
Test Failed – Not Fixable	The testing phase has produced anomalies that have been identified as being not fixable or no workaround is possible	The Linux IVR systems will need to be replaced with Windows IVR systems and new TTS systems will need to be built with latest TTS software.
Test Failed - Fixable	The testing phase has produced anomalies that have been identified as being fixable or a workaround is possible	CenturionCARES will analyze the additional work and processes needed to provide the fix/workaround. A separate Statement of Work will need to be generated for this work.
Test Success	The testing phase has not produced any anomalies.	CenturionCARES can perform deployment to production for the newly built TTS system(s) (see below)

Deployment Phase (Only for Successful Test)

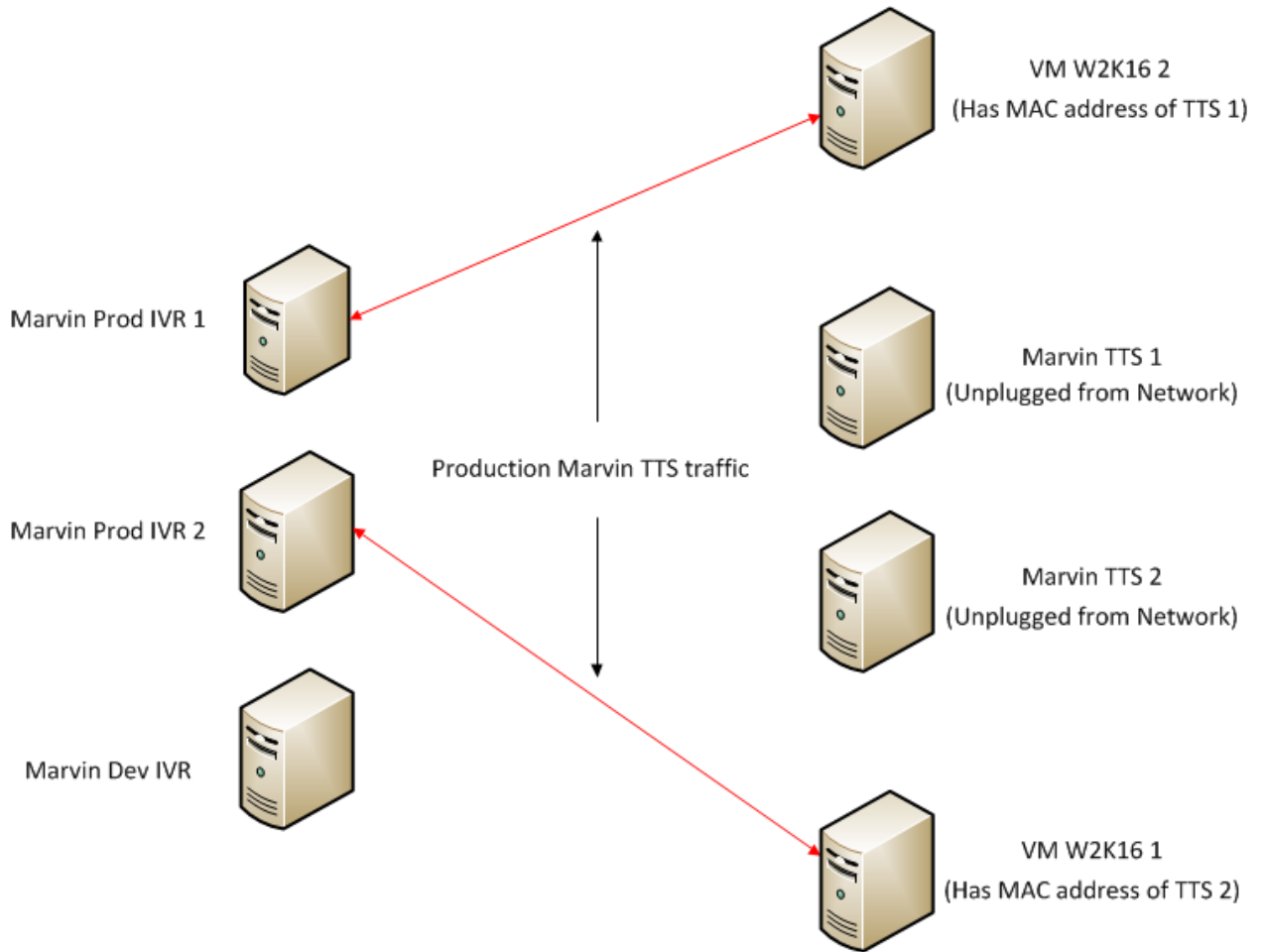
This phase is only applicable for the Test Successful result (see above). CenturionCARES will work with State of Michigan to move the TTS functionality from the current W2K8 systems to newly built W2K16 VM systems. The steps below describe the additional steps to transition to these new systems.

STEP	TASK	RESOURCE
1	Configure Marvin Prod 2 to utilize the newly built VM W2K16 system used during testing.	CenturionCARES
2	Check logs for any anomalies after allowing for a 1 week burn in period.	CenturionCARES
3	Create second VM partition running Windows 2016	Michigan
4	Install TTS software/licenses on new second VM partition	CenturionCARES
5	Disable Marvin TTS 1 system by unplugging network cable	Michigan
6	Change VM partition system MAC address to same as unplugged TTS system (step 5)	Michigan
4	Configure Marvin Prod IVR 1 to utilize the second VM TTS system.	CenturionCARES

The final topology is described in the diagram below.

NOTE: The current TTS systems (Marvin TTS 1 and Marvin TT2) will remain powered up but only unplugged from the network so as not to cause any network conflicts with VM W2K16 systems which have same MAC addresses.

Marvin Web for State of Michigan



PRICING

DESCRIPTION	
State of Michigan UI wishes to upgrade their TTS (text to speech) Nuance servers from the current Windows 2008 to a VMWare Windows 2016 VM partition. This quote is for professional services to assist State of Michigan run a proof of concept to determine the compatibility of the existing Linux IVR systems and the VM Windows 2016 TTS systems.	
<u>ASSUMPTIONS</u> • No additional script functionality will be added as part of this Quote. • All work will be done remotely at CenturionCARES facilities. • CenturionCARES will provide professional services support during normal business hours. • This project is only for proof of concept and does not include any changes to the existing CenturionCARES solution for fixes or workarounds for working with Windows 2016 TTS systems.	
PROFESSIONAL SERVICES	
<u>Nuance TTS Proof of Concept</u> <u>SUMMARY:</u> Provide Nuance Text to Speech Proof of Concept professional services. • Follow high level POC steps (see above). • Quality assurance testing to determine whether text to speech is spoken properly on newly built W2K16 system. • Provide remote professional services support. • Project Management	
QUOTE TOTAL	
\$15,000.00	



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 **071B1300067**

CONTRACTOR	CENTURION Cares Inc.
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Bradley Karas
	(727) 431-5213
	bkaras@centonline.com
	CV0049764

STATE	Program Manager	John Walker	DELEG-UA
		(313) 456-3814	
		walkerj5@michigan.gov	
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY				
IVR SYSTEM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2019	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card ☐ Direct Voucher (DV) ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		September 30, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,644,385.00	\$23,995.00	\$1,668,380.00		
DESCRIPTION				
Effective 9/6/2018, the following amendment is incorporated into this Contract per attached SOW. This change includes script changes for FY 19. The value of this contract is increase by \$23,995.00 per the attached quotes.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.				



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

Project Title: FY18 Centurion-MARVIN IVR Script Changes	Period of Coverage: 08/01/2018 – 12/31/2018
Requesting Department: Unemployment Insurance Agency	Date: 08/02/2018
Agency Project Manager: Michelle Pryor	Phone: 313-456-2699
DTMB Project Manager: Michael Mowers	Phone: 313-456-6639

Brief Description of Services to be provided:

BACKGROUND:

The State of Michigan Department of Talent & Economic Development/Talent Investment Agency (TED/TIA), Unemployment Insurance (UI) has completed a multi-year System Integration Project that resulted in a comprehensive rewrite of Unemployment Insurance (UI) systems. The UI Michigan Integrated Data Automated System (MiDAS) is now in production and the system is in the production maintenance and support phase. This system interfaces with the UI's Interactive Voice Response (IVR) system, Michigan Automated Response Voice Interactive Network (MARVIN) to perform benefits certification processing.

PROJECT OBJECTIVE:

This project is to have the IVR vendor, Centurion Inc. make script changes to the MARVIN system.

SCOPE OF WORK:

Centurion, Inc. will make the following script changes to the MARVIN system regarding MARVIN PIN Reset and Holiday Pay functionality. After script changes, deployment to the development environment, user acceptance testing (UAT) of updated functionality and deployment to the production environment after UAT acceptance.

TASKS:

Technical support is required to assist with the following tasks:

- Planning, design, development, testing and implementation of the below deliverables and detailed quote.

DELIVERABLES:

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

MARVIN PIN Reset:

Expand the Marvin application to allow callers the ability to reset their PIN.

- Modify the Marvin IVR application based on adding new menu option for caller to reset PIN.
- Add Web Services method call to allow for reset of PIN.
- Professionally record up to (5) English Phrases.
- Professionally record up to (5) Spanish Phrases.
- Provide remote support for UAT and Deployment.
- Project Management

HOLIDAY PAY:

Various script changes to Marvin application based on attached change table in quote.

- Modify the Marvin IVR application based on Holiday Pay changes.
- Professionally record up to (10) English Phrases.
- Professionally record up to (10) Spanish Phrases.
- Provide remote support for UAT and Deployment
- Project Management

MARVIN 10 Day Flag:

Expand the Marvin application to allow callers the ability to hear 10 day certification message if eligible.

