



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 2

to

Contract Number MA240000000181

CONTRACTOR	Diona (US) Inc
	925 S. Capital of Texas Highway Suite B-110
	Austin TX 78746
	Patricia Donaldson
	512-692-6817
	patricia.donaldson@diona.com
	VS0236573

STATE	Program Manager	Various	Various
	Contract Administrator	Robin Lampert	DTMB
		517-582-2746	
		LampertR1@michigan.gov	

CONTRACT SUMMARY				
Child Support Mobile App				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
April 23, 2024	April 22, 2029	5 - 12 Months	April 22, 2029	
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
☐		☐		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,892,763.00	\$392,000.00	\$3,284,763.00		

DESCRIPTION
Effective July 31, 2025, the following amendments are incorporated into this Contract per attached Statement of work. • Improvements to the public user interface • Redesigned interfaces to work with other new systems • Additional funds (\$392,000) for the improvements 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 July 29, 2025.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDHHS	Pratin Trivedi	517-930-5871	TrivediP@michigan.gov
DTMB	Duane Kerkstra	248-660-0132	kerkstrad@michigan.gov

STATEMENT OF WORK - IT CHANGE NOTICE

Project Title: Child Support Mobile App	Period of Coverage: July 1, 2025 – January 31, 2026
Requesting Department: MDHHS	Date: 04-21-2025
Agency Program Manager: Pratin Trivedi	Phone: 517-334-6560
DTMB Program Manager: Duane Kerkstra	Phone: 248-660-0132

Brief description of services to be provided:

BACKGROUND:

The Contractor has been engaged to provide a State Hosted mobile app that provides self-service features for child support citizens – Custodial Parties and Non-Custodial Parties.

The Child Support Mobile App contract terms included an implementation phase to include a maximum of three release cycles to occur within a 12-month timeframe from the end of the Planning phase. The implementation phase was to end in June of 2025. The implementation phase is now extended by 7 months to end on January 31, 2026.

As more information was discovered and available during the planning phase and experience with the first and second releases, an additional period of 7 months is needed to implement the remaining requirements. There was increased effort for the integration with MiLogin that resulted in a schedule extension for the first Mobile App release. The additional design and integration efforts were required to ensure a seamless login experience for users of the current MiChildSupport portal and the Mobile App. Also, the Mobile App did not have an approved Authority to Operate (ATO) to go-live with the first planned release until later than planned, contributing further to the delay.

In addition, the MiChildSupport portal Application Programming Interface (APIs) being concurrently developed under a separate User Interface (UI) upgrade project, required significant re-design, additional effort, and elapsed time. This was necessary to support a mobile optimized user experience while maintaining the efficient functioning of both, the existing MiChildSupport self-service portal, and the mobile app.

SCOPE OF WORK:

Analysis, discussion, design, and review of approach to implementing the existing requirements has led to the redesign of planned APIs for better user experience. There are no specific changes to scope or updates to existing requirements. The Contractor will continue to assist the State with the same tasks and design support as in the original contract.

TASKS:

Technical support is required to assist with the following tasks:

- The Contractor will continue providing analysis, design, and implementation support per the original contract for the term.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Program Manager has formally accepted them. Deliverables for this project include as described in the payment schedule below.

PROJECT PLAN:

Key milestones based upon mutually agreed upon detail project plan provided below.

Release 2 Milestones	
Mobile App Configuration Completion	2/7/25
Mobile App Integration Completion	3/7/25
Mobile App Testing Completion	4/25/25
Mobile App Release 2 Go Live	5/19/25

Release 3 Milestones	
Mobile App Configuration Completion	8/11/25
Mobile App Integration Completion	9/12/25
Mobile App Testing Completion	12/10/25
Mobile App Release 2 Go Live	1/12/26

ACCEPTANCE CRITERIA:

Remains the same as the original contract

SPECIFIC DEPARTMENT STANDARDS:

Agency standards, if any, in addition to DTMB standards. No additional standards are included with this Change Notice.

PAYMENT SCHEDULE:

The only payment terms affected by this Change Notice are the Implementation Fees and the timing of the post-production warranty period. All other payment terms and conditions remain the same as in the original contract.

1. **Implementation Fees.** All costs associated with Implementation Services as described in Schedule A – Statement of Work are included below (e.g., configuration, integration, testing, etc.) (the “**Implementation Fees**”). All costs are firm fixed.

Phase	Payment Milestone / Deliverable	Schedule	Fee
Planning	Requirement Validation Document	Contract Execution + 6 weeks	\$50,000
Planning	Release Plan	Contract Execution + 6 weeks	\$50,000
Project Management	Project Workplan	Contract Execution + 8 weeks	\$47,000
Technical Architecture	System Architecture Design	Contract Execution + 8 weeks	\$47,000
Payment for Release activities will be monthly payments per month for the initial 12-month release time period.		Beginning Contract Execution + 10 weeks	\$98,000 per month
Deployment	Final Updated Operations Manual	Contract Execution + 6 weeks + 18 months	\$45,000
Project Completion	Project Complete	Contract Execution + 6 weeks + 19 months + 90 days	\$150,000
Initial Implementation Fees			\$1,565,000
Phase 3 Release per this Change Notice			
Release Activities (vendor has waived)		July 2025	\$0
Release Activities		August 2025	\$98,000
Release Activities		September 2025	\$98,000
Release Activities (vendor has waived)		October 2025	\$0
Release Activities		November 2025	\$98,000
Release Activities		December 2025	\$98,000
Release Activities (vendor has waived)		January 2026	\$0
Release 3 Sub-Total			\$392,000
Grand Total			\$1,957,000

EXPENSES:

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

The parties acknowledge that the System data and details in this change notice is supplementary to the original contract. All other terms and conditions remain the same as in the original contract.

PROJECT CONTACTS:

The designated Agency Program Manager is:

Pratin Trivedi
517-334-6560
trivedip@michigan.gov

The designated DTMB Program Manager is:

Duane Kerkstra
248-660-0132
kerkstrad@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 1

to

Contract Number MA240000000181

CONTRACTOR	Diona (US) Inc.
	925 S. Capital of Texas Highway Suite B-110
	Austin TX 78746
	Patricia Donaldson
	512-692-6817
	patricia.donaldson@diona.com
	VS0236573

STATE	Program Manager	Various	Various
	Contract Administrator	Robin Lampert	DTMB
		517-582-2746	
		LampertR1@michigan.gov	

CONTRACT SUMMARY				
Child Support Mobile App				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
April 23, 2024	April 22, 2029	5 - 12 Months	April 22, 2029	
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
☐		☐		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,764,567.00	\$128,196.00	\$2,892,763.00		
DESCRIPTION				
Effective April 23, 2024, this notice corrects the contract amount on the original posting to the amount approved by the State Administrative Board by adding the difference of \$128,196.00.				
Please note the DTMB Program Manager has changed from Dave Fox to Duane Kerkstra.				
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
MDHHS	Pratin Trivedi	517-930-5871	TrivediP@michigan.gov
DTMB	Duane Kerkstra	248-660-0132	kerkstrad@michigan.gov



STATE OF MICHIGAN PROCUREMENT

Department of Technology, Management, & Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **240000000181**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Diona (US) Inc.
	925 S. Capital Of Texas Highway Suite B-110
	Austin, Texas 78746
	Patricia Donaldson
	512-692-6817
	Patricia.donaldson@diona.com
	VS0236573

STATE	Program Manager	Various	
	Contract Administrator	Robin Lampert	DTMB
		517-582-2746	
		Lampertr1@michigan.gov	

CONTRACT SUMMARY

DESCRIPTION: Child Support Mobile App

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 23, 2024	April 22, 2029	5, 1-Year	April 22, 2029
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
P-card	Payment Request (PRC)	Other	Yes X No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
This Contract is awarded on the basis of the State's inquiry bearing the solicitation number ITN# 220000000067. Orders for delivery will be issued directly by the Departments through the issuance of a Delivery Order (DOIT1).			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION		\$2,764,567.00	

CONTRACT NO. 240000000181

Program Managers
For
Multi-Agency and Statewide Contracts

Agency	Name	Phone	Email
DHHS	Pratin Trivedi	(517) 930-5871	trivedip@michigan.gov
DTMB	Dave Fox	(517) 030-0972	foxd@michigan.gov

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date

SOFTWARE CONTRACT 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 Diona (US) Inc. (“**Contractor**”), A DELAWARE CORPORATION. This Contract is effective on April 23, 2024 (“**Effective Date**”), and unless terminated, will expire on April 22, 2029 (the “**Term**”).

This Contract may be renewed for up to five (5) additional one (1) year period(s). 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 a 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**.

“**Approved Third Party Components**” means all third-party components, including Open-Source Components, that are included in or used in connection with the Software and are specifically identified by the Contractor in the Contractor’s Bid Response or as part of the State’s Security Accreditation Process defined in Schedule E – Data Security Requirements.

“**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 provided that such Persons are employed by or engaged by the State to perform the role and functions of the State.

“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 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 Diona COTS Product 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 Schedule A or subsequent Change Notices.

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

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

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

“Contractor Project Manager” means the individual appointed by the Contractor and identified in Schedule A or subsequent Change Notices to serve as the primary contact with regard to services, to monitor and coordinate the day-to-day activities of this Contract, and to perform other duties as may be further defined in this Contract, including an applicable Statement of Work.

“Contractor’s Bid Response” means Contractor’s response to a solicitation from the State, including without limitation a response to a Request for Information (RFI) or an Invitation to Negotiate (ITN).

“Customization” means State-specific changes to the Diona COTS Product’s underlying Source Code or structural data model changes.

“Deliverables” means the Software, and all other documents and other materials that the 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 **Section 28**.

“Diona COTS Product” means the Diona commercial off the shelf product (together with any Maintenance Releases or New Versions provided to the State) known as Diona Child Support, which includes the Diona Configuration Manager, that has not been subject to any Configurations or Customizations.

“Diona COTS Product Support” means software maintenance and support for the State’s active Diona COTS Product Subscription as defined under Schedule H – Diona COTS Product Support.

“Disaster Recovery Plan” refers to the set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations and to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives.

“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 Diona COTS Product.

“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 21.1**.

“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 Diona COTS Product, including any updated Documentation, that the 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 Diona COTS Product.

“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 Diona COTS Product, 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 the 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.

“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 2.1 Level AA.

“Permitted Subcontractor” means any third party hired by the 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.

“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, the 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 the Diona COTS Product with any Customizations or Configurations made by or for the State, and all copies of the foregoing permitted under this Contract, also referred to as the DHHS Child Support Mobile App.

“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, ITN 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 Hosted” means the Hosted Services are not provided by the Contractor or one or more of its Permitted Subcontractors.

“State Materials” means all materials and information, including but not limited to documents, data, know-how, ideas, methodologies, specifications, software, content and technology, in any form or media, directly or indirectly provided or made available to the Contractor by or on behalf of the State in connection with this Contract.

“State Program Managers” are the individuals appointed by the State, or their designees, to (a) monitor and coordinate the day-to-day activities of this Contract; (b) co-sign off on Acceptance of the Software and other Deliverables; and (c) perform other duties as may be specified in a Statement of Work Program Managers will be identified in Schedule A or subsequent Change Notices.

“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 for the Software that the Contractor is required to or otherwise does provide to the State under Schedule D - Service Level Agreement.

“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(c)**.

“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 2.1 Level AA” means level AA of the World Wide Web Consortium Web Content Accessibility Guidelines version 2.1.

“Work Product” means all State-specific deliverables that the 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 but, at all times, excluding Diona COTS Product.

2. Duties of Contractor. The Contractor will provide Services and Deliverables pursuant to Statement(s) of Work entered into under this Contract. The 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**. The Contractor acknowledges that time is of the essence with respect to the 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 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 20 Business Days following receipt of a Change Request, the 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 the 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 the Contractor requires to carry out the Change.

(b) Within 30 Business Days following the State's receipt of a Change Proposal, the State will by written notice to the Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, the 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 15 Business Days following the State's response to a Change Proposal, the State may, in its discretion:

- (i) require the Contractor to perform the Services under a Statement of Work without the Change;
- (ii) require the Contractor to continue to negotiate a Change Notice;
- (iii) initiate a Dispute Resolution Procedure; or
- (iv) notwithstanding any provision to the contrary in a Statement of Work, terminate this Contract under **Section 16.1**.

(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, the Contractor must continue to perform its obligations in accordance with a Statement of Work pending negotiation and execution of a Change Notice. The 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 the Contractor to fulfill its associated warranty requirements and its Support Services under this Contract.

(f) The 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 the Contractor.

2.3 Contractor Personnel.

(a) The 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, the 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 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. The Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks. 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 the 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) The Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to the 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 the 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 The Contractor Project Manager. Throughout the Term of this Contract, the Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor Project Manager, who will be considered Key Personnel of Contractor.

(a) Contractor Project Manager must:

- (i) have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;
- (ii) be responsible for overall management and supervision of the Contractor's performance under this Contract; and

- (iii) be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.