- Modify the Marvin IVR application based on call flow attached.
- Modify Web Services method call to allow for 10 day result flag.
- Professionally record up to (2) English Phrases
- Professionally record up to (2) Spanish Phrases.
- Provide remote support for UAT and Deployment.
- Project Management

ACCEPTANCE CRITERIA: Completion of requested MARVIN changes to align with those functions of the MIDAS system and acceptance of user testing and implementation of changes.

PROJECT CONTROL AND REPORTS:

Project control will be managed by utilizing the DTMB standard lifecycle and project management methodologies. Weekly status reports will be provided by the DTMB Project Manager.

SPECIFIC DEPARTMENT STANDARDS:

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

PAYMENT SCHEDULE:

- Script Change 1 MARVIN PIN Reset – \$11,125.00
- Script Change 2 Holiday Pay - \$6,750.00
- Script Change 3 MARVIN 10 Day Flag - \$6,120.00
- (Detailed quotes attached)

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

EXPENSES:

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

PROJECT CONTACTS:

The designated Agency Project Manager is:

Michelle Pryor
Unemployment Insurance
Agency Services
Cadillac Place
3024 West Grand Blvd.- Suite L-500
Detroit, MI 48202

The designated DTMB Project Manager is:

Michael Mower
Department of Technology, Management and Budget
Agency Services

Cadillac Place
3024 West Grand Blvd. - Suite L-500
Detroit, MI 48202

AGENCY RESPONSIBILITIES:

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will remotely to access the MARVIN systems.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

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.

This PO is a release from MA# 071B1300067. This PO, statement of work, and the terms and conditions of MA# 071B1300067 constitute the entire agreement between the State and the Contractor.



CenturionCARES

Innovative Communication Solutions

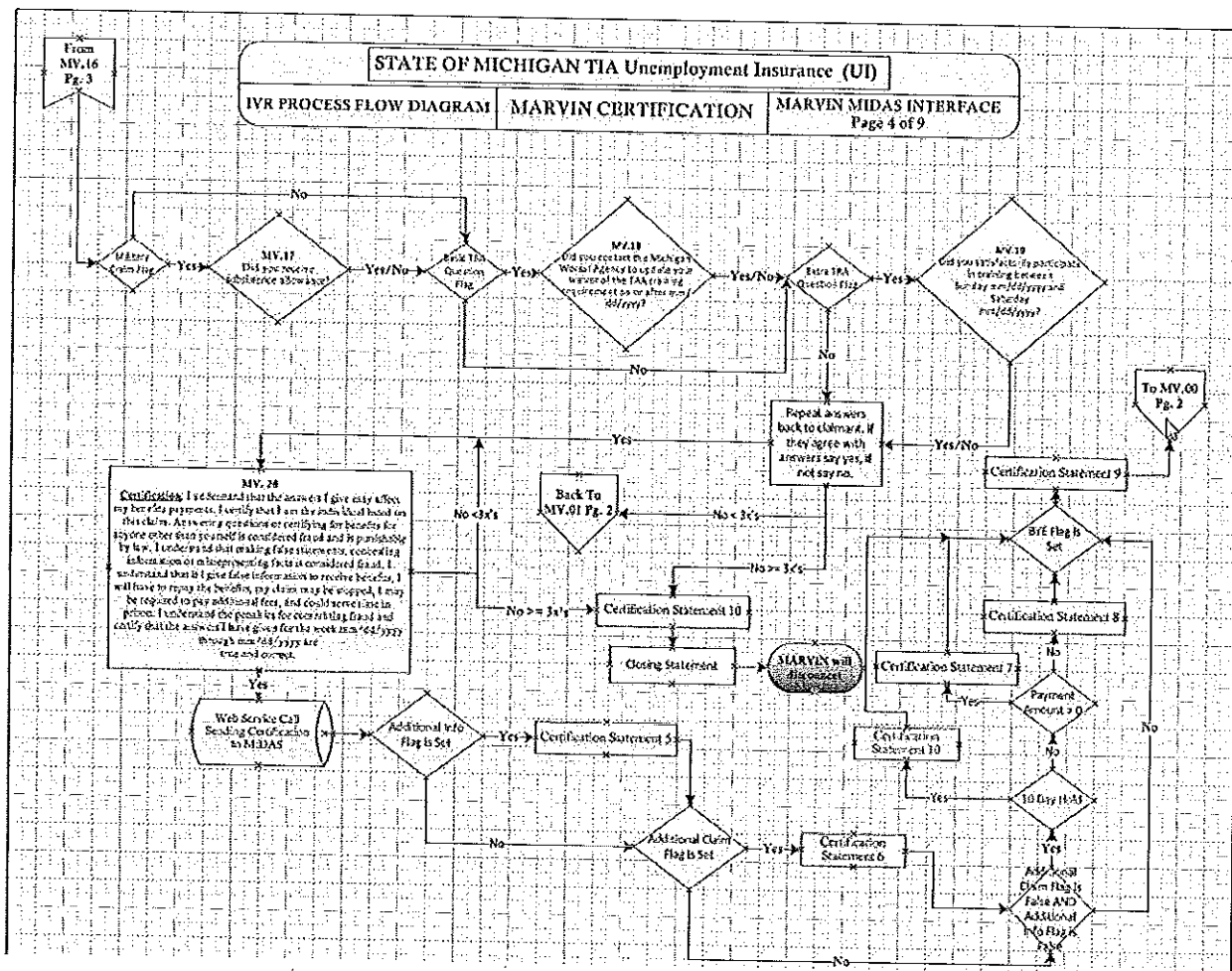
CenturionCARES, Inc. • 200 Emerald Bay Drive, Suite 100 • Oldsmar, FL. 34677 • 727-431-5300

DESCRIPTION	AMOUNT
State of Michigan UI wishes to make changes to the Marvin application. See change description below for list of changes. ASSUMPTIONS • No additional script functionality other than stated below: 1. Caller hears 10 day certification message if eligible. 2. Modify the Web Services integration to add 10 day flag result 3. Michigan will provide Spanish translation for all Spanish phrases. • All work will be done remotely at CenturionCARES facilities. • CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES <u>Marvin UI Application Changes</u> <u>SUMMARY:</u> Expand the Marvin application to allow callers the ability to hear 10 day certification message if eligible. • Modify the Marvin IVR application based on call flow attached. • Modify Web Services method call to allow for 10 day result flag. • Professionally record up to (2) English Phrases. • Professionally record up to (2) Spanish Phrases. • Provide remote support for UAT and Deployment. • Project Management	
<i>Marvin Script Enhancements Total</i>	\$6,120.00
QUOTE TOTAL	\$6,120.00

Acknowledgement

By signing this document, the parties acknowledge that they have read understood, and agree with the contents of this document.

STATE OF MICHIGAN	CENTURIONCARES INC.
By: <i>Judy Mattinson</i>	By:
Name: <i>Judy Mattinson</i>	Name:
Title: <i>Asst. Deputy Director</i>	Title:
Date: <i>8/9/18</i>	Date:





CenturionCARES

Innovative Communication Solutions

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DESCRIPTION	AMOUNT
Michigan wishes to make changes to the Marvin application. See change description below for list of changes. ASSUMPTIONS - No additional script functionality other than stated below: - Caller selects yes to Holiday Pay, system response will be "You received or will receive holiday pay from <Employer Name> for <dollars cents>" - Modify the Web Services integration to accept Holiday Pay information. - Holiday Pay question will follow same call flow as Earnings question. - Michigan will provide Spanish translation for all Spanish phrases. - All work will be done remotely at CenturionCARES facilities. - CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES <u>Marvin UI Application Changes</u> <u>SUMMARY:</u> Various script changes to Marvin application based on attached change table in quote. - Modify the Marvin IVR application based on Holiday Pay changes. - Professionally record up to (10) English Phrases. - Professionally record up to (10) Spanish Phrases. - Provide remote support for UAT and Deployment - Project Management	
<i>Marvin Script Enhancements Total</i>	\$6,750.00
QUOTE TOTAL	\$6,750.00

Pay
Holiday changes

SCRIPT CHANGE TABLE DESCRIPTION

The Holiday Pay question will work similar to the Earnings question. Below are the needed changes for the tags and flow of the Holiday Pay question and responses.

Holiday Pay Question			
Tag#	Description	English	Spanish
2415	Holiday Pay	Did you receive or will you receive holiday pay for a holiday that occurred	¿Recibió o va a recibir pago de día festivo que ya pasó?
2406	between Sunday	between Sunday	entre domingo
1116		<date>	
1100		and	y
	Saturday	Saturday	sábado
	<date>	<date>	
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.
2417	Holiday Pay Received	Did you receive holiday pay from	¿Recibió o va a recibir pago de día festivo que ya pasó?
2235		from	De
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.
1113	Enter dollar amount and press the star key	Enter dollar amount, and press the star key now.	Marque la cantidad en dólares, y presione la tecla de estrella ahora.
1114	Enter the cents and press the star key	Enter the cents, and press the star key now.	Marque la cantidad en centavos, y presione la tecla de estrella ahora.
1184	You entered	You entered	Usted marcó
		<dollars cents>	
1182	Press 1 for Yes or 9 for No.	Press 1 for Yes or 9 for No.	Presione 1 para Sí, o 9 para No.

Holiday Pay response, when the system repeats the answers- If Yes to Holiday Pay- You received or will receive holiday pay from <Employer Name> for <dollars cents>.