(b) The Contractor Project Manager must attend all regularly scheduled meetings as set forth in the Implementation Plan and will otherwise be available as set forth in a Statement of Work.

(c) The Contractor will maintain the same Contractor Project Manager throughout the Term of this Contract, unless:

- (i) the State requests in writing the removal of Contractor Project Manager;
- (ii) the State consents in writing to any removal requested by Contractor in writing;
- (iii) Contractor Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.

(d) Contractor will promptly replace its Contractor Project Manager on the occurrence of any event set forth in **Section 2.4 (c)**. Such replacement will be subject to the State's prior written approval.

2.5 Contractor's Key Personnel.

(a) The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State Program Managers or their designees, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.

(b) Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for

cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 16.1**.

(c) It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to determine and remedy the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 16**, Contractor will issue to the State an amount equal to \$25,000 per individual (each, an "**Unauthorized Removal Credit**").

(d) Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection 2.5 (c)** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

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:
Robin Lampert 320 S. Walnut Lansing, MI 48909 Lampertr1@michigan.gov 517-582-2746	Patricia Donaldson 925 S. Capital Of Texas Highway Suite B-110 Austin, Texas 78746 patricia.donaldson@diona.com 917-865-0247

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

5. Software License. This license applies to Diona COTS Product.

5.1 Reserved.

5.2 Subscription License. The Diona COTS Product is licensed for use on a , subscription basis,

(a) Contractor hereby grants to the State, exercisable by and through its Authorized Users, a nonexclusive, royalty-free, irrevocable (save as provided in this Contract) right and license during the Term and such additional periods, if any, to use the Diona COTS Product, including in operation with other software, hardware, systems, networks and services in accordance with the terms of this Contract, ; provided that:

(b) The State is prohibited from reverse engineering or decompiling the Diona COTS Product, making derivative works, modifying, adapting or copying the Software except as is expressly permitted by this Contract or required to be permitted by law;

(c) The State is authorized to make copies of the Diona COTS Product for backup, disaster recovery, and archival purposes;

(d) The State is authorized to make copies of the Diona COTS Product to establish a test environment to conduct Acceptance Testing;

(e) Title to and ownership of the Diona COTS Product shall at all times remain with Contractor and/or its licensors, as applicable; and

(f) Except as expressly agreed in writing, the State is not permitted to sublicense the use of the Diona COTS Product or any accompanying Documentation.

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

5.4 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 Diona COTS Product. In addition, on receipt of the corresponding Fees by the Contractor, the State shall be licensed to use the Diona COTS Product as follows:

Licensed Purpose	The State may use the Diona COTS Product to provide Custodial and Non-Custodial Parties being served by the State with the ability to complete and submit applications and forms, access and submit information, and upload and submit documentation to State IT systems and perform other actions as the Diona COTS Product may allow through supported mobile devices so that the State can provide child support services to such individuals.
Mobile Platforms	The State may use the Diona COTS Product on the Android and iOS mobile platforms.
Number of Users	The State may use the Diona COTS Product for up to 1.5M Custodial or Non-Custodial Party being served by the State.

5.5 Use of the Diona COTS Product by the State or Authorized Users other than as set out above is not permitted by this Agreement. Unlimited Authorized Users may use the Diona Configuration Manager.

5.6 Certification. To the extent that a License granted to the State is not unlimited, Contractor may request written certification from the State regarding use of the Diona COTS Product for the sole purpose of verifying compliance with this **Section 5**. Such written certification may occur no more than once in any 24-month period during the Term of the Contract. The State will respond to any such request within 45 calendar days of receipt. If the State's use is greater than contracted, Contractor may invoice the State for any unlicensed use (and related support) pursuant to the terms of this Contract at the rates set forth in **Schedule B**, and the unpaid license and support fees shall be payable in accordance with the terms of the Contract. Payment under this provision shall be Contractor's sole and exclusive remedy to cure these issues.

5.7 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 agencies, 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 agencies, 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 agencies, 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. Third Party Components. At least 30 days prior to adding new Third Party Components, Contractor will provide the State with notification information identifying and describing the addition. Throughout the Term, on an annual basis, Contractor will provide updated information identifying and describing any Approved Third Party Components included in the Diona COTS Product.

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 or Configurations.

(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 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.

7.3 Nothing contained in this Contract shall restrict Contractor from the use of any general ideas, concepts, know-how, methodologies, processes, technologies, algorithms or techniques retained in the unaided mental impressions of Contractor’s personnel relating to the Services or Deliverables which Contractor has performed or delivered under this Contract even where part of any Work Product, provided that in doing so Contractor does not breach its obligations relating to confidentiality. This Section 7.3 shall survive termination or expiration of this Contract.

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 not 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. Contractor will provide such assistance for Site Preparation, as the State requests, to complete such preparation on a timely basis as set forth in a Statement of Work.

9. Software Acceptance Testing.

9.1 Acceptance Testing.

(a) Notwithstanding the provisions of this clause 9, the State is deemed to have accepted the Diona COTS Product on first installation of the Diona COTS Product.

(b) Unless otherwise specified in a Statement of Work, upon installation of the Software with applicable Work Product, Acceptance Tests will be conducted as set forth in this **Section 9.1** to ensure the Software conforms to the requirements of this Contract, including the applicable Specifications and Documentation.

(c) All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in a Statement of Work, commence on the Business Day following installation of the Software, or the receipt by the State of the notification in **Section 9.1**, and be conducted diligently for up to 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, or Maintenance Release or New Version, 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 this **Section 9**.

(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 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 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 Program Managers or their designees, 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 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 Program Managers or their designees.

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 the Contract. Redelivery will occur as promptly as commercially possible and, in any case, within 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** or **Section 9.3**, 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 with Work Product as a nonconforming deliverable, in which case the Fees for the related Services will be reduced equitably to reflect the value of the Work Product and Configurations as received relative to the value of the relevant Services; 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) will occur on the date that is the earliest of the State's delivery of a notice accepting the Software 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 non-Software Services and Deliverables 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 16.1**, 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 provide 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 party. 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.

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.

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 then due and 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 be in accordance with the Pricing set forth in the Pricing Schedule.

14. Liquidated Damages.

14.1 The parties understand and agree that any liquidated damages (which includes but is not limited to applicable credits) set forth in this Contract are reasonable estimates of the State's damages in accordance with applicable law.

14.2 The parties acknowledge and agree that Contractor could incur liquidated damages for more than one event.

14.3 The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause under **Section 16.1** and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages.

14.4 Amounts due the State as liquidated damages may be set off against any Fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.

15. Stop Work Order. Subject to the provision of a written stop work notice as described below, the State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. The notice must provide Contractor with as much notice to stop work as the

State is practically able to provide and the Contractor must comply with the stop work order after expiry of the notice period. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either:

- (a) issue a notice authorizing Contractor to resume work, or
- (b) terminate the Contract or delivery order.

Unless the Stop Work Order is issued due to performance deficiencies, the State will pay for Deliverables delivered or partially developed prior to the date of the suspension.

Subject to the paragraph above, the State will not pay for any activities that have been suspended, Contractor's lost profits or any additional compensation during a stop work period.

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, as determined by the State:
 - (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 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. If it is later determined that Contractor was not in breach of this Contract, the termination will be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in **Section 16.2**.

(c) The State will only pay for amounts due to Contractor for Services 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. Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Services from other sources.

16.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason or no 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 convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities to the extent the funds are available.

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.

(b) Contractor will follow the transition plan attached as **Schedule G** as it pertains to both transition in and transition out activities.

16.4 Contractor Suspension/Termination. If Contractor has a reasonable belief that the State has breached the license restrictions set out in Section 5 of this Contract, Contractor will provide written notice to the State of such breach or violation. Such notice will provide all information relating to the alleged breach, including all relevant records, logs, files, and other materials that led Contractor to believe that the State is in breach, and include the actions it believes the State must take to resolve the alleged breach. The State will cooperate with Contractor in investigating the incident and will take actions to cure any issues within timeframes that the State agrees in writing are appropriate, which may include temporarily suspending one or more individual user's use of the Software for a mutually agreed upon time period. If the State fails to take such actions that were agreed upon in writing, Contractor may terminate the Contract.

The State's payment obligations are not suspended during any investigation and cure 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) a third-party claim arising from 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 claim that the Diona COTS Product or the Work Product infringe, misappropriate, or otherwise violate s 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) to the extent resulting from such action or inaction.

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 Diona COTS Product, Work Product, or any component thereof, other than State Materials, is found to be infringing or if any use of any Diona COTS Product, Work Product, or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim or if Contractor determines that it is advisable as a result of a 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 Diona COTS Product, Work Product, and all of its components non-infringing while providing fully equivalent features and functionality.

18.3 In the event Contractor completes the activity described in Section 18.2 (b), the State agrees to cease use of the infringing or alleged infringing Diona COTS Product or Work Product and replace it with the replacement, if applicable.

18.4 If neither of the foregoing is possible notwithstanding Contractor's reasonable commercial 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, if permitted by the party claiming infringement, 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 6 months to allow the State to replace the affected features of the Software without disruption.

18.5 If Contractor directs the State to cease using any Software under **Section 18.**, the State may terminate this Contract for cause under **Section 16.1**. Unless the claim arose against the Software independently of any of the actions specified below, 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 The State's Disclaimer of Damages. THE STATE WILL NOT 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 The State's Limitation of Liability. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.

19.3 Contractor's Disclaimer of Damages. CONTRACTOR WILL NOT 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.

19.4 Contractor's Limitation of Liability. EXCEPT AS PROVIDED IN SECTION 19.5, IN NO EVENT WILL CONTRACTOR'S AGGREGATE LIABILITY TO THE STATE UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.

19.5 Exceptions. Subsection 19.4 (Contractor's Limitation of Liability) above, will not apply to: (i) Contractor's obligation to indemnify pursuant to subsection 17.1 (b) (Intellectual Property infringement) or subsection 17.1 (c) (bodily injury, death or damage to property) under this Contract; (ii) Contractor's obligations under this Contract pertaining to Loss or Compromise of State Data, and (iii) damages arising from Contractor's recklessness, bad faith, or intentional misconduct. Contractor's liability under (ii) for claims relating to

Contractor's obligations under this Contract pertaining to Loss or Compromise of State Data and under (iii) for damages arising from Contractor's recklessness, or bad faith shall be limited in the aggregate to the sum of US \$5 million.

Any requirements in this Contract for Contractor to maintain insurance coverage, and Contractor's maintenance of such insurance coverage, do not constitute a limit on Contractor's liability that is otherwise specified in Section 19.

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 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

- (ii) protected health information (“**PHI**”) collected, used, Processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act (“**HIPAA**”) and its related rules and regulations.

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, mine, distribute, commercially exploit, 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. Contractor's misuse of State Data may violate state or federal laws, including but not limited to MCL 752.795.

21.4 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 Program Managers or their designees 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.

21.5 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, integrity, or availability 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 24 hours of becoming aware of such occurrence;

(b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State;

(c) in the case of PII or PHI, at the State's sole election:

(i) 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 5 calendar days of the occurrence; or

(ii) reimburse the State for any costs in notifying the affected individuals;

(d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than 24 months following the date of notification to such individuals;

(e) perform or take any other actions required to comply with applicable law as a result of the occurrence;

(f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution;

(g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and

all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence;

(h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and

(i) provide to the State a detailed plan within 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.

21.6 The parties agree that any damages relating to a breach of this **Section 21**. are to be considered direct damages and not consequential damages.

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.

22.1 Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's

proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). 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 22.2**.

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 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 sanitization 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 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 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 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to request and receive documents and 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 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. A. 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:

Free of charge during the Warranty Period

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.

24. B. Diona COTS Product Support - Contractor will provide Diona COTS Product Support, as set forth in Schedule H, for as long as the State elects to receive Diona COTS Product Support, in consideration of the State's payment of the Fee for such Support 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 training set forth in a Statement of Work.

27. Maintenance Releases; New Versions

27.1 Maintenance Releases. Provided that the State is current on its Fees and has a current Diona COTS Product Subscription with Diona COTS Product Support, Contractor will provide the State, at no additional charge, with all Maintenance Releases, each of which will constitute Diona COTS Product and be subject to the terms and conditions of this Contract.

27.2 New Versions. Provided that the State is current on its Fees and has a current Diona COTS Product Subscription with Diona COTS Product Support, Contractor will provide the State, at no additional charge, with all New Versions, each of which will constitute Diona COTS Product 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. The State's decision not to install or implement a Maintenance Release or New Version of the Diona COTS Product will not affect its right to receive Support Services or Diona COTS Product Support throughout the Term of this Contract,

provided that Contractor is only required to product Diona Product Support for its current versions of Diona COTS Product and up to two prior versions.

28. Source Code Escrow

28.1 Escrow Contract. The parties may enter into a separate intellectual property escrow agreement. Such escrow agreement will govern all aspects of Source Code escrow and release. The cost of the escrow will be the sole responsibility of Contractor.

28.2 Deposit. Within 30 business days of the Effective Date, Contractor will deposit with the escrow agent, pursuant to the procedures of the escrow agreement, the Source Code for the Diona COTS Product, as well as the Documentation and names and contact information for each author or other creator of the Diona COTS Product. Promptly after release of any update, upgrade, patch, bug fix, enhancement, new version, or other revision to the Diona COTS Product, Contractor will deposit updated Source Code, documentation, names, and contact information with the escrow agent.

28.3 Verification. At State's request and expense, the escrow agent may at any time verify the Deposit Material, including without limitation by compiling Source Code, comparing it to the Diona COTS Product, and reviewing the completeness and accuracy of any and all material. In the event that the Deposit Material does not conform to the requirements of **Section 28.2** above:

(a) Contractor will promptly deposit conforming Deposit Material; and

(b) Contractor will pay the escrow agent for subsequent verification of the new Deposit Material. Any breach of the provisions of this **Section 28.3** will constitute material breach of this Contract, and no further payments will be due from the State until such breach is cured, in addition to other remedies the State may have.

28.4 Deposit Material License. Contractor hereby grants the State a license to use, reproduce, and create derivative works from the Deposit Material, provided the State may not distribute or sublicense the Deposit Material or make any use of it whatsoever except for such internal or governmental uses as necessary to maintain and support the Diona COTS Product. Copies of the Deposit Material created or transferred pursuant to this Contract are licensed, not sold, and the State receives no title to or ownership of any copy or of the Deposit Material itself. The Deposit Material constitutes Confidential Information of Contractor pursuant to **Section 22** (Non-disclosure of Confidential Information) of this Contract (provided no provision of **Section 22.4** calling for return of Confidential Information before termination of this Contract will apply to the Deposit Material).

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 Contractor's Bid Response. Contractor represents and warrants to the State that:

(a) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Contractor for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Contractor to the solicitation; and no attempt was made by Contractor to induce any other Person to submit or not submit a proposal for the purpose of restricting competition;

(b) All written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's Bid Response, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading;

(c) Contractor is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the

State within the previous 5 years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract; and

(d) If any of the certifications, representations, or disclosures made in Contractor's Bid Response change after contract award, the Contractor is required to report those changes immediately to the Contract Administrator.

29.3 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 Diona COTS Product, 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 Diona COTS Product, 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 Diona COTS Product, 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 Diona COTS Product, Work Product, and Services do not and will not at any time during the Term contain any:

(i) Harmful Code; or

(ii) Third party or Open-Source Components that operate in such a way that it is developed or compiled with or linked to any third party or Open-Source Components, other than Approved Third Party 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 Diona COTS Product 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.

(j) when the Operating Environment (or any successor thereto) is configured and operating in accordance with the Documentation, all Diona COTS Product 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 the Documentation, will have a material adverse effect on the functionality or operability of the Diona COTS Product and Configurations.

(m) all Configurations or Customizations made during the Term will be forward-compatible with future Maintenance Releases or New Versions.

(n) 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;

(o) 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.

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

30. Offers of Employment. During the first 12 months of the Contract, should Contractor hire an employee of the State, without prior written consent of the State, who has substantially worked on any project covered by this Contract. The Contractor will be billed for 50% of the employee's annual salary in effect at the time of separation.

31. 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 provides Services and Deliverables in connection with this Contract.

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

33. 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, 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.

34. 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.

35. 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.

36. 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.

37. Force Majeure

37.1 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.

37.2 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 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.

37.3 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** (Non-Disclosure of Confidential Information), or **17** (Indemnification) of the Contract, Disaster Recovery and Backup requirements set forth in the Service Level Agreement, Availability Requirement (if Contractor Hosted) defined in the Service Level Agreement, or any data retention or security requirements under the Contract.

38. 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 or Program Managers. 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 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.

39. 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.

40. 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.

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

42. Survival. Any right, obligation, or condition that, by its express terms or nature and context is intended to survive, will survive the termination or expiration of this Contract; such rights, obligations, or conditions include, but are not limited to, those related to transition responsibilities; indemnification; disclaimer of damages and limitations of liability; State Data; non-disclosure of Confidential Information; representations and warranties; insurance and bankruptcy.

43. Reserved

44. Reserved

45. 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.

46. HIPAA Compliance. The State and Contractor must comply with all obligations under HIPAA and its accompanying regulations, including but not limited to entering into a business associate agreement, if reasonably necessary to keep the State and Contractor in compliance with HIPAA.

47. Accessibility Requirements.

47.1 All Software provided by Contractor under this Contract, including associated content and documentation, must conform to WCAG 2.1 Level AA. Contractor must provide a description of conformance with WCAG 2.1 Level AA specifications by providing a completed PAT for each product provided under the Contract. At a minimum, Contractor must comply with the WCAG 2.1 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 2.1 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 2.1 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.

47.2 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 2.1 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.

47.3 Warranty. Contractor warrants that all WCAG 2.1 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 2.1 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**.

47.4 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

47.5 Failure to comply with the requirements in this **Section 47** shall constitute a material breach of this Contract.

48. 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.

49. Relationship of the Parties. The relationship between the parties is that of independent contractors. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Neither party has authority to contract for nor bind the other party in any manner whatsoever.

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

51. 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.

52. 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.

53. 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.

54. 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 C	Insurance Requirements
Schedule D	Service Level Agreement
Schedule E	Data Security Requirements
Schedule F	Transition In and Out
Schedule G	Federal Provisions Addendum
Schedule H	Diona COTS Product Support

55. 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.

56. 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

This schedule identifies the requirements of the Contract.

The Contractor must meet each requirement.

1. DEFINITIONS

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

Term	Definition
Address Type	A specific address (such as a payroll address, mailing address, or pension plan address) designated by the source of income to receive specific documents. Address type choices on the Member Address History (AHIS) screen in MiCSES are: A – Alternative (used in family violence situations) L– Legal (Service) M– Mailing O– Other P– Payroll R– Residential W– Work
Administrative Adjustment	A change in an amount not ordered by the court. For example, IV-D staff and MiCSES perform administrative adjustments for arrears withholdings based on the Michigan Child Support Formula.
Administrative Lien	A lien filed by an administrative agency without judicial intervention
Administrative Offset	The process of withholding all, or part, of administrative payments (any non-tax-related payment) that is paid by the federal government to a person or entity that owes an outstanding delinquent non-tax debt to the government, and applying the funds to reduce or satisfy the debt
Affidavit of Parentage	Form that legally establishes paternity.
Alternative Address	The alternative address is a non-confidential address supplied by a party whose other address information is confidential. The alternative address is an address for that party to receive information and should be disclosed in the same manner as an unprotected address.
Arrearage	Past-due, unpaid support owed by the non-custodial parent (NCP). If the NCP has arrearages, (s)he is said to be "in arrears."
Assets	Property of kinds, real and personal, tangible and intangible.

AVR	Ref: Automated Voice Response System. Also known as Interactive Voice Response (IVR) system.
Bankruptcy	A legal process provided by federal law that allows financially distressed individuals or businesses to be released from their legal obligation to repay some or all of their debts. There are four types of bankruptcy. Ref: Chapter 7, Chapter, 11, Chapter 12, and Chapter 13.
Bench Warrant	An order issued by a court calling for the immediate arrest of a person so (s)he can be brought before the court. Usually issued when a person fails to appear in court.
CAR	Ref: Court Action Referral
Case	A collection of people associated with a particular child support order, court hearing, and/or request for IV-D services. This typically includes a custodial party (CP), a dependent(s), and a non-custodial parent (NCP) and/or putative father (PF). Every child support case has a unique case ID number and, in addition to names and identifying information about its members, includes information such as CP and NCP wage data, court order details, and NCP payment history.
Case ID	Unique identification number assigned to a case.
Case Member	Participant in a child support case; a member can participate in more than one case
Case Status	Identifies the current status of the case (e.g., open, closed, etc.).
Central Registry (CR)	A centralized unit maintained by every state IV-D agency that is responsible for receiving, distributing and responding to inquiries on interstate IV-D cases
Centralized Collection Unit	A single, centralized site in each state IV-D agency to which employers can send child support payments they have collected for processing. This centralized payment-processing site is called the state disbursement unit (SDU) and is responsible for collecting, distributing and disbursing child support payments
Certified Arrears	Arrears submitted to the IRS that meet the requirements for the Federal Tax Refund Offset (FTRO) program.
Child Support Enforcement Network (CSENet)	State-to-state telecommunications network that transfers detailed information between states' automated child support enforcement systems

Consumer Credit Agency (CCA)	Private agency that a state can use to locate obligors to establish and enforce child support
Consumer Credit Protection Act (CCPA)	Federal law that limits the amount that may be withheld from earnings to satisfy child support obligations. States are allowed to set their own limits provided they do not exceed the federal limits. Regardless of the number or withholding orders that have been served, the maximum that may be withheld for child support is: Without arrearage -50% with a second family, 60% Single With Arrearage -55% with a second family and 12+ weeks in arrears, 65% Single 12+ weeks in arrears
Custodial Party	The person who has primary care, custody, and control of the child(ren). Can also be a relative or other person with legal custody of the child.
Credit Reporting	The reporting of the name and amount of arrears for payers with past-due support to a consumer credit reporting agency
Credit Reporting Agency (CRA)	An organization that collects, stores, maintains and distributes consumer credit information. Credit reporting agencies can include but are not limited to National Credit Reporting Agencies such as Experian, Equifax, TransUnion, Innovis, their affiliates, and mortgage reporting companies.
CSENet	Ref: Child Support Enforcement Network
Data Warehouse (DW)	A collection point for locate information derived from various state and federal agencies such as the Department of Treasury, Department of Corrections, and Department of Natural Resources, to name just a few
Disability Income	Income paid to an employee unable to work due to a disability. The income is often paid by a third party (i.e., not directly by the employer). This definition does not include workers' compensation benefits.
Docket	A formal brief record of the proceedings and filings in a court or administrative hearing. The docket should contain the names of the parties and the minutes of every proceeding in the case. It is kept by the clerk of the court. For the child support program, a docket may include a support order and will define the terms such as types of obligations, medical support, parenting time provisions, and income withholding requirements
Docket Number	The number the court assigns to the docket. In Michigan, all court orders and support orders have docket numbers.

	The docket number is a unique number assigned by the court clerk and is specific to the county. A docket with the same number may be found in another county. MiCSES uses various field names for a "docket number" on different screens; for example: Docket No., Docket ID, and Court Case No.
Electronic Income Withholding (e-IWO) Employer Acknowledgment File	The file SOIs send to the state through the federal e-IWO System, notifying the state of: • e-IWOs accepted or rejected by the SOI; • Employee terminations; • Suspension status; and • Lump-sum payments.
Electronic Income Withholding (e-IWO) System	The federal site and processes through which states and employers exchange electronic income withholding information. The e-IWO System is also referred to as the e-IWO Portal.
Electronic Income Withholding Notice (e-IWN)	An IWN sent to the employer electronically as a data file rather than as a paper notice via mail. An e-IWN is also referred to as an e-IWO, particularly by the Office of Child Support Enforcement (OCSE), other states, and employers.
Escheat/Escheatment	To send money to the Department of Treasury when attempts to either disburse or return payments to an individual have been unsuccessful. The reverting of real property to the state as original and ultimate proprietor by reason of a failure of persons legally entitled to hold the same.
Federal Case Registry (FCR)	A national database of information on individuals in all IV-D cases and all non-IV-D cases entered or modified on or after 10/01/1998; case information is received on a daily basis from state case registries in every state.
Federal Information Processing (FIPS) Code	Numeric identifiers for countries, tribes, states, counties and cities.
Federal Offset Program (FOP)	Federal Offset Program (FOP). Combined programs that include the Federal Tax Refund Offset (FTRO), Passport Denial, Multi-State Financial Institution Data Match (MSFIDM), and Administrative Offset programs are commonly referred to as the FOP.
Federal Parent Locator Service (FPLS)	A computerized national location network operated by the federal Office of Child Support Enforcement (OCSE). FPLS obtains address and employer information as well as data on child support cases in every state, compares them, and returns matches to the appropriate states. This helps state and local child support enforcement agencies locate non-custodial parents and putative fathers for the

	purposes of establishing custody and visitation rights, establishing and enforcing child support obligations, investigating parental kidnapping, and processing adoption or foster care cases.
Federal Tax Information (FTI)	Federal terminology used in the Internal Revenue Code (IRC) and IRS publications to describe tax return information. This information includes any taxpayer-identifying information or any taxpayer identification information and the refund intercept amount. The IRS and the Michigan Department of Treasury provide tax return information to the Michigan Title IV-D program. For purposes of the Michigan Title IV-D program, tax return information is defined as the receipts in MiCSES that are from an offset to an individual's Federal tax refund, amount and date of offset and any hard copies showing these offsets. All persons who access/use/store this information must keep the tax return information confidential. Personal penalties apply to anyone who discloses confidential tax return information For more details on Internal Revenue Service (IRS) and Office of Child Support confidentiality requirements and State of Michigan Tax Return Information, see Action Transmittal (AT) 2008-022, Internal Revenue Service (IRS) and State of Michigan Tax Return Information – Mandatory Action.
Federal Tax Refund Offset Program (FTRO)	Program that collects past-due child support amounts from non-custodial parents through the interception of their federal income tax refund or an administrative payment, such as federal retirement benefits. This program also incorporates the Passport Denial Program, which denies U.S. passports at the time of application when the applicant's child support debts exceed \$2,500. In the future, the program will expand to include the revocation and/or restriction of already issued passports. The cooperation of states in the submittal of cases for tax interception is mandatory, while submittal of cases for administrative interception is optional. The Federal Tax Refund Offset program is operated in cooperation with the Internal Revenue Service, the U.S. Department of Treasury's Financial Management Service (FMS), the U.S. Department of State, and State Child Support Enforcement (CSE) agencies.
FEIN	Federal Employer Identification Number