Tag#	Description	English	Spanish	Comments
2441	Holiday Pay	You received or will receive holiday pay	Usted recibió o ya a recibir pago de día festivo	
2255		from	De	
		For (4)		
		<dollars.cents >		

Acknowledgement

By signing this document, the parties acknowledge that they have read understood, and agree with the contents of this document.

STATE OF MICHIGAN	CENTURIONCARES INC.
By: <i>Jody Mattinson</i>	By:
Name: <i>Jody Mattinson</i>	Name:
Title: <i>Asst. Deputy Director</i>	Title:
Date: <i>8/9/18</i>	Date:



CenturionCARES
Innovative Communication Solutions

CenturionCARES, Inc. • 200 Emerald Bay Drive, Suite 100 • Oldsmar, FL. 34677 • 727-431-5300

DESCRIPTION	AMOUNT
Michigan wishes to make changes to the Marvin application. See change description below for list of changes. ASSUMPTIONS - No additional script functionality other than stated below: - Caller selects the option to reset their PIN from the main menu. - Modify the Web Services integration to add method call to reset PIN. - Michigan will provide Spanish translation for all Spanish phrases. - All work will be done remotely at CenturionCARES facilities. - CenturionCARES will provide remote support for User Acceptance Testing and Deployment of enhancements.	
PROFESSIONAL SERVICES <u>Marvin UI Application Changes</u> <u>SUMMARY:</u> Expand the Marvin application to allow callers the ability to reset their PIN. - Modify the Marvin IVR application based on adding new menu option for caller to reset PIN. - Add Web Services method call to allow for reset of PIN. - Professionally record up to (5) English Phrases. - Professionally record up to (5) Spanish Phrases. - Provide remote support for UAT and Deployment. - Project Management	
<i>Marvin Script Enhancements Total</i>	\$11,125.00
QUOTE TOTAL	\$11,125.00

pin reset

Acknowledgement

By signing this document, the parties acknowledge that they have read understood, and agree with the contents of this document.

STATE OF MICHIGAN	CENTURIONCARES INC.
By: <i>Jody Mattinson</i>	By:
Name: <i>Jay Matheson</i>	Name:
Title: <i>Asst. Deputy Director</i>	Title:
Date: <i>8/9/18</i>	Date:



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

CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B1300067**

CONTRACTOR	CENTURION Cares Inc.
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Bradley Karas
	(727) 431-5213
	bkaras@centonline.com
	CV0049764

STATE	Program Manager	John Walker	DELEG-UA
		(313) 456-3814	
		walkerj5@michigan.gov	
	Contract Administrator	Christopher Martin	DTMB
		(517) 643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY				
IVR SYSTEM				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2018	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ Direct Voucher (DV)	☐ Other	☐ Yes	☒ No
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1	☐		September 30, 2019
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,644,385.00	\$0.00	\$1,644,385.00		
DESCRIPTION				
Effective 8/28/2018, the State is exercising the fourth option year. The revised contract expiration date is September 30, 2019. The cost of the option year is \$41,055.00 per contract and utilizing existing funds.				
Please note the Contract Administrator has been changed to Christopher Martin.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.				

CHANGE NOTICE NO. 5 TO CONTRACT NO. 071B1300067



July 31, 2018

Mr. John K. Walker
Business Relationship Manager
DTMB Customer Service
3024 W. Grand Boulevard - Suite L-500
Detroit, Michigan 48202
Phone: (313) 456-3814

RE: RESPONSE FOR REQUEST TO EXTEND SOFTWARE SUPPORT AND MAINTENANCE FOR THE UIA INTERACTIVE VOICE RECOGNITION (IVR) SYSTEM CONTRACT 071B1300067.

Dear Mr. Walker:

Centurion Cares Inc is pleased to respond to the State's request to extend software support and Maintenance Contract #071B1300067. The extension will be for one year covering the date period, October 1, 2018 thru September 30, 2019. Centurion is providing this Response to the State's extension request with terms of the original Contract No. 071B1300067 remaining in effect.

Sincerely,

Kirk R Wormington
President/CEO
Centurion Cares Inc.

Florida Address:

200 Emerald Bay Drive, Suite 100 • Oldsmar, FL 34677 • Phone: 727-431-5300 • Fax: 727-431-5299

Wisconsin Address:

1605 Manhattan Drive • Waukesha, WI 53186 • Phone: 262-784-6411 • Fax: 262-784-0687



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 **4**

to

Contract Number **071B1300067**

CONTRACTOR	CENTURION Cares Inc.
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Bradley Karas
	(727) 431-5213
	bkaras@centonline.com
	*****6798

STATE	Program Manager	John Walker	MDHHS
		(313) 456-3814	
		Walkerj5@michigan.gov	
	Contract Administrator	Simon Baldwin	DTMB
		(517) 284-6997	
		baldwins@michigan.gov	

CONTRACT SUMMARY				
IVR SYSTEM FOR DHS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2017	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card ☐ Direct Voucher (DV) ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 year	☐		September 30, 2018
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,644,385.00	\$0.00	\$1,644,385.00		
DESCRIPTION				
Effective 10/1/2017, the State is exercising the third option year. The revised Contract expiration date is 9/30/2018. Please note the Contract Administrator has been changed to Simon Baldwin. All other terms, conditions, specifications, and pricing remain the same. Per Contractor and Agency agreement, and DTMB Procurement approval.				

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

625 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

CHANGE OF CONTRACTOR NAME and/or TAX ID NUMBER

CHANGE NOTICE NO. 003
 to
 CONTRACT NO. 071B1300067
 between
 THE STATE OF MICHIGAN
 and

CURRENT NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Centurion INC 720 Brooker Creek Blvd STE 201 Oldsmar, FL 34677		
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)

NEW NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Centurion Cares Inc. 720 Brooker Creek Blvd Oldsmar, FL 34677	Bradley Karas	bkaras@centonline.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	727-431-5213	6798

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	John Walker	313-456-3814	Walkerj5@michigan.gov
DTMB Contract Administrator	DTMB	Michael Breen	517-284-7002	breenm@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Contract for IVR Systems for DHS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	CURRENT EXPIRATION DATE
10/1/2010	9/30/2015	5-1 year	9/30/2017
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$1,644,385.00		\$0.00	\$1,644,385.00	
DESCRIPTION: Name change per vendor request all other terms and conditions remain the same.				



P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **002**
to
Contract Number **071B1300067**

CONTRACTOR	CENTURION INC
	720 Brooker Creek Blvd. Ste. 201
	Oldsmar, FL 34677
	Kirk Wormington
	(727) 431-5300
	kwormington@centonline.com
	*****5477

STATE	Program Manager	Walker, John	DTMB
		(313) 456-3814	
		walkerj5@michigan.gov	
	Contract Administrator	Mike Breen	DTMB
		(517) 284-7002	
		breenm@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: 5 yr contract for IVR SYS for DHS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
October 1, 2010	September 30, 2015	5 - 1 Year	September 30, 2016	
PAYMENT TERMS		DELIVERY TIMEFRAME		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-card ☐ Direct Voucher (DV) ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 year	☐		September 30, 2017
CURRENT VALUE		VALUE OF CHANGE NOTICE		ESTIMATED AGGREGATE CONTRACT VALUE
\$1,644,385.00		\$ 0.00		\$1,644,385.00
DESCRIPTION: Department of Talent and Development is exercising a one year contract available option with the contract date moved to September 30, 2017. All other terms and conditions remain the same				



May 24, 2016

Mr. John K. Walker
Business Relationship Manager
DTMB Customer Service
3024 W. Grand Boulevard - Suite L-500
Detroit, Michigan 48202
Phone: (313) 456-3814

RE: RESPONSE FOR REQUEST TO EXTEND SOFTWARE SUPPORT AND MAINTENANCE FOR THE UIA INTERACTIVE VOICE
RECOGNITION (IVR) SYSTEM CONTRACT 071B1300067.

Dear Mr. Walker:

Centurion Cares Inc is pleased to respond to the State's request to extend software support and Maintenance Contract #071B1300067. The extension will be for one year covering the date period, October 1, 2016 thru September 30, 2017. Centurion is providing this Response to the State's extension request with terms of the original Contract No. 071B1300067 remaining in effect.

Sincerely,

Kirk R Wormington
Executive Vice President-Business Development
Centurion Cares Inc.

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

CHANGE NOTICE NO. 1
 to
CONTRACT NO. 071B1300067
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Centurion inc. 720 Brooker Creek Blvd, Ste 201 Oldsmar, FL 34677	Kirk Wormington	kwormington@centonline.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	(727) 431-5300	5477

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	DTMB	John Walker	(313) 456-3814	Walkerj5@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Mike Breen	(517) 284-7002	Breenm@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: IVR SYS for DHS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
October 1, 2010	September 30, 2015	5, one year	September 30, 2015
PAYMENT TERMS		DELIVERY TIMEFRAME	
N/A		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card ☐ Direct Voucher (DV) ☒ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	1 year	☐		September 30, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$1,644,385.00		\$0.00	\$1,644,385.00	
DESCRIPTION: Effective August 21, 2015, this contract is exercising the first option year. The revised contract expiration date is September 30, 2016. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency request and DTMB Procurement approval.				

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET November 3, 2010
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

**NOTICE
OF
CONTRACT NO. 071B1300067
between
THE STATE OF MICHIGAN
and**

NAME & ADDRESS OF CONTRACTOR Centurion, Inc 720 Brooker Creek Blvd Ste 201 Oldsmar, FL 34677 Email: fstone@centonline.com		TELEPHONE Fred Stone 402-423-6966		
		CONTRACTOR NUMBER/MAIL CODE		
		BUYER/CA (517) 373-3993 Dale Reif		
Contract Compliance Inspector: Patty Bogard				
IVR SYS For DHS				
CONTRACT PERIOD: 5 yrs. + 5 one-year options From: 10/1/2010 To: 9/30/2015				
TERMS N/A	SHIPMENT N/A			
F.O.B. N/A	SHIPPED FROM N/A			
MINIMUM DELIVERY REQUIREMENTS N/A				
MISCELLANEOUS INFORMATION:				

TOTAL ESTIMATED CONTRACT VALUE: \$1,644,385.00

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

CONTRACT NO. 071B1300067
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR		TELEPHONE Fred Stone 402-423-6966
Centurion, Inc 720 Brooker Creek Blvd Ste 201 Oldsmar, FL 34677		CONTRACTOR NUMBER/MAIL CODE
Email: fstone@centonline.com		BUYER/CA (517) 373-3993 Dale Reif
Contract Compliance Inspector: Patty Bogard		
IVR SYS For DHS		
CONTRACT PERIOD: 5 yrs. + 5 one-year options From: 10/1/2010 To: 9/30/2015		
TERMS		SHIPMENT
N/A		N/A
F.O.B.		SHIPPED FROM
N/A		N/A
MINIMUM DELIVERY REQUIREMENTS		
N/A		
MISCELLANEOUS INFORMATION:		
The terms and conditions of this Contract are those of ITB #RFP-DR-084R0200124, this Contract Agreement and the vendor's quote dated 8/23/2010. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.		
Estimated Contract Value: \$1,644,385.00		

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. RFP-DR-084R0200124. Orders for delivery will be issued directly by the Department of Energy, Labor and Economic Growth and Department of Human Services through the issuance of a Purchase Order Form.

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

FOR THE CONTRACTOR:	FOR THE STATE:
Centurion, Inc.	Signature
Firm Name	Greg Faremouth, Division Director
Authorized Agent Signature	Name/Title
Authorized Agent (Print or Type)	IT Division
	Division
Date	Date



STATE OF MICHIGAN
Department of Technology, Management and Budget
Purchasing Operations

Buyer Name: Dale N. Reif
Telephone Number: (517) 373-3993
E-Mail Address: reifd@michigan.gov

Contract Number: 071B1300067

Closed Source Maintenance and Support
Michigan Department of Energy, Labor and Economic Growth, Unemployment Insurance Agency
Michigan Department of Human Services, Child Development and Care



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Article 1 – Statement of Work (SOW)

1.000 Project Identification/Scope

The purpose of this Contract is for a multi-year contract to provide software maintenance and software support for the Covered Software defined in Section 1.100. The contract awarded from this solicitation will be a firm, fixed-priced contract for a period of five (5) years with up to five (5) one-year options to renew.

The Department of Technology, Management and Budget (DTMB), Agency Services has requested to purchase Interactive Voice Response (IVR) application software maintenance for the following Agencies' programs:

- The Department of Energy, Labor and Economic Growth (DELEG), Unemployment Insurance Agency's (UIA) applications, Michigan Automated Response Voice Interactive Network (MARVIN) self-help Certification system, and its self-help Initial Claims (Telephone-Filed Claims) system.
- The Department of Human Services' (DHS) applications, Child Development and Care (CDC) and Adoption Subsidy programs.

1.100 Scope of Work

Scope of Work for DELEG/UIA:

DELEG/UIA's IVR system provides automated Unemployment Benefits Applications for "New" and "Additional" claims, as well as "Claimant Certification" which is the process used to assure that a claimant is still unemployed and seeking work, to ensure Unemployment Insurance (UI) eligibility requirements. The IVR system provides telephone access to the Agency's IT environment and constitutes the backbone of the Telephone-Filed Claims (TFC) system. It has essentially replaced the 50+ UIA branch offices that had utilized in-person claims processing to provide UI benefits. It is one of two mechanisms available to Michigan citizens to apply for UI benefits (The other is the Internet Filed Claims (IFC) system, which processes claims via the Web.) The IVR-based TFC system reaches claimants that do not have Internet access or who have questions or require help. Consequently, it is essential to maintain the IVR system and provide high reliability for this automated system.

Maintenance for "break/fix" services includes remote alarm and intervention services 8:00am to 5:00pm business days. Specialty application software for text-to-speech, right-to-use, and annual maintenance is included for the self-help Certification system (MARVIN), and the self-help Initial Claims (Telephone-Filed Claims) system.

Covered Software

The Contractor must be able to support and maintain the following:

- Original MARVIN Application plus enhancements – operating on 7 (seven) Avaya Conversant UCS 1000 IVR's
- Original MARVIN Application plus enhancements – operating on 2 (two) Windows-based web servers
- Original Initial Claims Application plus enhancements operating on 4 (four) Avaya Conversant UCS 1000 IVR's
- Development environment operating on 1 (one) Avaya Conversant UCS 1000 IVR
- Nuance Text-to-Speech Annual Support

Scope of Work for DHS:

DHS' - CDC IVR system requires that parents report and verify the amount of time that their children are cared for in order to provide verification of care and to help validate the provider's reported care hours. Parents will be required to report not only their daily need hours per pay period, but the total hours of child care needed per pay period. CDC IVR also requires that providers report the children and number of hours care is provided by submitting billings to MDHS. The Attendance Certification System



will provide MDHS staff with the inquiry and reporting tools to validate the input from both providers and parents to identify discrepancies and make payments. If providers do not have internet access, they must use the IVR. The CDC IVR program within MDHS ensures that qualifying children are properly cared for while MDHS clients are at work or looking for work. The IVR system is one of the two mechanisms for daycare providers to report the children in their care and for parents to report the amount of time their children are cared for. If the reporting is not done, payments are not made and the children may be turned away from the care facility. The IVR for the Adoption Subsidy program is used to survey parents who are responsible for the health and safety of Michigan children. The Adoption Subsidy IVR is used to interface with adoptive parents who are responsible for the health and safety of Michigan children. Maintenance for “break/fix” services includes remote alarm and intervention services 24x7.

DHS' IVR systems provide automated services used to meet reporting requirements and to ensure clients meet eligibility requirements of the program they are enrolled in. (The other mechanism is an Internet based I-Billing system). The IVR systems reaches clients and/or service providers

Covered Software

The Contractor must be able support and maintain the following:

- All software applications created by the Contractor for the Michigan Department of Human Services, Child Day Care program
- Automated Billing Application for Providers and Clients
- Inquiry Application
- Adoption Subsidy Application

Software Maintenance

- Contractor will provide the software maintenance and support services listed in this Section to the State for the Covered Software while the annual maintenance fee for the Current Release of the particular Covered Software is in effect and paid in full. Contractor will use reasonable efforts to correct any failure in the Covered Software identified by the State in writing.
- Contractor shall provide Upgrades to the standard version of the Covered Software at no additional cost to the State. Upgrades” shall mean updated, upgraded, or revised versions of the Covered Software which may include Error corrections and other enhancements that Contractor makes available to its customers at no additional charge. Upgrades shall not include any new releases which contain substantially new or different function.
- The Contractor must provide maintenance for the current installed version and on all future software updates and system enhancements applicable to system modules licensed to the State.
- The Contractor will provide the state with information on software problems encountered at other installations along with the solution to those problems, when such information is relevant to State software.
- The Contractor must notify the State of any material errors or defects in the products licensed to the state, 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 shall initiate actions as may be commercially necessary or proper to effect corrections of any such errors or defects.

Software Support Services

- During the term of this Contract, Contractor will provide the support services described in this Section to maintain the Covered Software in good working order, free from material defects so that the Covered Software shall function properly and in accordance with the accepted level of performance as set forth in the License Agreement.



- Contractor will make available to the State a support telephone number to call when requesting service of the Covered Software. The support number shall be in operation during State business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding State holidays.
- Contractor must provide technical support from 8 a.m. to 5 p.m. EST; Monday through Friday with a minimum response time of 4 hours via a Contractor provided toll-free phone number. Internet support and e-mail to authorized state staff is also acceptable.
- At no additional cost to the State, Contractor must remedy any software bugs, fixes, enhancements, new releases and updates/upgrades.
- The Contractor must provide advanced notice of all software bugs, fixes, enhancements, new releases and updates/upgrades.
- All software bugs, fixes, enhancements, new releases and updates/upgrades must be delivered as mutually agreed upon. The Contractor must provide support for software bugs, fixes, enhancements, new releases and updates/upgrades to ensure an operational production environment.

Call Center Disclosure

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

The Contractor's Monitoring service

Centurion Guard is an automated monitoring service that has been designed and developed by the Contractor to monitor client Communication Server specified operational activity on a 24 x 7 hour basis. If a problem is detected, Centurion Guard enters a message into the Windows Event Log with a unique priority level based upon whether the category of the error is Informational, Minor, Major or Critical. The logged message is coded as to whether it is one that must be sent to the Contractor's Network Operations Center (NOC) for prompt action.

After adding the client identity to the error message, it is formatted into an encrypted packet and transmitted via secure VPN connectivity to the Contractor's NOC server. In a parallel manner, the error message is also delivered in email format to the Contractor's Help Desk for review and tracking assurance. Statistics show that on average, within 30 – 60 seconds of error detection the Contractor's NOC is aware of the situation.