FIDM	Financial Institution Data Match. The process of matching information on delinquent obligors against records of their financial accounts with financial institutions.
FIPS Code	Ref: Federal Information Processing Standard (FIPS) Code.
FOP	Ref: Federal Offset Program (FOP)
FPLS	Ref: Federal Parent Locator Service.
FTI	Federal Tax Information, as defined by the Internal Revenue Service (IRS). This acronym was previously referred to as Federal Tax Intercept in CSES.
FTO	Federal Tax Refund Offset. Now known as FTRO. Ref: Federal Tax Refund Offset program
FTRO	Ref: Federal Tax Refund Offset program.
FTRO Qualifying Debt Types	Federal Tax Refund (FTRO) Qualifying Debt Types
ICDM Coordinator	The Insurance Claims Data Match (ICDM) Coordinator is a designated Friend of the Court staff member who is responsible for communicating with Office of Child Support Central Operations staff on lien and levy matters.
ICR	Ref: Interstate Central Registry.
IIW	Ref: Interstate Income Withholding Order.
Incarceration	The act of confining someone in a jail or penitentiary
Income Withholding	Procedure by which automatic deductions are made from wages or income, as defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, to pay a debt such as child support. Income withholding often is incorporated into the child support order and may be voluntary or involuntary. The provision dictates that an employer must withhold support from a non-custodial parent's wages and transfer that withholding to the appropriate agency (the Centralized Collection Unit or State Disbursement Unit). Sometimes referred to as wage withholding.
Income Withholding Notice (IWN)	The notice sent to a source of income, directing it to withhold income in accordance with a support order. There is only one federally recognized withholding form:

	Income Withholding for Support, and that is the form that Michigan uses. Web sites and other material may use general terms such as "IWN," "IWO," "order," and "notice" in reference to this form.
Income Withholding Order	Ref: Income Withholding Notice
Insurance Claims Data Match (ICDM)	A data-matching process that identifies delinquent child support obligors with claims filed with insurance companies and workers' compensation benefits
Intercept	A method of securing child support by taking a portion of non-wage payments made to a non-custodial parent. Non-wage payments subject to interception include federal tax refunds, state tax refunds, unemployment benefits, and disability benefits.
Intergovernmental Child Support Case	A case in which the dependent child and non-custodial parent live in different states, territories, foreign countries, or Tribal nations.
Intergovernmental Referral Guide (IRG)	An online compilation of questions and answers in which state and Tribal Child Support Enforcement (CSE) agencies and the federal Office of Child Support Enforcement (OCSE) provide updated state and Tribal CSE information.
Interstate Case	Case in which the dependent child and non-custodial parent live in different states, or a situation in which two or more states are involved in a case activity such as enforcement.
Interstate Case Reconciliation	An Office of Child Support Enforcement (OCSE) program that matches cases that two states may have in common, identifies missing or incorrect data, and provides corrected data back to the states. This data includes case ID, case status, and participant information.
Interstate Central Registry (ICR)	A centralized unit maintained by every state IV-D agency that is responsible for receiving, distributing, and responding to inquiries on all incoming interstate IV-D cases.
Interstate Income Withholding Order (IIW)	An order entered to secure payment of support through an employer in another state.
IRG	Ref: Intergovernmental Referral Guide.
IV-D	Reference to Title IV-D of the Social Security Act, which required that each state create a program to locate non-custodial parents (NCPs), establish paternity, establish,

	and enforce child support obligations, and collect and distribute support payments. The IV-D agency for the state of Michigan is the Office of Child Support, in the Department of Health and Human Services. All recipients of public assistance (including Temporary Assistance for Needy Families [TANF], Medicaid, Foster Care, Food Assistance, Child Development and Care) are referred to their state's IV-D child support program and must cooperate in order to identify and locate the NCP, establish paternity and/or a child support order, and/or obtain child support payments. This allows the state to recoup or defray some of its public assistance expenditures with funds from the NCP. Ref: Cooperation/Noncooperation. States must also accept applications from families who do not receive public assistance, if requested, to assist in collection of child support. Title IV-D also established the federal Office of Child Support Enforcement.
IV-D Case	A child support case in which either parent, the custodial party (CP), or a third-party custodian, or the non-custodial parent (NCP) receives (or previously received) public assistance benefits and has requested or received IV-D services from the state's IV-D agency. An IV-D case is composed of a CP, NCP or putative father, and dependent(s). An IV-D case may or may not have a court order attached.
IV-D Data Systems	IV-D computer systems that contain confidential information. These systems include, but are not limited to, MiCSES, Data Warehouse, TierTrac, and the Child Support Enforcement System (CSES).
IV-D Program	A child support program established under Title IV, Part D of the Social Security Act to locate parents, establish paternity and child support orders, enforce those orders, and collect and distribute child support.
IVR	Ref: Interactive Voice Response.
IWN	Ref: Income Withholding Notice
IWO	Ref: Income Withholding Order.
Last Known Address (LKA)	Identifies the last known address of a participant in a IV-D case.

Last Known Verified Address	The most recent verified address on MiCSES. If there is a non-end-dated “Y” action code (which means a Verified Good address) for the address type, this is the most recent address.
Law Enforcement Information Network (LEIN)	The database that statewide law enforcement agencies use for state and federal criminal information. MiCSES exchanges bench warrant information with LEIN.
License Suspension	The legal process of restricting a person's occupational, drivers, or recreational or sporting license by the issuing regulatory agency or secretary of state.
Lien	A charge upon real or personal property for the satisfaction of some debt or duty ordinarily arising by operation of law.
Locate	Process by which a non-custodial parent (NCP) or putative father (PF) is found for the purpose of establishing paternity, establishing and/or enforcing a child support obligation, establishing custody and visitation rights, processing adoption or foster care cases, and investigating parental kidnapping.
Locate Information	Locate is the process by which a custodial party (CP), non-custodial parent (NCP) or putative father (PF) is found for the purpose of establishing paternity, establishing and/or enforcing a child support obligation, establishing custody and visitation rights, processing adoption or foster care cases, and investigating parental kidnapping. Locate, also called member locate, refers to the ability to find and maintain valid address and/or employment information on individuals associated to child support cases.
Locate Status	A member must be "identified" in order to have a locate status and for automated locate activities to function on MiCSES. A member is considered "identified" when a first and last name and a Social Security number or a date of birth are entered into MiCSES. Once a member is identified, MiCSES considers the member located if either a valid mailing or residential address or a valid employer exists for the member. A valid mailing or residential address has a status of “Confirmed/Verified Good” on the Member Address History (AHIS) screen. A valid employer has a status of “Confirmed/Verified Good” on the Member Employment History (EHIS) screen
Lottery Intercept	A program in which the state certifies child support arrears to the State Lottery, which then will intercept lottery

	winnings of over \$500 from the payer to be applied to the arrears.
Lump Sum Payment	An employer payment such as a bonus, commission or severance.
Medical Coverage	Medical coverage is any health coverage provided for a child or children, including: (1) private health insurance, (2) publicly funded health coverage, (3) cash medical support, or (4) payment of medical bills (including dental or eye care). Medical coverage may be provided by the custodial party, non-custodial parent, or other person, such as a stepparent
Medical Support	There are several different kinds of medical support that may be court ordered. The first, known as Health Insurance Premium Supplement, is included in the guideline's calculation as an adjustment to the child support obligation (CS debt type). This is where medical or dental insurance coverage is paid by the non-custodial parent (NCP) or possibly the custodial party (CP). The second kind of medical support is Medical Support – Client (MS Debt type). The IV-D worker uses the MS code when there is an ongoing charge to pay for the medical care of a child. State Court Administrative Office (SCAO) documentation refers to this as ordinary medical. Ref: Ordinary Medical. A third type of medical support is for medical reimbursement (MR debt type). The IV-D worker uses the MR code when the court orders one parent to reimburse a specific medical expense incurred by the other parent or custodian, on behalf of a child. Friends of the Court (FOCs) do not use this to directly pay the medical expenses to a third party. FOCs use this to reimburse a parent or custodian. Depending on the court order, medical support can be an NCP's sole financial obligation, or it can be one of several obligations, with child support and/or spousal support being the others.
Michigan State Disbursement Unit (MiSDU)	Michigan's single site where all child support payments are processed; the designated site to which all withheld child support payments should be sent for processing and distribution in Michigan IV-D case
Michigan Unemployment Insurance Agency (MUIA)	The Michigan Unemployment Insurance Agency handles unemployment claims and benefits for Michigan workers. It is administered under the Michigan Department of Talent and Economic Development (TED) Talent Investment Agency (TIA).

MiCSES	Michigan Child Support Enforcement System. The statewide child support computer system in Michigan.
MSFIDM	Ref: Multi-State Financial Institution Data Match.
MSO	Ref: Monthly Support Obligation.
Multi-State Employer	An organization that hires and employs people in two or more states. The multi-state employer conducts business within each state, and its employees are required to pay taxes in the state where they work. As with single-state employers, multi-state employers are required by law to report all new hires to the State Directory of New Hires (SDNH). However, unlike single-state employers, they have the option to report all their new hires to the SDNH of one state in which they do business (not each individual state).
Multi-State Financial Institution (MSFI)	A financial institution conducting business in two or more states.
Multi-State Financial Institution Data Match (MSFIDM)	Process created by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 by which delinquent child support obligors are matched with accounts held in financial institutions doing business in more than one state. States submit data to the Office of Child Support Enforcement (OCSE) on a non-custodial parent (NCP) and his/her arrearage and indicate whether the NCP should be submitted for MSFIDM. OCSE ensures the accuracy of the data and transmits the file to staff of participating multi-state financial institutions, who match the information against their open accounts and return matches to the appropriate states. These states can then undertake action to place a lien on and seize all or part of the account
National Automated Clearinghouse Association (NACHA)	The association that establishes the standards, rules and procedures that enable financial institutions to exchange payments on a national basis.
National Directory of New Hires (NDNH)	A national database containing New Hire (NH) and Quarterly Wage (QW) data from every state and federal agency and unemployment insurance (UI) data from State Employment Security Agencies (SESAs). Data contained is first reported to each state's State Directory of New Hires (SDNH) and then transmitted to the NDNH. The Office of Child Support Enforcement (OCSE) maintains

	the NDNH as part of the expanded Federal Parent Locate Service (FPLS).
Non-Custodial Party	The parent who does not have primary care, custody, or control of the child, and who may have an obligation to pay child support. Also referred to as the obligor.
Negative Offset Process	The negative offset process reverses a receipt that distributed and disbursed to the state in the past, and either places the backed-out money on hold or applies the money to a worker-designated debt type recipient. This process can only be executed once against a particular receipt and is limited by the total amount sent and retained by the state. This functionality is currently only operational for state-retained collections under the Temporary Assistance for Needy Families (TANF) program. It will also be operational for Medicaid recoupments, after June 15, 2017.
New Hire Reporting	Program that requires all employers to report newly hired employees to the State Directory of New Hires (SDNH) in their state. This data is then submitted to the National Directory of New Hires (NDNH), where it is compared against child support order information contained in the Federal Case Registry for possible enforcement of child support obligations by wage garnishment. Some data is also made available to states to find new hires who have been receiving unemployment insurance or other public benefits for which they may no longer be eligible. This helps states reduce waste and fraud.
NH	New Hire
NSF	Ref: Non-Sufficient Funds.
Obligation	Amount of money to be paid for a specific debt type by a non-custodial parent. Can take the form of financial support for the child, medical support, or spousal support. An obligation is a recurring, ongoing court-ordered amount.
Obligee	The person, state agency or other institution to which child support is owed. Also referred to as a custodial party when the money is owed to the person with primary custody of the child.
Obligor	The person who is obligated to pay child support. Also referred to as the non-custodial parent.