Upon receipt of the notification, a Technical Service team member reviews the assigned priority level to determine the severity of the issue. During normal business hours the error message will be directed to a Contractor's Help Desk team member for resolution. After business hours, a Technical Service team member is will be notified via email or PDA messaging for prompt action. The Technical Service team member will log into the effected Communication Server and while in a terminal user mode, implement a resolution to return the client system to full operation in the shortest time frame possible.

In addition to monitoring system operations, Centurion Guard will deliver a specially formatted message to the Contractor's NOC server every 5 minutes to indicate that the client system is operating without problems. If the server does not record receipt of communication within a 15 minute time frame, an error notification will be generated within the Contractor's NOC. The Contractor will provide technical Service team member to initiate communication with the client Communication Server to verify that it is operating successfully. Additionally, event notification could also be made to the client support staff notifying them that communication has stopped.

Due to the diverse scope of individual processing needs in place across our extensive client base, determination of which events are to be monitored and entered into the Windows Event Log will be established at the individual client level. When events defined through this procedure occur, notification will be forwarded to the Technical Service team member on duty. When the client notifies the



Contractor's NOC by phone or email that operational interruptions are scheduled or anticipated, notifications resulting from the operational interrupt will not be acted upon.

Typical notifications initiated by Centurion Guard are reflected by the sampling that follows below. In each case, an informative message is entered into the Windows Event Log which initiates notification to the Contractor's NOC.

- Network connectivity has been lost:
The Centurion Guard application is unable to send the standard '*operational*' message to the Customer Care Center server at its prescribed 5 minute interval.
- Centurion Guard/Host System connectivity interrupt:
The Contractor's host system interface application has informed Centurion Guard of various losses of connectivity or response timeout issues.
- Database problems:
Beyond the established database error reporting such as information relative to extents and rollback warnings for example, Centurion Guard contains scripts that validate the database as well. This front line review enables the Technical Service team member to approach problem resolution within seconds of detection.
- Specific digital voice T-1 issues (red, yellow and blue alarms)
Some versions of the Intel Dialogic T-1 components contain hardware diagnostic functionality that continuously monitors the T-1 line to the switch.
- Warning of insufficient free disk space:
Centurion Guard contains the functionality to monitor the availability of hard disk space in the Communication Server by interacting with the operating system software. Based upon localized parameters that were put in place upon installation, availability percentages are calculated and warnings are generated when the defined threshold is approached.
- System resources have reached limited thresholds:
Other various specialized scripts can be defined and implemented to monitor the Communication Server resources or client-specific needs as required.

To facilitate the most expedient resolution of a problem, the Contractor's applications have been designed to enable our support team to access a client system via a secure VPN connection and appropriate communication software. This is performed as easily from a remote terminal as from the local console and enables our support team to logically operate in a terminal user mode with the client system. By initiating commands to check programs, re-creating problem situations, or implementing modifications our Technical Service team can resolve problems and return the client system to full operation in the shortest possible time.

In those instances when the problem is not related to the Communication Server and associated software, such as when a host system or network is determined to be the root cause, the Technical Service team member will notify the clients appointed support contact to inform them of the problem status. The client will then have the opportunity to determine what actions are to be taken, such as whether to proceed with problem resolution immediately or to wait until the next business day.

The Contractor's IVR Support Plan

The Contractor places a high priority on the development of reliable, high performance software. The IVR application and the Windows 2003 hardware platforms have been designed to allow most administration and maintenance functions to be performed as easily from a remote terminal as from the system console. Each system incorporates remote maintenance functions that enable the Contractor's support technician to perform system diagnostics and trouble shooting from a support facility via a dialup modem. These features will resolve most system problems without operational interrupts or system down time.

Even without subscribing to the Application Software Maintenance Agreement, the Contractor remains available to provide support. In this case, all enhancements and assistance will be made available on a Time & Material basis, at our then current rate, billed in ½ hour increments.



Priority Definitions

Priority	Description
Critical (1)	Client system or application is inoperable in a production environment. All work has stopped and the situation is causing a critical impact to Client business operation and productivity. No work around is available.
Major (2)	Client system or application is severely limited, the voice quality is degraded, port failure is in excess of 10%, or other problems are present that impair the agency from delivering its intended level of service in a production environment. The situation is causing a negative impact to major portions of Client business and productivity. No work around is available. The system or application may have been interrupted but recovered, with a high risk of reoccurrence.
Minor (3)	A problem was encountered in a production environment; an irritant, minimal impact to business operation is present; localized or isolated impact; operational nuisance, documentation errors.
No impact (4)	General questions, information requests in a production environment.

Response Time Matrix

Severity	Priority	Contact Goal	Relief Goal	Resolution Goal	Contact method
Critical	1	15 minutes	24 hours	30 days	Phone only
Major	2	15 minutes	48 hours	90 days	Phone only
Minor	3	24 hours	5 business days	180 days	Phone, email, fax
No Impact	4	24 hours	N/A	N/A	Phone, email, fax

Additional Requirements for DELEG/UIA & DHS:

Time & Materials Block of Hours

A block of "Time & Materials" hours (not to exceed 500 hours/per year/per Agency) will be established to address future federally-mandated enhancements/requirements and/or work not covered under the standard maintenance and support services described above. The State reserves the right to purchase additional services if necessary.

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

1.200 State Roles and Responsibilities

1.201 CONTRACT COMPLIANCE INSPECTOR

The Contract Compliance Inspector is responsible to monitor Contract activities on a daily basis.

Name	Agency/Division	Title
Patty Bogard	DTMB Purchasing Operations – CA Unit	Contract Administrator
Ann Lindberg	DTMB Agency Services – DELEG/UIA	DTMB-Agency Services Contract Administrator

1.202 PROJECT MANAGER



The Project Managers will oversee the project:

Name	Agency/Division	Title
John Walker	DTMB Agency Services – DELEG/UIA	Acting CSD
Mark Benward	DTMB Agency Services – DHS	Development Manager

1.300 Compensation and Payment

1.301 COMPENSATION AND PAYMENT

Method of Payment - The Contract will be paid on a **Firm, Fixed-Price**. The Pricing is included in **Attachment A**.

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

Out-of-Pocket Expenses - Contractor out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the **State's current travel reimbursement rates**.

Invoicing - Contractor will submit properly itemized invoices to "Bill To" Address on Purchase Order. **Incorrect or incomplete invoices will be returned to Contractor.** 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.

1.302 TAX EXCLUDED FROM PRICE

Sales Tax: The State is exempt from sales tax for direct purchases. The Contractor's prices must not include sales tax. Purchasing Operations will furnish exemption certificates for sales tax upon request.

Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.

1.400 IT Specific Requirements

1.401 CONTRACT MANAGEMENT

The Contractor's processes for change management and issue management, including escalation procedures are as follows:

As part of the Contractor's *Ports and Protocols Registration Application* management process, a change management form should be filled out whenever a change is made to the production system. The change management form should be printed out and stored in a central repository. The sections



entitled *Proposed Change, Requested By, Type of Change, Date Requested, & Priority* are to be completed by the requestor in order to make the request. Valid entries for the Type of Change field include Bug Fix, New Feature, Feature Improvement, and Other (describe briefly). The sections entitled *PnP Complications & Approximate LOE* are to be completed by the PnP Registration Application development team's technical lead before the changes are made. The sections entitled *CAP Complications & Approximate LOE* are to be completed by the CAP Registration Application development team's technical lead before the changes are made. The PnP technical lead, CAP technical lead, and client should all initial the form before development is begun. The sections entitled *Java Files Affected, SQL Files Affected, Privileges Affected, Roles Affected, & Values Affected* should be completed by the PnP development team member(s). The developer(s) should also initial to indicate that development is complete. The PnP Technical Lead and the client should perform testing, and each should initial that successful testing was completed. Once testing is complete, the code changes can be moved to production and the sections entitled *Date Implemented & Version Implemented* should be completed.

Proposed Change:	What would you like to see changed?
Requested By:	Your name, phone number, organization
Type of Change:	Functional, Database Change, and etc.
Date Requested:	
Priority:	
Rationale:	Specifically, how would the modification improve the system or allow you to manage your Ports, Protocols, or Services?
Your vision	What is your vision, how would this work, look, or feel?
PnP Complications:	
CAP Complications:	
Approximate LOE:	
PnP Lead Initial:	
CAP Lead Initial:	
Client's Initial:	
Java Files Affected:	
SQL Files Affected:	
Privileges Affected:	
Roles Affected:	
Data Labels:	
Values Affected:	
Additional Comments:	
Java Developer(s)' Initial:	
SQL Developer(s)' Initials	
PnP Tester's Initial:	
PM/Representative's Initial after testing:	
Date Implemented:	
Version Implemented:	



The Contractor's Software Support Department is there to assist you with any problems or questions that may arise. This support is provided via the Contractor's Customer Care Center, a team of highly qualified technical personnel trained to respond to problems relating to Voice Response software.

When necessary and with proper authority, we will access your system. This allows us to check programs, re-create problems, or make needed changes. This access is typically achieved via modem or VPN connection. If via modem, we require a separate line dedicated to the modem to facilitate connectivity.

There will also be times when we will instruct you to key in commands, read current screen messages, etc. In many cases, procedures or commands may be entered only from the console. For this reason, there must be a telephone accessible next to the console monitor at which you will be working. The availability of a telephone prevents the frustration and time spent of relaying information or trying to find an available monitor.

Procedure to Request Support Services:

The following details the proper way to request support, as well as the procedure used by the Contractor's Customer Care Center support members to track the call and resolve.

The Contractor's Support Services is the primary point of contact for clients with technical issues. Following a strategic counseling and management support plan, the Contractor's Support Services provides for the orderly escalation of service problems to the next highest level of support including third party hardware, software, and maintenance resources as deemed necessary to resolve a problem.

The first priority is to maintain the integrity of an operational system at a user site by following a standard operational procedure of regularly backing up system data, application software data, and user data. The following outline will identify how to create that backup plan. Your plan will determine what data to back up, how often, what medium to use, and where to store data for safekeeping.

The backup plan is crucial to ensuring the reliability of data in the system as well as providing timely restoration of the system in the event of major problems or catastrophe. It must be put in writing and kept with your organization's policies and procedures documentation. The backup plan must designate one person as a backup coordinator who will be assigned the responsibility of maintaining hard-copy logs of the dates and times at which backups occur. Overall information to be made part of your backup plan must include:

- Name of backup coordinator and record keeper
- Method(s) used for data backups, with a checklist of procedures
- Frequency of data backups
- Location of on-site data storage
- Location of off-site data storage
- Types of data to be backed up

For all client systems, all data should be backed up on a regular basis. This approach:

- Offers the greatest amount of data security
- Allows for one-step restoration of total memory loss
- Can often be done during off-hours.

The backup plan should be designed to occur at least on a monthly frequency. Backup procedures must be scheduled more frequently to accommodate any of the following occurrences:

- Changes to the base system configuration parameters (i.e. IP address or hardware configuration).
- Changes to the application logic or host connectivity parameters.
- Installation of new software or files (i.e. Phrases, Third Party Software or Custom Utility Programs).

Initially, create two backups and store them in separate locations. One long-term backup, updated at least once a month, should be kept off-site. This ensures that one backup will be safe in the event of a building disaster. Another backup can be kept more readily accessible at the office and should be updated on a bi-weekly basis. Periodic testing of your backup process must be made to insure that it is saving the data properly.



As part of our proposed support services, the Contractor will assist in the restoration of the system provided backups were maintained. Clients will use the standard help desk support procedure to notify the Contractor of the failed system. The Contractor will coordinate with the appropriate resources to determine hardware or software issue.

For hardware issues, the Contractor will utilize the spare kit parts to fix the system. If parts needed are not in the spare kit, the Contractor will overnight the parts.

Problem resolution – Escalation Process

The following strategic counseling and management support plan defines the Contractor's approach in the implementation of orderly escalation of service problem resolution stages. The Contractor's Support Services performs the following Level 1 through Level 3 problem resolution stages.

Level 1: Basic Technical Support includes gathering data, investigating and isolating the issue, and testing configuration changes that may have an effect on the issue. Investigation includes a search of appropriate documentation, such as user manuals, technical bulletins/notes, customer service bulletins, problem report lists, etc. These activities should result in a complete description of the symptoms, configuration information, revision level information, and detail on reproducibility. The gathering of network traces and/or memory uploads is also often appropriate.

Level 2: Advanced Technical Support, involves correlating the issue with other issues, reproducing the problem, identifying errors in product specification, identifying misinterpretations of product specifications, and localizing product defects. The activities at this level also include efforts toward finding an acceptable workaround.

Level 3: Product Support, involves activities such as the interpretation of gathered data, the examination of source code or hardware schematics. Completion may involve the recommendation of a workaround or the delivery of a fix. Fixes and their ramifications are always to be documented.

The Contractor's Support Services escalation procedure is a category-based system. By classifying all incoming calls, the Contractor ensures that the Customer's support issues will be resolved in a timely and efficient manner. This procedure identifies five unique call categories:

Category 1: The customer's entire system(s) is down. The Contractor's immediate priority is to restore service and not to debug the problem.

Category 2: A segment of the customer's system functionality is down or performance is seriously degraded. The Contractor's immediate priority is to restore/improve service, not debug the problem.

Category 3: Lower priority affecting issues or intermittent service affecting callers. The Contractor's priority is to begin collecting data to debug the problem.

Category 4: Configuration assistance, usability issues, network issues in an evaluation or lab. This is not for feature requests. Feature requests must go through the sales team and not through the Contractor's Support Services.

Category 5: Customer questions concerning product function or use and information requests. Non-contract customers.

The Contractor's escalation procedure insures that the hand off of a problem from the Contractor's Support Services is effectively received by a 3rd level Product Support group, with a clearly defined problem. The Contractor's Support Services must use judgment as to when a problem is best supported by level 3 as defined above. If the following timelines are reached without progress, this transfer must take place immediately.

Timeline 1. After attempting to troubleshoot the problem, if the Contractor's Engineer could not provide satisfactory solution and needs technical assistance, the Engineer will escalate the ticket to Level 2 Support. Engineer will also inform through E-mail to the client that the call has been escalated. The Contractor will also complete a Detailed Problem Report with all information and should attach it to the call ticket.



Timeline 2. After attempting to troubleshoot the problem, if the Engineer could not provide satisfactory solution and needs technical assistance, the Engineer will escalate the call to The Recovery Team. Engineer must provide a complete Detailed Problem Report with all information and should attach it to the call ticket.

Timeline 3. Once the call is ready to be closed, the Contractor will bring on a Support Services Engineer (remotely) to assist with contacting the customer to close the call. This coordination is to facilitate increased learning and full circle communication from the Contractor's Support Services. If the customer is unavailable to confirm closure, then the Engineer must make sure the Contractor's Support Services clearly understands the resolution of the ticket, the details are clearly written in the ticket, and the Contractor's Support Services will take ownership of closing the call with the customer.

If the Contractor's Support Services determines the cause of the problem is the result of Third Party Software. The Contractor will notify the client and transfer the case back to Support Services. It will be the client's responsibility to contact the vendor and setup a meeting for the Support Services to share its findings. The Contractor's Support Services can optionally provide services to the third party vendor at an additional cost.

The Contractor will provide a response within 45 minutes to 1 hour from the time a client call is received. Our guaranteed response time is 2 hours, with average resolution time often less than 1 hour. Continuing contact procedures within our Customer Care Center provides the client with on-going communication related to the status of their call.

1.402 CONTRACTOR IDENTIFICATION

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

1.403 ENVIRONMENT

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

All services and products provided under this Contract must comply with all applicable State IT policies and standards. The Contractor must request any exception to State IT policies and standards in accordance with DTMB processes. The State may deny the exception request or seek a policy or standards exception.

The Contractor is required to review all applicable links provided below and state compliance in their response.

Enterprise IT Policies, Standards and Procedures:

<http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

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

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

**Enterprise IT Security Policy and Procedures:**

<http://www.michigan.gov/dit/0,1607,7-139-34305-108216--,00.html>

The State's security environment includes:

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

Single Login security environment must be used for all new client-server software development. In instances 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 DTMB's Office of Enterprise Security.

IT Strategic Plan:

<http://www.michigan.gov/dit/0,1607,7-139-30637-135173--,00.html>

IT eMichigan Web Development Standard Tools:

http://www.michigan.gov/documents/som/Look_and_Feel_Standards_302051_7.pdf

SUITE:

www.michigan.gov/suite

The SUITE website includes standards for project management, systems engineering, and associated forms and templates which must be followed.

Agency-Specific Technical Environment:**For DELEG/UIA:**

The majority of the core of the existing UIA system resides on an IBM mainframe environment. The Internet applications are server-based applications accessing an Oracle database. These web applications are written in .NET using either Visual Basic or C#. Data from the Oracle database is updated to the OS390 mainframe (IMS) database using either Websphere MQ messaging or FTP file transfers. There is also a weekly sweep for Oracle reload to keep the databases (IMS and Oracle) in sync. UIA also uses two separate IVR systems, one connected to the mainframe and one to Oracle to gather data, passing some of the calls to a PBX and ACD system relying on intelligent routing. While the majority of the data processing transactions occur in the mainframe environment, the data entry points, where UIA interacts with their internal and external customers, have relied on newer technology.

For DHS:

The CDC IVR applications are server based applications accessing an Oracle database. The CDC IVR system uses two (2) UCS1000 Platform Raid Bundles, which includes for each: (8) E1/T1 Boards; (4) SSP Boards; (3) 18.1 GB Hard Disks; (1) Ultrplex 40 Max CD Rom Drive (SCSI); (1) Tandberg 4/8 GB Tape Drive (SCSI). The CDC IVR system also includes a Spanish Language Package and a Oracle database interface.



Article 2 - Terms and Conditions

2.000 Contract Structure and Term

2.001 CONTRACT TERM

This Contract is for a period of five (5) years beginning October 1, 2010 through September 30, 2015. All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Contract, unless otherwise extended under the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

2.002 OPTIONS TO RENEW

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to five (5) additional one (1) year periods.

2.003 LEGAL EFFECT

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

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

2.004 ATTACHMENTS & EXHIBITS

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

2.005 ORDERING

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

2.006 ORDER OF PRECEDENCE

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

In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work shall take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of the Contract. The Contract may be modified or amended only by a formal Contract amendment.