OCS	Ref: Office of Child Support.
Office of Child Support (OCS)	The division of Department of Health and Human Services (DHHS) (formerly the Family Independence Agency) that administers the IV-D system in Michigan.
Office of Child Support Enforcement (OCSE)	The federal agency responsible for the administration of the child support program. Created by Title IV-D of the Social Security Act in 1975, OCSE is responsible for the development of child support policy; oversight, evaluation, and audits of state child support enforcement programs; and providing technical assistance and training to the state programs. OCSE operates the Federal Parent Locator Service (FPLS)
OTHP ID	Other party identification. There is a MiCSES assigned ID number for OTHP records. This ID allows quick reference to other party information from other screens in the system. Information for an OTHP ID includes name and address information of an entity (employers, attorneys, insurance companies, banks, court locations etc.) other than a case member. This information is maintained on the Other Party Information (OTHP) screen.
PA	Ref: Prosecuting Attorney.
PAA	Ref: Permanently Assigned Arrears.
Parent Locator Service (PLS)	The office within the Department of Health and Human Services Office of Child Support that performs tasks to identify the residence and/or employment status of absent parents
Passport Denial Program	Program created by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 that is operated under the auspices of the Federal Tax Refund Offset Program. Under the Passport Denial Program, obligors with child support arrearages of at least \$2,500 that are submitted to the federal Office of Child Support Enforcement (OCSE) for tax refund offset are forwarded to the U.S. Department of State, which "flags" the obligor's name and refuses to issue a passport in the event the obligor applies for one or renews. After the obligor makes arrangements to satisfy the arrears, the state can decertify him/her with OCSE, which then requests that the State Department remove him/her from the program. This program is automatic, meaning that any obligor who is

	eligible will be submitted to the State Department unless the state submitting the case for tax offset specifically excludes him/her from the Passport Denial Program.
Pass-Through Receipts	Receipts that do not change the overall balance on the docket. For example, state refunds in which the State was overpaid, and the Friend of the Court (FOC) received a Support Collection Payment Request (DHS-820) back from the State. This money is redirected to the family, and it is processed as a pass-through receipt. The overall balance is not changed; the non-custodial parent will be credited twice for the payment. Pass-through receipts include these receipt source types: 6– State Refund (820 Automatic) 7– Legacy Check Reissue 8– CSES Converted Holds 9– Negative Tax Offset
Perfect/Perfection of a Lien	When a lien is processed, and notice is properly given to the appropriate party.
Postal Verification	Confirmation by the post office in determining the current address of an individual.
Pre-Offset Notice	A Pre-Offset Notice is sent to payers to inform them that they have been submitted for offset. Pre-Offset Notices are sent to the payer for each tax year. The federal Office of Child Support Enforcement (OCSE) produces Pre-Offset Notices for the Federal Offset Program. Because the FTRO, Passport Denial, and MSFIDM processes are continuous throughout the year, allowing the payer to be added, updated, deleted, and added again throughout the year, the federal Pre-Offset Notice is sent only once every 365 days for any payer added to the Federal Offset Program process. Combined, the FTRO, Passport Denial, MSFIDM, and Administrative Offset programs are commonly referred to as the Federal Offset Program. Michigan’s Department of Health and Human Services (DHHS) produces the Pre-Offset Notices for STRO. However, the state “pre-offset” file is sent to DHHS approximately 45 days before the state “add” file is sent to the Michigan Department of Treasury. This allows the payer to contact the Friend of the Court and pay the balance of his/her accounts. Therefore, the state “add” file may contain a subset of payers who were included in the state “pre-offset” file. The payer’s address that is submitted and used for a Pre-Offset Notice comes directly from MiCSES.

Quarterly Wage Data (QW)	Data on all employees that must be submitted by employers on a quarterly basis to the State Employment Security Agency (SESA) in the state in which they operate. This data is then submitted to the National Directory of New Hires (NDNH). Minimum information must include the employee's name, address, Social Security number (SSN), wage amount and the reporting period as well as the employer's name, address, and Federal Employer Identification Number (FEIN). The data is then compared against child support order information contained in the Federal Case Registry (FCR) for possible enforcement of child support obligations by wage garnishment. Federal agencies report this data directly to the NDNH
Repost	Reposting a backed-out payment re-receipts the money into MiCSES with the intention of correcting the error and identifying the correct final recipient of the payment. A repost completes the process initiated with a back-out. Select staff at the Michigan State Disbursement Unit (MiSDU) or at Central Operations can perform reposts if the receipt was entered into MiCSES centrally.
SCAO	Ref: State Court Administrative Office.
Single State Financial Institution Data Match (FIDM)	Process by which delinquent child support obligors are matched with accounts held in financial institutions doing business in only one state.
SPLS	Ref: State Parent Locator Service.
SQL	Structured Query Language; also pronounced "sequel." Used to view and verify data in relational tables.
SSA	Social Security Administration
SSI	Supplemental Security Income for the Aged, Blind, and Disabled (Title XVI).
SSN	Social Security Number.
SSS	Selective Service System; a file of those registered for the draft, used as a Federal Parent Locator Service (FPLS) resource
STO	State Tax Offset, now known as STRO – State Tax Refund Offset. Ref: Tax Offset.

STRC	State Tax Refund Offset. The STRO program offsets or intercepts state income tax refunds owed to non-custodial parents and sends the refund to the Office of Child Support, in a similar manner as the Federal Tax Refund Offset (FTRO) process. Ref: State Tax Refund Offset Qualifying Debt Types.
SURG	Effective with the MiCSES 5.0 Release (May 2008), SURG (Excess URG) is a system-determined suspense hold code based on receipts distributed to Temporary Assistance for Needy Families (TANF) that exceed the Unreimbursed Grant (URG) balance
Suspense (MiCSES)	Monies that cannot be identified, directed to a case/county, or disbursed to a party are held within MiCSES.
TANF	Ref: Temporary Assistance for Needy Families.
Tax Intercept	The activity of redirecting state and/or federal income tax refunds to pay for support arrearages, based on specific criteria. The money collected may go to the state to recover unreimbursed grants or to the custodial party. Also known as tax offset.
Tax Offset	The activity of redirecting state and/or federal income tax refunds to pay for support arrearages, based on specific criteria. The money collected may go to the state to recover unreimbursed grants or to the custodial party. Also known as tax intercept.
Tax Return Information	For purposes of the Michigan Title IV-D program, tax return information is defined as the receipts in MiCSES that are from an offset to an individual's tax refund, amount and date of offset and any hard copies showing these offsets.
Third-Party Liability (TPL)	A category under which the state pays the difference between the amount of the medical bill and the amount the insurance company has paid. This occurs only when a public assistance recipient has medical insurance in addition to coverage provided by the public assistance program.
Unclaimed Funds	A support payment that cannot be disbursed because the identity of the payer is unknown or the address of the payee is unknown. Ref: Escheat.
USPS	United States Postal Service.

VA	Veterans Administration; a file of persons receiving or applying for veterans benefits used as a Federal Parent Locator Service (FPLS) resource.
Verified Address	A legal address is “verified” after it has been changed by the court in the court records. For a definition of a “Verified Address” for mailing and residential addresses, refer to Action Transmittal (AT) 2008-034, REVISED: Maintenance and Verification of Case Data on mi-support

2. BACKGROUND

Congress enacted Title IV-D of the Social Security Act, creating the child support enforcement program and the federal Office of Child Support Enforcement (OCSE) in 1975. The program’s purpose is to locate non-custodial parents (NCPs) along with their income and assets, establish paternity, establish, and enforce court-ordered support for children, and collect and disburse child support payments. OCSE oversees state program administration of the program and administers federal funding.

State Title IV-D Child Support Agencies manage and operate child support programs. The Michigan Department of Health and Human Services, Office of Child Support (MDHHS-OCS) is the Michigan IV-D agency. The Michigan Child Support program provides child support services for approximately 750,000 cases where both parents don’t live with their children. Certain Michigan IV-D child support activities are shared between program partners, including Prosecuting Attorneys (PA), Friend of the Court (FOC) offices and OCS Operations. These program partners work together in a collaborative manner to provide services to families.

The vision and mission of the Michigan Child Support program is to engage parents to improve children’s lives. The program tries to do this through a family-centered, holistic approach by promoting healthy relationships between parents and children and assisting parents to fulfill their financial obligations to their children.

The Michigan Child Support Enforcement System (MiCSES) has been implemented through the cooperative efforts of MDHHS, the Michigan Department Technology, Management & Budget (DTMB), the PAs and FOCs. MiCSES is the federally certified, single, statewide, child support case management system for Michigan and is used in all components of the Michigan IV-D program. The system also provides necessary interfaces with both state and federal agencies.

MiChildSupport is a public, secure website that participants within the child support program use to apply for child support services, view information about their existing child support case(s) and determine child support obligation amounts.

3. PURPOSE

The Contractor must provide a State Hosted mobile app that provides self-service features for child support citizens – Custodial Parties and Non-Custodial Parties.

4. IT ENVIRONMENT RESPONSIBILITIES

Definitions:

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

Development - Process of creating, testing, and maintaining software components.

Component Matrix	Identify contract components with contractor and/or subcontractor name(s), if applicable
Application	Contractor
Development	Contractor
Configuration	Contractor

Diona is not leveraging subcontractors for Services defined in Schedule A – Statement of Work.

5. ADA COMPLIANCE

The State is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted standards and procedures regarding accessibility requirements for websites and software applications. All websites, applications, software, and associated content and documentation provided by the Contractor as part of the Solution must comply with Level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.1.

Each PAT must state exactly how the product meets the specifications. All “Not Applicable” (N/A) responses must be fully explained. Contractor must address each standard individually and with specificity; and clarify whether conformance is achieved throughout the entire product (for example – user functionality, administrator functionality, and reporting), or only in limited areas. A description of the evaluation methods used to support WCAG 2.1 Level AA conformance claims, including, if applicable, any third-party testing, must be provided. For each product that does not

fully conform to WCAG 2.1 Level AA, Contractor must provide detailed information regarding the plan to achieve conformance, including timelines.

Diona Accessibility Conformance Report
WCAG Edition
(Based on VPAT® Version 2.4)

Name of Product/Version: Diona Child Support

Report Date: February 2022

Product Description: By putting service enablement into clients' hands with Diona Child Support, child support services departments can improve service delivery, satisfy client needs, and reduce costs. Child Support Services departments use Diona Child Support to empower the people they serve with vital information to ensure children and their parents get the help they need. Diona Child Support is available as native apps for the iOS and Android operating systems. This VPAT covers both the iOS and Android apps.

Contact Information: support@diona.com

Evaluation Methods Used: Manual and automated testing with supported screen readers and other accessibility technologies.

Applicable Standards/Guidelines: Web Content Accessibility Guidelines 2.1 (Level A/AA)

Terms

The terms used in the Conformance Level information are defined as follows:

- **Supports:** The functionality of the product has at least one method that meets the criterion without known defects or meets with equivalent facilitation.
- **Partially Supports:** Some functionality of the product does not meet the criterion.
- **Does Not Support:** The majority of product functionality does not meet the criterion.
- **Not Applicable:** The criterion is not relevant to the product.
- **Not Evaluated:** The product has not been evaluated against the criterion. This can be used only in WCAG 2.1 Level AAA.

Table 1: Success Criteria, Level A

Criteria	Conformance Level	Remarks and Explanations
1.1.1 Non-text Content (Level A)	Supports	There is very little non-text content in the apps and where there is it has an appropriate text alternative.
1.2.1 Audio-only and Video-only (Prerecorded) (Level A)	Not Applicable	The apps do not contain audio-only or video-only content.
1.2.2 Captions (Prerecorded) (Level A)	Not Applicable	The apps do not contain audio or video.
1.2.3 Audio Description or Media Alternative (Prerecorded) (Level A)	Not Applicable	The app does not contain audio or video.
1.3.1 Info and Relationships (Level A)	Supports	Information, structure, and relationships can be programmatically determined or are available in text.
1.3.2 Meaningful Sequence (Level A)	Supports	The app maintains a consistent structure allowing correct reading sequences to be programmatically determined.
1.3.3 Sensory Characteristics (Level A)	Supports	Instructions do not rely on shape, size, visual location, or sound.
1.4.1 Use of Color (Level A)	Supports	The apps do not convey information by color alone.
1.4.2 Audio Control (Level A)	Not Applicable	Prerecorded audio is not provided by the apps.
2.1.1 Keyboard (Level A)	Partially Supports	The functionality of the apps is operable through a keyboard interface without requiring specific timings for individual keystrokes. Where a form requires a signature, this cannot be achieved using a keyboard.
2.1.2 No Keyboard Trap (Level A)	Supports	Navigation is not trapped when using a keyboard.
2.1.4 Character Key Shortcuts (Level A 2.1 only)	Not applicable	The apps do not use key shortcuts.