2.007 HEADINGS

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

**2.008 FORM, FUNCTION & UTILITY**

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

2.009 REFORMATION AND SEVERABILITY

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

2.010 Consents and Approvals

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

2.011 NO WAIVER OF DEFAULT

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

2.012 SURVIVAL

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

2.020 Contract Administration**2.021 ISSUING OFFICE**

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

Dale N. Reif, Buyer
Purchasing Operations
Department of Technology, Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
reifd@michigan.gov
517.373-3993

2.022 CONTRACT COMPLIANCE INSPECTOR

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



Patty Bogard,
Department of Technology, Management and Budget
Contract Administration Unit
530 W Allegan St
Lansing, Michigan 48933
BogardP@michigan.gov
Phone 517-335-4051
Fax 517-335-0046

2.023 PROJECT MANAGER

The following individual will oversee the project:

Mark Benward
DTMB-DHS Agency Services
Ph: 517-335-0834
BenwardM@michigan.gov

John Walker
DTMB-DELEG/UIA Agency Services
Ph: 313-456-3814
WalkerJ5@michigan.gov

2.024 CHANGE REQUESTS

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

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

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

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

(1) Change Request at State Request

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



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

2.025 NOTICES

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

State: State of Michigan
Purchasing Operations
Attention: Dale N. Reif
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Contractor:

Name:
Address:

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

2.026 BINDING COMMITMENTS

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



2.027 RELATIONSHIP OF THE PARTIES

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

2.028 COVENANT OF GOOD FAITH

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

2.029 ASSIGNMENTS

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

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

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

2.030 General Provisions

2.031 MEDIA RELEASES

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

2.032 CONTRACT DISTRIBUTION

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

2.033 PERMITS

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.034 WEBSITE INCORPORATION

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



2.035 FUTURE BIDDING PRECLUSION

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

2.036 FREEDOM OF INFORMATION

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

2.037 DISASTER RECOVERY

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

2.040 Financial Provisions

2.041 FIXED PRICES FOR SERVICES/DELIVERABLES

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

2.042 ADJUSTMENTS FOR REDUCTIONS IN SCOPE OF SERVICES/DELIVERABLES

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

2.043 SERVICES/DELIVERABLES COVERED

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

2.044 INVOICING AND PAYMENT – IN GENERAL

- (a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.
- (b) Each Contractor invoice shall show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Invoices for Services performed on a time and materials basis shall show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 1.600**.
- (c) Correct invoices shall be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.
- (d) All invoices should reflect actual work done. Specific details of invoices and payments shall be agreed upon between the Contract Administrator and the Contractor after the proposed Contract Agreement has been signed and accepted by both the Contractor and the Director of Purchasing Operations, Department of Management & Budget. This activity shall occur only upon the specific written direction from Purchasing Operations.



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

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

2.045 PRO-RATION

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

2.046 ANTITRUST ASSIGNMENT

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

2.047 FINAL PAYMENT

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

2.048 ELECTRONIC PAYMENT REQUIREMENT

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

2.050 Taxes

2.051 EMPLOYMENT TAXES

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

2.052 SALES AND USE TAXES

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

**2.060 Contract Management****2.061 CONTRACTOR PERSONNEL QUALIFICATIONS**

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

2.062 CONTRACTOR KEY PERSONNEL – DELETED NA**2.063 RE-ASSIGNMENT OF PERSONNEL AT THE STATE'S REQUEST**

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

2.064 CONTRACTOR PERSONNEL LOCATION

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

2.065 CONTRACTOR IDENTIFICATION

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

2.066 COOPERATION WITH THIRD PARTIES

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

2.067 CONTRACT MANAGEMENT RESPONSIBILITIES

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



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

2.068 CONTRACTOR RETURN OF STATE EQUIPMENT/RESOURCES

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

2.070 Subcontracting by Contractor

2.071 CONTRACTOR FULL RESPONSIBILITY

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

2.072 STATE CONSENT TO DELEGATION

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

2.073 SUBCONTRACTOR BOUND TO CONTRACT

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

2.074 FLOW DOWN

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



2.075 COMPETITIVE SELECTION

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

2.080 State Responsibilities

2.081 EQUIPMENT

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

2.082 FACILITIES

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

2.090 Security

2.091 BACKGROUND CHECKS

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

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

2.092 SECURITY BREACH NOTIFICATION

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

2.093 PCI DATA SECURITY REQUIREMENTS

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



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

The Contractor shall contact the Department of Technology, Management and Budget, Financial Services immediately to advise them of any breaches in security where card data has been compromised. In the event of a security intrusion, the Contractor agrees the Payment Card Industry representative, or a Payment Card Industry approved third party, shall be provided with full cooperation and access to conduct a thorough security review. The review will validate compliance with the Payment Card Industry Data Security Standard for protecting cardholder data.

Contractor agrees to properly dispose sensitive cardholder data when no longer needed. The Contractor shall continue to treat cardholder data as confidential upon contract termination.

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

2.100 Confidentiality

2.101 CONFIDENTIALITY

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

2.102 PROTECTION AND DESTRUCTION OF CONFIDENTIAL INFORMATION

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

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



2.103 EXCLUSIONS

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

2.104 NO IMPLIED RIGHTS

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

2.105 RESPECTIVE OBLIGATIONS

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

2.110 Records and Inspections

2.111 INSPECTION OF WORK PERFORMED

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

2.112 EXAMINATION OF RECORDS

For seven years after the Contractor provides any work under this Contract (the "Audit Period"), the State may examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the Contract and with applicable laws and rules. The State shall notify the Contractor 20 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the Contractor to the extent access would require the confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.

2.113 RETENTION OF RECORDS

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



2.114 AUDIT RESOLUTION

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

2.115 ERRORS

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

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

2.120 Warranties

2.121 WARRANTIES AND REPRESENTATIONS

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State shall infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to the items in this Contract, Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
- (f) It is qualified and registered to transact business in all locations where required.
- (g) Neither the Contractor nor any Affiliates, nor any employee of either, has, must have, or must acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.
- (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.
- (i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee,



commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

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

2.122 WARRANTY OF MERCHANTABILITY – DELETED NA

2.123 WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE – DELETED NA

2.124 WARRANTY OF TITLE – DELETED NA

2.125 EQUIPMENT WARRANTY – DELETED NA

2.126 EQUIPMENT TO BE NEW – DELETED NA

2.127 PROHIBITED PRODUCTS – DELETED NA

2.128 CONSEQUENCES FOR BREACH – DELETED NA

2.130 Insurance

2.131 LIABILITY INSURANCE

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

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

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

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



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

See www.michigan.gov/dleg.

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

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

- ☒ 1. Commercial General Liability with the following minimum coverage:
 \$2,000,000 General Aggregate Limit other than Products/Completed Operations
 \$2,000,000 Products/Completed Operations Aggregate Limit
 \$1,000,000 Personal & Advertising Injury Limit
 \$1,000,000 Each Occurrence Limit

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

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

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

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

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

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

- ☒ 4. Employers liability insurance with the following minimum limits:
 \$100,000 each accident
 \$100,000 each employee by disease
 \$500,000 aggregate disease

2.132 SUBCONTRACTOR INSURANCE COVERAGE

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



2.133 CERTIFICATES OF INSURANCE AND OTHER REQUIREMENTS

Contractor must furnish to MDTMB Purchasing Operations, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). The Certificate must be on the standard "accord" form or equivalent. **The Contract Number or the Purchase Order Number must be shown on the Certificate Of Insurance To Assure Correct Filing.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) must contain a provision indicating that coverage afforded under the policies SHALL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without 30 days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Technology, Management and Budget. The notice must include the Contract or Purchase Order number affected. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State and its agents, officers and employees are listed as additional insured under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

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

2.140 Indemnification

2.141 GENERAL INDEMNIFICATION

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

2.142 CODE INDEMNIFICATION

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

2.143 EMPLOYEE INDEMNIFICATION

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



2.144 PATENT/COPYRIGHT INFRINGEMENT INDEMNIFICATION

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

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

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

2.145 CONTINUATION OF INDEMNIFICATION OBLIGATIONS

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

2.146 INDEMNIFICATION PROCEDURES

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

- (a) After the State receives notice of the action or proceeding involving a claim for which it shall seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, the Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.
- (b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be



involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying the Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

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

2.150 Termination/Cancellation

2.151 NOTICE AND RIGHT TO CURE

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

2.152 TERMINATION FOR CAUSE

- (a) The State may terminate this contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State
- (b) If this Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.
- (c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.
- (d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

2.153 TERMINATION FOR CONVENIENCE

The State may terminate this Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make



implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for convenience must cease on the effective date of the termination.

2.154 TERMINATION FOR NON-APPROPRIATION

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

2.155 TERMINATION FOR CRIMINAL CONVICTION

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

2.156 TERMINATION FOR APPROVALS RESCINDED

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

2.157 RIGHTS AND OBLIGATIONS UPON TERMINATION

- (a) If the State terminates this Contract for any reason, the Contractor must (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement



- costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.
- (b) If the State terminates this Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this Contract, at the option of the State, becomes the State's property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
- (c) Upon a good faith termination, the State may assume, at its option, any subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

2.158 RESERVATION OF RIGHTS

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

2.160 Termination by Contractor

2.161 TERMINATION BY CONTRACTOR

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

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

2.170 Transition Responsibilities

2.171 CONTRACTOR TRANSITION RESPONSIBILITIES

If the State terminates this contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed forty-five (45) days. These efforts must include, but are not limited to, those listed in **Section 2.150**.

2.172 CONTRACTOR PERSONNEL TRANSITION

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



2.173 CONTRACTOR INFORMATION TRANSITION

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

2.174 CONTRACTOR SOFTWARE TRANSITION

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

2.175 TRANSITION PAYMENTS

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

2.176 STATE TRANSITION RESPONSIBILITIES

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

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

2.180 Stop Work

2.181 STOP WORK ORDERS

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

2.182 CANCELLATION OR EXPIRATION OF STOP WORK ORDER

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



2.183 ALLOWANCE OF CONTRACTOR COSTS

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

2.190 Dispute Resolution

2.191 IN GENERAL

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

2.192 INFORMAL DISPUTE RESOLUTION

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

- (1) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.
- (2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.
- (3) The specific format for the discussions shall be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.
- (4) Following the completion of this process within 60 calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

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

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

2.193 INJUNCTIVE RELIEF

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



2.194 CONTINUED PERFORMANCE

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

2.200 Federal and State Contract Requirements

2.201 NONDISCRIMINATION

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

2.202 UNFAIR LABOR PRACTICES

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

2.203 WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.204 PREVAILING WAGE

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

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



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

2.210 Governing Law

2.211 GOVERNING LAW

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

2.212 COMPLIANCE WITH LAWS

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

2.213 JURISDICTION

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

2.220 Limitation of Liability

2.221 LIMITATION OF LIABILITY

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

The Contractor's liability for damages to the State is limited to two times the value of the Contract or \$500,000 which ever is higher. The foregoing limitation of liability does not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

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

2.230 Disclosure Responsibilities

2.231 DISCLOSURE OF LITIGATION

Contractor shall disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) shall notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor shall disclose in writing to the Contract Administrator any



litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation shall be deemed to satisfy the requirements of this Section.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (a) the ability of Contractor (or a Subcontractor) to continue to perform this Contract according to its terms and conditions, or
- (b) whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:
 - (1) Contractor and its Subcontractors will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and
 - (2) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.
- (c) Contractor shall make the following notifications in writing:
 - (1) Within 30 days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor must notify MDTMB Purchasing Operations.
 - (2) Contractor shall also notify MDTMB Purchasing Operations within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.
 - (3) Contractor shall also notify MDTMB Purchase Operations within 30 days whenever changes to company affiliations occur.

2.232 CALL CENTER DISCLOSURE

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

2.233 BANKRUPTCY

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

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

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

2.240 Performance

2.241 TIME OF PERFORMANCE

- (a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.



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

2.242 SERVICE LEVEL AGREEMENT (SLA)

- (a) SLAs will be completed with the following operational considerations:
 - (1) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has been determined; Incident means any interruption in Services.
 - (2) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification or coordination.
 - (3) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. To invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.
 - (4) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following:
 - (i) Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.
 - (ii) Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.
- (b) Chronic Failure for any Service(s) will be defined as three unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling 30 day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three additional months. The termination of the Service will not affect any tiered pricing levels.
- (c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two weeks of outage(s) and provide a recommendation for resolution.
- (d) All decimals must be rounded to two decimal places with five and greater rounding up and four and less rounding down unless otherwise specified.

2.243 LIQUIDATED DAMAGES

The parties acknowledge that late or improper completion of the Work will cause loss and damage to the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result. Therefore, Contractor and the State agree that if there is late or improper completion of the Work and the State does not elect to exercise its rights under **Section 2.152**, the State is entitled to collect liquidated damages in the amount of \$5,000.00 and an additional \$100.00 per day for each day Contractor fails to remedy the late or improper completion of the Work.

Unauthorized Removal of any Key Personnel

It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to



exercise its rights under **Section 2.152**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount is \$25,000.00 per individual if the Contractor identifies a replacement approved by the State under **Section 2.060** and assigns the replacement to the Project to shadow the Key Personnel who is leaving for a period of at least 30 days before the Key Personnel's removal.

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

2.244 EXCUSABLE FAILURE

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

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

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

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

**2.250 Approval of Deliverables – Deleted NA****2.260 Ownership – Deleted NA****2.270 State Standards****2.271 EXISTING TECHNOLOGY STANDARDS**

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

2.272 ACCEPTABLE USE POLICY

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

2.273 SYSTEMS CHANGES

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

2.280 Extended Purchasing – Deleted NA**2.290 Environmental Provision – Deleted NA****2.300 Deliverables – Deleted NA****2.310 Software Warranties – Deleted NA****2.320 Software Licensing – Deleted NA****2.330 Source Code Escrow – Deleted NA**



Glossary

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



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



ATTACHMENT A
CONTRACT PRICING

TABLE 1:
DELEG/UIA - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Marvin System	Software, Maintenance and Support cost		Includes Centurion Guard remote monitoring
	First Year	\$22,530.00	
	Second Year	\$22,530.00	
	Third Year	\$23,655.00	
	Fourth Year	\$23,655.00	
	Fifth Year	\$23,655.00	
	Total Costs	\$116,025.00	

TABLE 2:
DELEG/UIA - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Initial Claims System	Software, Maintenance and Support cost		Includes Centurion Guard remote monitoring
	First Year	\$153,195.00	
	Second Year	\$153,195.00	
	Third Year	\$160,855.00	
	Fourth Year	\$160,855.00	
	Fifth Year	\$160,855.00	
	Total Costs	\$788,955.00	

TABLE 3:
DELEG/UIA - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Other	Software, Maintenance and Support cost		Includes support for Nuance Text to Speech software and MARVIN/Web services applications
	First Year	\$17,400.00	
	Second Year	\$17,400.00	
	Third Year	\$17,400.00	
	Fourth Year	\$17,400.00	
	Fifth Year	\$17,400.00	
	Total Costs	\$87,000	



TABLE 4:
DHS - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
CDC System	Software, Maintenance and Support cost		Includes Centurion Guard remote monitoring
	First Year	\$11,162.00	
	Second Year	\$11,162.00	
	Third Year	\$11,162.00	
	Fourth Year	\$11,162.00	
	Fifth Year	\$11,162.00	
	Total Costs	\$55,810.00	

TABLE 5:
DHS - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Automated Billing for Providers & Clients	Software, Maintenance and Support cost		Includes Centurion Guard remote monitoring
	First Year	\$14,138.00	
	Second Year	\$14,138.00	
	Third Year	\$14,138.00	
	Fourth Year	\$14,138.00	
	Fifth Year	\$14,138.00	
	Total Costs	\$70,690.00	

TABLE 6:
DHS - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Inquiry Application	Software, Maintenance and Support cost		Includes Centurion Guard remote monitoring
	First Year	\$14,252.00	
	Second Year	\$14,252.00	
	Third Year	\$14,252.00	
	Fourth Year	\$14,252.00	
	Fifth Year	\$14,252.00	
	Total Costs	\$71,260.00	



TABLE 7: (This dollar amount will not be included in Contract total. If needed it will be added through the Contract Change Notice process.)

DHS - Covered Software Maintenance and Support Cost Table

Software System	Cost Categories	Cost (\$)	Comments
Adoption Subsidy Application	Software, Maintenance and Support cost		This application has been turned off at the request of DHS. These maintenance costs would only apply if/when this application is turned back on. Includes Centurion Guard remote monitoring
	First Year	\$4,410.00	
	Second Year	\$4,410.00	
	Third Year	\$4,410.00	
	Fourth Year	\$4,410.00	
	Fifth Year	\$4,410.00	
	Total Costs	\$22,050.00	

TABLE 8:

Annual Hardware Maintenance on Child Day Care Server 1

	Cost Categories	Cost (\$)	Comments
	Hardware maintenance cost		24x7 coverage Coverage period currently Oct 1 thru Sept 30.
	First Year	\$24,988.00	
	Second Year	\$24,988.00	
	Third Year	\$24,988.00	
	Fourth Year	\$26,237.00	
	Fifth Year	\$26,237.00	
	Total Costs	\$127,438.00	

TABLE 9:

Annual Hardware Maintenance on Child Day Care Server 2

	Cost Categories	Cost (\$)	Comments
	Software, Maintenance and Support cost		8x5 coverage Coverage period Currently Nov 1 thru Oct 31
	First Year	\$15,176.00	
	Second Year	\$15,176.00	
	Third Year	\$15,176.00	
	Fourth Year	\$15,934.00	
	Fifth Year	\$15,934.00	
	Total Costs	\$77,396.00	



TABLE 10:
Labor Rate Card - Hourly:

	Staffing Category	Firm Fixed Hourly Rate
	Project Manager / Technical Lead	\$110.00
	Training Specialist	\$50.00
	Senior Software Developer	\$85.00
	Programmer Analyst	\$85.00
	Technical Writer	\$75.00
	IVR DBA	\$85.00
	IVR Network Engineer Sr	\$85.00
	IVR Programmer/Analyst Sr	\$85.00
	IVR Senior Programmer/Analyst	\$85.00
	IVR Web Developer Sr	\$75.00
	List Any Other(s)	
	Project Manager Sr	\$110.00

Notes:

- 1) Hourly rates quoted are firm, fixed rates for the duration of the contract. Travel and other expenses will not be reimbursed. "Estimated Hours" and "Extended Price" are non-binding and will be used at the State's discretion to determine best value to the State. The State will utilize the fully loaded hourly rates detailed above for each staff that will be used as fixed rates for responses to separate statements of work.
- 2) Actual funding for enhancements will occur on a yearly basis, and there is no guarantee as to the level of funding, if any, available to the project.
- 3) The parties agree that the Services/Deliverables to be rendered by Contractor using the future enhancements/rate card on this Contract will be defined and described in detail in separate Statements of Work. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a purchase order issued against this Contract.
- 4) Unless otherwise agreed by the parties, each Statement of Work will include:
 - a. Background
 - b. Project Objective
 - c. Scope of Work
 - d. Deliverables
 - e. Acceptance Criteria
 - f. Project Control and Reports
 - g. Specific Department Standards
 - h. Payment Schedule
 - i. Travel and Expenses
 - j. Project Contacts
 - k. Agency Responsibilities and Assumptions
 - l. Location of Where the Work is to be Performed
 - m. Expected Contractor Work Hours and Conditions