Criteria	Conformance Level	Remarks and Explanations
2.2.1 Timing Adjustable (Level A)	Supports	The apps time out after a period of inactivity. The user is warned of the time of and can choose to continue using the app. There are no other time limits in the apps.
2.2.2 Pause, Stop, Hide (Level A)	Not Applicable	The apps do not contain moving, blinking, scrolling, or auto-updating information
2.3.1 Three Flashes or Below Threshold (Level A)	Not Applicable	The apps do not contain anything that flashes.
2.4.1 Bypass Blocks (Level A)	Supports	There are no navigation blocks in the apps.
2.4.2 Page Titled (Level A)	Supports	The app screens all have titles.
2.4.3 Focus Order (Level A)	Supports	The navigation order is logical and intuitive.
2.4.4 Link Purpose (In Context) (Level A)	Supports	The purpose of each link (or action) can be determined by the text used.
2.5.1 Pointer Gestures (Level A 2.1 only)	Not Applicable	The apps do not require navigation by multipoint or path-based gestures.
2.5.2 Pointer Cancellation (Level A 2.1 only)	Supports	No actions in the apps execute on finger-down, and thus can be aborted by moving the finger away from the target before finger-up.
2.5.3 Label in Name (Level A 2.1 only)	Supports	Visible and accessible labels match, and any controls that use icons are given consistent accessible labels.
2.5.4 Motion Actuation (Level A 2.1 only)	Not Applicable	There are no functions that are triggered by moving a device or by gesturing towards the device.
3.1.1 Language of Page (Level A)	Supports	The apps run in the language set on the device when the app content is available in that language.

Criteria	Conformance Level	Remarks and Explanations
3.2.1 On Focus (Level A)	Supports	When a user interface element receives focus, it doesn't result in a substantial change to the screen or an unexpected change of focus.
3.2.2 On Input (Level A)	Supports	Modifying input fields in the apps do not automatically initiate any action or navigation.
3.3.1 Error Identification (Level A)	Supports	Input errors are automatically detected, the item that is in error is identified and the error is described to the user in text.
3.3.2 Labels or Instructions (Level A)	Partially Supports	Content requiring user input contains appropriate labels. The username and password fields on the login screen use place holders rather than labels.
4.1.1 Parsing (Level A)	Supports	The apps are native iOS and Android apps constructed using the standards in place for both platforms and therefore work as expected with mobile OS assistive technologies.
4.1.2 Name, Role, Value (Level A)	Supports	Best practices are followed for UI components to enable assistive technologies

Table 2: Success Criteria, Level AA

Criteria	Conformance Level	Remarks and Explanations
1.2.4 Captions (Live) (Level AA)	Not Applicable	The app does not contain live audio and video functionality.
1.2.5 Audio Description (Prerecorded) (Level AA)	Not Applicable	The app does not contain prerecorded video.

Criteria	Conformance Level	Remarks and Explanations
1.3.4 Orientation (Level AA 2.1 only)	Supports	The apps function in either portrait or landscape orientation.
1.3.5 Identify Input Purpose (Level AA 2.1 only)	Supports	Input field purposes can be programmatically determined.
1.4.3 Contrast (Minimum) (Level AA)	Supports	The apps provide a minimum of 4.5:1 contrast ratio except for hint text.
1.4.4 Resize text (Level AA)	Supports	Text in the apps can be resized or zoomed without loss of content or functionality.
1.4.5 Images of Text (Level AA)	Not Applicable	Images of text are not used in the apps.
1.4.10 Reflow (Level AA 2.1 only)	Supports	This applies primarily to web content, however the apps support standard Android and iOS display sizing settings.
1.4.11 Non-text Contrast (Level AA 2.1 only)	Supports	Graphical objects are not used to understand content and user interface controls meet the minimum 3:1 contrast.
1.4.12 Text Spacing (Level AA 2.1 only)	Not Applicable	The apps do not use markup language to implement text spacing.
1.4.13 Content on Hover or Focus (Level AA 2.1 only)	Supports	No additional content is displayed by focusing on screen elements.
2.4.5 Multiple Ways (Level AA)	Supports	Multiple appropriate methods are available for users to access content in the apps.
2.4.6 Headings and Labels (Level AA)	Supports	Headings and labels are clear and descriptive.
2.4.7 Focus Visible (Level AA)	Supports	Focus is visible when appropriate in the apps.
3.1.2 Language of Parts (Level AA)	Not Applicable	The apps present content using a single language only. The language used is that specified by the user in the device settings when the app

Criteria	Conformance Level	Remarks and Explanations
		is available in that language. Otherwise, the default language is used.
3.2.3 Consistent Navigation (Level AA)	Supports	The apps use consistent and mobile OS standard navigation patterns.
3.2.4 Consistent Identification (Level AA)	Supports	User interface elements are consistently identified throughout the apps.
3.3.3 Error Suggestion (Level AA)	Partially Supports	When an error is encountered, an alert is displayed that provides a suggestion on how to address the error.
3.3.4 Error Prevention (Legal, Financial, Data) (Level AA)	Supports	All data entry in the apps is made available through configuration. There are mechanisms that can be used in this configuration to provide safeguards to avoid serious consequences resulting from mistakes made during data entry.
4.1.3 Status Messages (Level AA 2.1 only)	Supports	Status messages have corresponding audio announcements for screen readers.

6. USER TYPE AND CAPACITY

Contractor Solution must meet the expected number of concurrent Users.

Type of User	Access Type	Number of Users	Number of Concurrent Users
End User	Read, Write for the DHHS Child Support Mobile App	Up to 1.5M	5,000

State Employee	Read, Write, Admin for the Diona Configuration Manager	10	10
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The Diona Child Support solution can be scaled up or down based on the number of concurrent users. This is supported by utilizing scaling capabilities in the State managed MS Azure environment and adding more servers, storage, and network capacity to meet an increase in the load. Diona has recommended the minimum number of servers per required environment in the deployment architecture in section 9 below.

The Diona COTS Product includes the Diona Server, a NodeJS based application that is lightweight and elastic. The server can be scaled both horizontally and vertically to support the State's child support user population.

The Diona COTS Product utilizes the Diona Datastore, a MongoDB schema, to read and update child support case information. The Diona Child Support solution has been designed for performance and scalability, and only essential information is retrieved as requested by the end user. Non sensitive configuration data is cached, and files are only downloaded when requested by the end user.

During the DHHS Child Support Mobile App project implementation, the Diona COTS Product configurations will be updated to consume child support case related information using State provided API's from the disparate systems outlined in this document. The Software's ability to serve information to end users will be dependent on the source system's API reliability and response times.

7. ACCESS CONTROL AND AUTHENTICATION

The Contractor's solution must integrate with the State's IT Identity and Access Management (IAM) environment as described in the State of Michigan Digital Strategy ([1340.00.020.08 Enterprise Identity and Access Management Services Standard \(michigan.gov\)](#)), which consist of:

7.1 MILogin/Michigan Identity, Credential, and Access Management (MICAM). An enterprise single sign-on and identity management solution based on IBM's Identity and Access Management products including, IBM Security Identity Manager (ISIM), IBM Security Access Manager for Web (ISAM), IBM Tivoli Federated Identity Manager (TFIM), IBM Security Access Manager for Mobile (ISAMM), and IBM DataPower, which enables the State to establish, manage, and authenticate user identities for the State's Information Technology (IT) systems.

7.2 MILogin Identity Federation. Allows federated single sign-on (SSO) for business partners, as well as citizen-based applications.

7.3 MILogin Multi Factor Authentication (MFA, based on system data classification requirements). Required for those applications where data classification is Confidential and Restricted as defined by the 1340.00 Michigan Information Technology Information Security Policy (i.e., the proposed solution must comply with PHI, PCI, CJIS, IRS, and other standards).

7.4 MILogin Identity Proofing Services (based on system data classification requirements). A system that verifies individual's identities before the State allows access to its IT system. This service is based on "life history" or transaction information aggregated from public and proprietary data sources. A leading credit bureau provides this service.

To integrate with the SOM MILogin solution, the Contractor's solution must support SAML, or OAuth or OpenID interfaces for the SSO purposes.

Diona Child Support will be integrated with the State's identity and access management solution (MILogin) using the OAuth authorization protocol. The MILogin integration will be used to provide the following capabilities:

- **Authentication:** Diona Child Support provides support for both the Authorization Code and Resource Owner Password OAuth flows. The Resource Owner Password flow, where the username and password are entered in the Diona Child Support app, provides the optimal user experience. This flow enables the Diona Child Support solution to meet the biometric login and Captcha requirements stated in Schedule A – Statement of Work – Table 1. Multi Factor Authentication (MFA) can be configured in Diona Child Support upon successful verification of the user credentials. In order to use this integration approach, it is assumed that an appropriate MILogin API will be made available for this purpose. It is also assumed that if text messages are used for MFA, that an SMS server is available or an MILogin service can be invoked to send the verification code SMS message.
- **Create Account:** The Diona Child Support solution will be configured to delegate account creation to MILogin. The Create Account action on the Diona Child Support login screen will be configured to link to the MILogin create account function. When an account has been successfully created, MILogin will automatically redirect the user back to the Diona Child Support login screen. Diona assume that MILogin supports the OAuth standard capability to return to the app based on the provision of a redirect URL. The Diona Child Support configurations for the initial implementation will be done by Diona.

- **Forgotten Password:** The Diona Child Support solution will be configured to delegate the reset of a forgotten password to MILogin. The Forgot Password action on the Diona Child Support login screen will be configured to link to the MILogin function used to reset a forgotten password. When the password has been successfully reset, MILogin will automatically redirect the user back to the Diona Child Support login screen. Diona assume that MILogin supports the OAuth standard capability to return to the app based on the provision of a redirect URL. The Diona Child Support configurations for the initial implementation will be done by Diona.
- **Change Password:** Diona Child Support provides the capability for a user to change their password. The change password function is available after the user has been successfully authenticated. It is assumed than an appropriate MILogin API will be made available for this purpose.

8. DATA RETENTION AND REMOVAL

To the extent the Contractor comes into possession with State Data, then the following applies.

The Contractor will need to retain all data for the entire length of the Contract unless otherwise directed by the State.

The State will need the ability to delete data, even data that may be stored off-line or in backups.

The State will need to retrieve data, even data that may be stored off-line or in backups.

Contractor will not be responsible for data retention, deletion or retrieval as the DHHS Child Support Mobile App will not store data. The DHHS Child Support Mobile App will integrate with MiCSES and MiCSES will continue to be the system of record for the data and the State will continue to manage and maintain that data.

The DHHS Child Support Mobile App will collect mobile application user information as meta data and pass that information to MiCSES. The DHHS Child Support Mobile App will not store end user information.

9. END USER AND IT OPERATING ENVIRONMENT

The SOM IT environment includes X86 VMware, IBM Power VM, MS Azure/Hyper-V and Oracle VM, with supporting platforms, enterprise storage, monitoring, and management running in house and in cloud hosting provides.

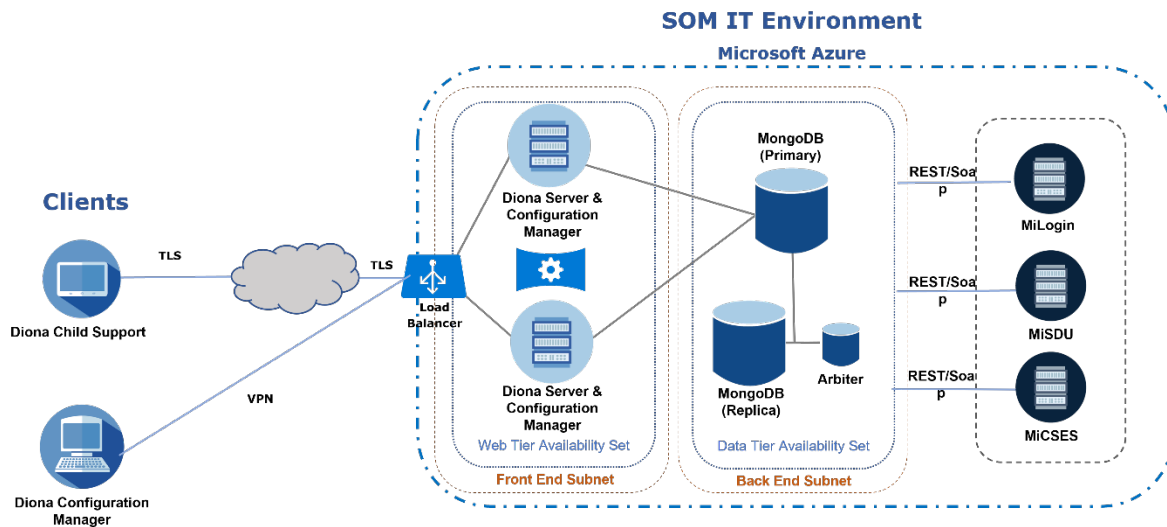
Contractor must accommodate the latest browser versions (including mobile browsers) as well as some pre-existing browsers. To ensure that users with older browsers are still able to access online services, applications must, at a minimum, display and function correctly in standards-compliant browsers and the state standard browser without the use of special plugins or extensions. The rules used to base the minimum browser requirements include:

- Over 2% of desktop and mobile & tablet site traffic, measured using Michigan.gov sessions statistics and
- The current browser identified and approved as the State of Michigan standard

This information can be found at <https://www.michigan.gov/browserstats>. Please use the most recent calendar quarter to determine browser statistics. For those desktop and mobile & tablet browsers with over 2% of site traffic, except Internet Explorer which requires support for at minimum version 11, the current browser version as well as the previous two major versions must be supported.

Contractor must support the current and future State standard environment. To do so, Diona will assess any future changes to the State standard environment to determine if changes are required, and if so, provide the State with the level of effort required to comply with those changes.

The DHHS Child Support Mobile App solution will be deployed on State managed SOM IT Environment. A high level production deployment architecture is shown below:



Diona will require development, testing, staging and production environments inside the SOM IT Environment. The following table lists the Azure resources required for each of the environments:

Environment	Specifications
Development	• 2 VMs with 8 GB RAM and 128 GB Storage for deploying Diona server • 1 VM with 8 GB RAM and 128 GB storage for MongoDB which holds the solution configuration data

Environment	Specifications
Testing	• 2 VMs with 8 GB RAM and 128 GB Storage for deploying Diona server • 1 VM with 8 GB RAM and 128 GB storage for MongoDB which holds the solution configuration data
Staging	• 2 VMs with 16 GB RAM and 128 GB Storage for deploying Diona server and a failover server • 2 VMs with 16 GB RAM and 256 GB storage for MongoDB primary server, replica set • 1 VM with 4 GB RAM and 128 GB hard disk for database arbiter • Load balancer • VPN Gateways and virtual gateways to connect from Azure to miCSES and miLogin
Production	• 2 VMs with 16 GB RAM and 128 GB Storage for deploying Diona server and a failover • 2 VMs with 16 GB RAM and 256 GB storage for MongoDB primary server, replica set • 1 VM with 4 GB RAM and 128 GB hard disk for database arbiter • Load balancer • VPN Gateways and virtual gateways to connect from Azure to miCSES and miLogin • Azure monitor for logging and monitoring the environments

The DHHS Child Support Mobile App solution will be deployed on the SOM IT Environment as described above. A limited number of named users from the Diona project team will require access to the VMs for the various environments. Remote access to the servers over VPN connections is preferred.

10. The DHHS Child Support Mobile App solution will be deployed on the current SOM IT Environment as described above. Diona will assess any future changes to the IT environment to determine if changes are required, and if so, provide the State with the level of effort required to comply with those changes. **SOFTWARE**

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

Contractor must provide a list of any third-party components, and open-source component included with or used in connection with the deliverables defined within this Contract. This information must be provided to the State on a quarterly basis and/or if a new third party or open-source component is used in the performance of this Contract.

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>.

Mobile Responsiveness

If the software will be used on a mobile device as define in Schedule A – Table 1, Business Specification Worksheet, the Software must utilize responsive design practices to ensure the application is accessible via a mobile device.

SOM IT Environment Access

Contractor must access State environments using one or more of the following methods:

- State provided VDI (Virtual Desktop Infrastructure) were compliant.
- State provided and managed workstation device.
- Contractor owned and managed workstation maintained to all State policies and standards.
- Contractor required interface with State systems which must be maintained in compliance with State policies and standards as set forth in **Schedule E – Data Security Requirements**.
- From locations within the United States and jurisdiction territories.

Diona Child Support v5.8 or the current version at contract execution will be leveraged to create the DHHS Child Support Mobile App solution. The State will have access to Diona COTS Product documentation upon licensing Diona Child Support. DHHS Child Support Mobile App documentation will be provided based on the Schedule A – Statement of Work – Table 1 requirements.

The Diona COTS Product is built using industry open standards-based technologies. The technology stack consists of the following:

- Node.js for server programming
- MongoDB for data persistence
- Java/J2EE/SOAP/REST for integration with other systems
- JSON and XML for data transport between the 3-tiers

- iOS and Android SDKs for building native mobile apps

There are no unique software requirements, beyond licenses for Diona Child Support, needed to full fill Schedule A – Statement of Work.

The DHHS Child Support Mobile App solution will be deployed on the State MS Azure environment as described above. A limited number of named users from the Diona project team will require access to the VMs for the various environments. Remote access to the servers over VPN connections is preferred.

Customizations are not required for Schedule A – Statement of Work, Table 1 – Business Specifications.

The Diona COTS Product is built using the following open-source technology components:

- Node.js for server programming
- MongoDB for data persistence
- Java/J2EE/SOAP/REST for integration with other systems
- JSON and XML for data transport between the 3-tiers
- iOS and Android SDKs for building native mobile apps

Diona Child Support is a native mobile app that is compatible with:

- Mobile devices running iOS 13 and above
- Mobile devices running Android 5.0 and above

The Diona Child Support solution provides the following features that can be performed using a mobile device:

- Authentication & Account Management
 - Login
 - Create Account
 - Forgotten Password
 - Change Password
 - Session Timeout
- Dashboard
- Payments
- Make Payment
- Push Notifications & Messages
- Appointments
- Case Details
- Forms
- Documents
- Profile
- Applications
- Required Documents
- Document Uploads
- Notices

- Offices
- Help
- App Store Rating

Diona will configure and integrate Diona Child Support to meet the Schedule A – Statement of Work – Table 1 requirements.

11. INTEGRATION

Contractor must integrate their solution to the following technologies:

Current Technology	MiLogin integration will be SAML or OAuth. MiCSES integration will be a webservice API.
Volume of Data	MiChildSupport currently has 250,000 users that could all be using the mobile app.
Format of the input & export files	No input or export files will be used.

The DHHS Child Support Mobile App will integrate with MiLogin, MiCSES, and MiSDU in the following ways:

- MiLogin will be a combination of real time webservice integrations for Multi-Factor Authentication, Reset Password, and Application Login. The app will delegate to existing MiLogin features for Create Account & Forgot/Reset Password.
- Integration with MiCSES will be done via real time webservices, using either SOAP or Representational state transfer (REST) protocols. The DHHS Child Support Mobile App will consume these services to fulfill the data needs of the Diona Child Support solution. The State will already have a set of pre-defined API's available but may need to expose new services in support of the mobile channel.
- Integration with MiSDU will be executed through the implementation of a real time webservice that is exposed from the MiSDU system. This will allow for seamless payment interactions between the State and parents using the DHHS Child Support Mobile App. In the event an API cannot be made available, the Diona team will work with the State and system administrators of MiSDU to implement a hand off between the DHHS Child Support Mobile App and MiSDU's

payment site with a focus on providing a successful user experience and logical navigation for users of the app..

12. Reserved

13. TRAINING SERVICES

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

Diona provides a range of training based on the unique needs of each customer implementation. These include guides and training on how each Diona solution may be configured and implemented. State Help Desk and IT engineers will be trained to provide first line support and understanding of the deployed DHHS Child Support Mobile App solution with the Diona Child Support software. This is to give them an understanding of how end users will see the solution along with how the project teams will configure and maintain it. The content will be adjusted based on the specific needs of each group. This will include training on:

- Installation of required 3rd Party Server Software
- Installation of Diona Child Support
- Configuration of the Diona Server
- Adding additional functionality (such as new forms) via the Diona Configuration Manager
- Applying Diona COTS Product updates
- Deploying Diona COTS Product solutions

Diona will train members of the State Project Team on core aspects of Diona Child Support during the first weeks of the project to provide a basic understanding and allow State Team members to participate in the activities leading up to deployment and on-going support. The early sessions are focused on team members being able to work with and understand the software with the Diona project team.

Diona will work with the State to identify the training required for the members of their project team depending on their role. For example, the Architecture team may be trained on the infrastructure and installation of components, while the State's Business team may be trained on configurations and the runtime solution.

As the project approaches implementation, warranty and support, a more formal set of training is defined and delivered with the focus on on-going support and enhancement of the production DHHS Child Support Mobile App solution. Diona will create a State-specific Operations Manual that documents the processes of supporting, maintaining, and deploying the solution in the State's environment. These trainings will occur shortly

before implementation to allow the State team to overlap the Diona support and maintenance team during the rollout and support period. This will allow the State team to gain familiarity with the solution and build the self-sufficiency to take over the solution post warranty.

The table below describes the planning training materials, type of delivery, class size and duration. All sessions are assumed to be live sessions, delivered via collaboration software such as Zoom or Teams. Sessions may be recorded for future use.

Class	Type	Class Size	Duration
Software Installation	Online	Up to 8	2 Hours
Solution Architecture	Online	Up to 8	2 Hours
Diona Configuration Manager	Online	Up to 8	1 day
DHHS Child Support Mobile App Solution Operations Manual	Online	Up to 8	1 day
Level 1 Support Desk Training	Online	Up to 8	4 hours

We have estimated for two iterations of each session. The Software Installation, Solution Architecture, and Configuration Manager sessions will occur at the beginning of the project. The Operations Manual and Support Desk Trainings will occur near go-live.

14. TRANSITION RESPONSIBILITIES

Please see Schedule F for Transition-in and Transition-out plan.

15. 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 Diona COTS Product.

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.

Diona Solutions are designed from the ground up for customer self-sufficiency. Once installed, modifications and additions are configured using the Diona Configuration Manager. Integrations to backend systems are done via APIs specific to the project and

the unique environments of each customer, so those systems already known to the State. Diona will provide training on the Diona Configuration Manager, Diona Server and any other Diona related items in the solution architecture.

Documentation necessary for supporting and maintaining the DHHS Child Support Mobile App solution will be described in the Operations Manual.

16. ADDITIONAL PRODUCTS AND SERVICES

The Contractor is not providing any additional products and services for the Contract.

17. CONTRACTOR PERSONNEL

Contractor Contract Administrator. The 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 Patricia Donaldson Address 925 S. Capital Of Texas Highway, Suite B-110, Austin, Texas 78746 Phone 917-865-0247 Email patricia.donaldson@diona.com

Contractor Security Officer. The 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 the Contractor in matters pertaining thereto. The Contractor must inform the State of any change to this resource.

Contractor
Name Peter Mullally Address 925 S. Capital Of Texas Highway, Suite B-110, Austin, Texas 78746 Phone 512-692-6817 Email peter.mullally@diona.com

18. CONTRACTOR KEY PERSONNEL

Contractor Project Manager. The 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 Ryan Koontz Address 925 S. Capital Of Texas Highway, Suite B-110, Austin, Texas 78746 Phone 703-581-7843 Email ryan.koontz@diona.com

19. CONTRACTOR PERSONNEL REQUIREMENTS

Background Checks. The Contractor must present certifications evidencing satisfactory Michigan State Police Background checks, and ICHAT 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) Fingerprints, if required by project as determined by the State.

Contractor will pay for all costs associated with ensuring their staff meets all requirements.

Offshore Resources. The use of Offshore Resources is not permitted, including any Subcontractors.

Disclosure of Subcontractors. If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
- The relationship of the subcontractor to the Contractor.
- Whether the Contractor has a previous working experience with the subcontractor. If yes, provide details of that previous relationship.
- A complete description of the Contract Activities that will be performed or provided by the subcontractor.
- Geographically Disadvantage Business Enterprise Sub-Contractors: If the Contractors plan to utilize Subcontractors to perform more the 20% of the deliverables under this Contract, at least 20% of that Subcontractors work must be awarded to Michigan-based Geographically Disadvantaged Business Enterprises (GDBE). Contractor will submit a plan detailing all Subcontractors to be used, including the percentage of the work to be done by each. Contractor must inform the State to the name and address of the GDBE, the percentage of the work they will complete, the total amount estimated to be paid to the GDBE and provide evidence for their qualifications as a GDBE. If Contractor cannot find GDBE Subcontractors to meet this requirement they must provide reasoning and justification to receive an

exemption from this requirement from the State. (Existing business relationships will not be an approved reason for this.)

20. 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: Robin Lampert
Phone: (517) 582-2746
Email: lampetr1@michigan.gov

Program Managers. The DTMB and Agency Program Managers (or designee) will jointly approve all Deliverables and day to day activities.

DTMB Program Manager
Name: Dave Fox
Phone: (517) 030-0972
Email: foxd@michigan.gov

Agency Program Manager
Name: Pratin Trivedi
Phone: (517) 930-5871
Email: trivedip@michigan.gov

21. 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 of the agreed-upon initial release, Contractor Project Manager must facilitate weekly meetings (or more if determined necessary by the parties) to provide updates on implementation progress. Following go-live and while Schedule A – Statement of Work remains in effect; Contractor must facilitate monthly meetings (or more or less if determined necessary by the parties) to ensure ongoing support success.

Diona will facilitate a project kick-off meeting with support from the State's Project Manager and the identified State resources to review the DHHS Child Support Mobile

App project approach. Following the kick-off meeting, a weekly status meeting will be scheduled. This meeting will be facilitated by the Contractor Project Manager.

22. 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

The Diona Project Manager will create a weekly status report for the weekly status meeting. The Project Workplan, which will identify specific assignments and schedules for both Diona and the State's team members, will serve as the basis for status reporting and governance reporting.

23. PROJECT MANAGEMENT

The Contractor Project Manager will be responsible for maintaining a 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.

Contractor will utilize SUITE methodologies as tailored to meet the needs of the project. Any modifications or adjustments to the SUITE methods and artifacts will be agreed upon during the Planning phase of the project and documented in a Project Tailoring Plan.

Approach for Implementing the DHHS Child Support Mobile App

will be leveraged during the subsequent design sessions. Execution of this phase will include the following:

Diona Child Support Solution Review – 2 sessions with Diona and the State

The Diona team will conduct sessions with the State business and technical teams to review the Diona COTS Product functionality made available in the Diona Child Support solution. During these sessions, the Diona team will conduct demos and overviews of the Diona solution's capabilities as well as the configurations available within the product solution.

The Diona Child Support solution also includes well-defined and pre-existing product interfaces that will be reviewed during this overview. In concert with Diona and the State's technical team, this review will inform the overall integration approach between Diona Child Support and the State's systems, such as MiCSES.

This review will create a foundation for both Diona and the State to build on during the design phases of each release.

Requirements Validation – 3 sessions with Diona and the State

Once the solution review has concluded, Diona will facilitate requirement validation sessions with the State's business and technical teams. This validation step will be used to review the project requirements as defined in Schedule A – Statement of Work – Table 1 and ensure mutual understanding of the associated business objectives. Additionally, with a foundational understanding of the Diona Child Support solution, the Diona and State technical teams will review the required integration points and define an integration approach for each of the State's systems involved in the DHHS Child Support Mobile App.

Native Mobile Apps Complementing MiChildSupport web portal – Included in Requirements Validation

As part of requirements validation, the Diona team will review how the Diona Child Support solution is a new channel being brought to help the State interact with the parents utilizing Michigan's Child Support program. In validating requirements, the Diona team will guide the State in implementing a complementary solution channel that best enables parents using a mobile device. Using a mobile centric design will enable Diona and the State to provide a solution that is user centric and designed with mobile user experience as the priority.

Release Strategy and Definitions – 3 sessions with Diona and the State

Once Diona and the State have completed this holistic overview of the Diona solution, requirements, and approach, Diona will work with the State to define a release strategy. This strategy will address functionality and requirements that will be targeted for incremental releases and deployment. The priority for requirements will be set and the requirements will be mapped to a maximum of three releases that will occur within a 12-month timeframe from the end of the Planning phase. The two teams will collaborate on defining the functionality and requirements that provide the best value to the initial release.

Integration Approach for State Systems – 4 sessions with Diona and the State

The DHHS Child Support Mobile App will integrate with MiLogin, MiCSES, and MiSDU. During this Planning phase the Diona and State architect teams will review the integration approach between these systems and the Diona Child Support solution.

MiLogin will be a combination of real time webservice integrations for Multi-Factor Authentication, Reset Password, and Application Login. Meanwhile the app will delegate to existing MiLogin features for Create Account & Forgot/Reset Password.

Integration with MiCSES will be done via real time webservices, using either SOAP or Representational state transfer (REST) protocols. The DHHS Child Support Mobile App will consume these services to fulfill the data needs of the Diona Child Support solution. The State will already have a set of pre-defined API's available but may need to expose new services in support of the mobile channel.

Finally, integration with MiSDU will be executed through the implementation of a real time webservice that is exposed from the MiSDU system. This API will be used to ingest and process payment information entered in the DHHS Child Support Mobile App and MiSDU will execute the payment processing. In the event an API cannot be made available, the Diona team will work with the State and system administrators of MiSDU to implement a hand off between the DHHS Child Support Mobile App and MiSDU's payment site with a focus on providing a successful user experience and logical navigation for users of the app.

The Planning phase is expected to take six weeks and will require participation from the Business and Technical teams of both Diona and the State and will apprise the team members of the high-level solution architecture. Creating this baseline will help orient the State's team for the upcoming Design, Configuration & Integration, and Deployment phases which will enable productive working sessions during future releases.

Outputs

Name	Description
Requirement Validation Document	Details the requirements validated during the Planning phase and a high-level approach for how the Diona Child Support solution will fulfill them. Any additional requirements identified during this phase or requirements found to no longer be applicable will also be documented.
Release Plan	Maps the requirements to a maximum of three releases and defines the timeframes for each release.

Project Management

The Project Management phase runs throughout the project with the goal of ensuring the project proceeds towards success and Diona Child Support meets the functional and non-functional needs of the State.

During this phase, the Diona Project Manager will work with the State's Project Manager to brief the entire team on the project and expectations held by both parties. The project managers will work to define role titles and descriptions (for example, Technical Lead or Design Lead) allowing everyone to hit the ground running with clearly defined roles.

The Project Workplan will identify specific assignments and schedules for both Diona and the State's team members. This will serve as the basis for status reporting and governance reporting. It is expected that the State's team members will have an important role in areas that require knowledge of their existing systems such as MiCSES but will always be supported by Diona resources. In addition, it may be desirable for the State to assign staff to shadow Diona resources to facilitate knowledge transfer.

Outputs:

Name	Description
Project Workplan	Details the implementation methodology to be followed to implement the solution. It will show the tasks to be performed, milestones, deliverables, timetables, staffing required, and status meetings scheduled for the project. Tasks in the Project Workplan will cover activities undertaken by both Diona and State staff as the team works collaboratively to deliver the solution.

Technical Architecture

The Technical Architecture phase, like the project management phase, runs throughout the project. This phase builds on the Planning phase to produce the system architecture

needed for configuring, integrating, testing, and deploying the DHHS Child Support Mobile App.

During this phase, the Diona technical lead will work with the State's Architects who will provision the needed infrastructure to support the solution. This will include the development, staging, and production environments. Additionally, the State and Diona will work together to define the configuration management approach as well as defining the continuous integration environment needs for the project.

From the Planning phase where a high-level integration approach is defined, the Diona and State will outline the overall architecture of the DHHS Child Support Mobile App, including integration protocols, finalizing architecture diagrams, and developing the overall System Architecture Design to document these decisions.

With an initial focus on defining and provisioning the development environments for the initial phases of the project, the Diona technical lead will then work with the State's architects to refine the requirements for the production environment. This includes reviewing the availability and failover needs for the State. The details of which will be included in the Operation Manual.

Once production requirements have been confirmed, the needed resources can be provisioned where the Diona and State technical teams will work together to configure and deploy the Diona Child Support solution and any third-party software needed to support the implementation.

Outputs:

Name	Description
System Architecture Design	Details the system components, the interfaces, and the relationships between them. This will detail how the proposed solution will be deployed on the State's infrastructure as well as detailing the system architecture of the Diona Child Support implementation for the State.

Release Cycles

During the DHHS Child Support Mobile App project, there will be a maximum of three release cycles, the scope of which will be defined in the Planning phase. Each release executes the following sequence:

Design

The Design phase is the first phase for each release. This phase determines the right way to implement Diona Child Support to meet the agreed upon requirements and solution architecture defined in the previous Planning phase. The Design phase builds

upon the Planning phase and defines how the Diona solution will deliver the State's requirements for parents using the DHHS Child Support Mobile App.

As with the Planning phase, the Design phase involves a collaboration between the Diona team and the State business users. The State business users will work closely with the Diona team to design how the Diona solution will address the baselined requirements and solution architecture.

Given Diona Child Support is a commercial-off-the-shelf (COTS) solution, the Diona and State teams will work through the configuration design, including defining text, labels, and property configurations – all of which can be applied during the design phase. The user interface elements of design will be framed according to the configuration options available within Diona Child Support. This ensures that the solution adheres to platform design standards and WCAG A/AA compliance as laid out in the Diona Child Support VPAT.

Design Workshops will also be used to design the following forms, confirmed during the Planning phase:

- DHS-1201 IV-D Child Support Services Application/Referral
- Provide Additional Information – Online Child Support Response Form (e842)
- Child Support Calculator
- Up to six additional Child Support forms to be determined by the State

Forms will be used to gather the required data elements in a user-friendly way across a series of screens optimized for use on a smart device.

In addition to configurations, the design sessions will be used to map the lifecycle of a child support application and the journey from the DHHS Child Support Mobile App and integrating into MiCSES.

Workshops will also be reserved to review the document upload flow. This includes defining the document types and categories that parents can use to upload and MiCSES can ingest. The State will assist the Diona team to define when these documents are needed, either triggered by a change in MiCSES, as part of an application submission, or as a connected user of the mobile app. Once this has been defined, the State and Diona will work to define the interfaces needed to send uploaded documents to MiCSES.

A large portion of the design effort will be spent in defining interfaces with MiCSES, including defining the data structures and definitions to be passed between Diona Child Support and MiCSES. Additional effort will include working with MiLogin and MiSDU to further refine their integrations based on the Planning phase.

Another key output of the Design Workshops will be a functional data mapping between Diona Child Support and MiCSES. This will be maintained and updated through each release cycle. Once functional data mapping is completed, technical resources from the State and Diona will translate the functional mapping into a technical mapping to feed into the Integration Design which defines the data points between the different services exposed from MiCSES.

Though the Diona team will be leading these workshops, it is important that the State stakeholders are represented during the workshops. The Diona Project Manager will work with the State Project Manager to define the workshop schedule and needed attendees to allow the State to ensure the appropriate teams are represented. Failure to have appropriate stakeholders in design sessions will cause delays in this phase and potentially delay execution of the release.

Outputs:

Name	Description
Configurations Design	Defines the specific configurations to the Diona Child Support solution to support the State. The configurations will be agreed during design workshops.
Integration Design	Outlines how Diona Child Support will integrate with the State applications. This will include interfaces exposed and functional data mappings. It will also detail the synchronization and authentication designs and details of any required push notifications.

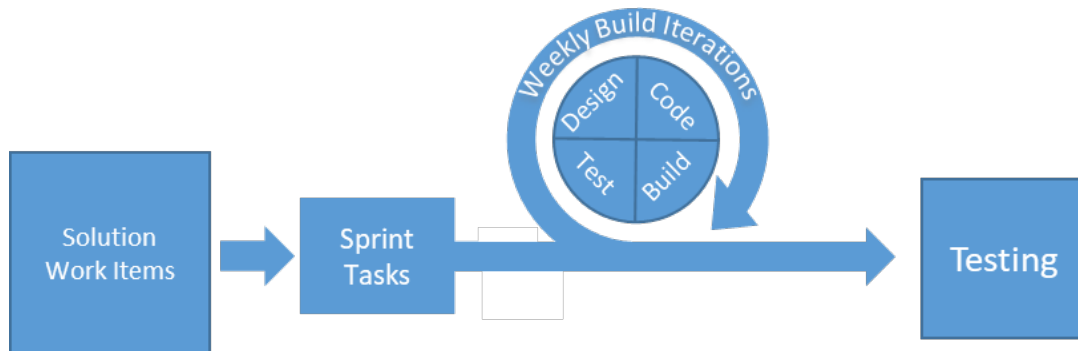
Configuration & Integration

The Configuration & Integration phase is where the configuration of Diona Child Support and integration between the State's back-end applications and identity management system occurs.

The focus during this phase turns to the technical teams. This includes both the Diona and State teams. The Diona team will focus on the Diona Child Support specific configurations and integration logic whereas the State's technical team will focus on exposing the agreed upon interface points as defined in the Design phase.

Throughout the Configuration & Integration phase, Diona will work collaboratively with the State's IT staff to validate environments have been installed and configured correctly and Diona Child Support is integrated correctly with the State's systems. It may be desirable to have State staff shadow Diona technical consultants during this time to help facilitate knowledge transfer.

Diona executes the Configure & Integration phase in an agile way using an iterative approach. The configuration items and integration mappings defined the previous phases make up the product backlog of solution work items that are used as a basis to drive regular build iterations, called sprints:



Diona Agile Approach

Before a sprint begins, the project team will scope the sprint, which means identifying the outstanding solution work items to be completed during the sprint. These sprint tasks are the work items the team is tasked to complete during the sprint.

Sprints involve the technical design, development and unit test of the items identified in the sprint tasks. All configuration and build artifacts will be validated by developers in their local build environment prior to being promoted to a testing environment. The development environment will leverage a set of mock service implementations for manual and automated testing to be executed without a dependency on live State back-end development instances.

Unit tests will be created to validate integration code which can be configured to automatically run as part of an automated Continuous Integration pipeline build process hosted by the State. Once changes have been validated, they will be promoted to a test environment for the enacted functionality to be tested against test instances of MiLogin, MiCSES, & other supporting systems.

This iterative, agile approach to development means that many problems often faced by software implementations are avoided. Short development cycles, frequent functional demonstrations and feedback from the project team provide an avenue for any miscommunications or misunderstandings to be corrected early.

Outputs:

Name	Description
Unit Test Results	Captures the results of the integration unit test suite implemented to validate the data mapping integration as well

	as provide overall coverage of the State specific implementation code. Tests and code coverage will document only custom implementation code implemented for the State.
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Test

The Test phase confirms the configurations made and components developed in the Configuration & Integration phase perform as designed. It is a collaborative phase requiring both Diona and State resources. Successful test results provide the confidence that Diona Child Support configurations and interface components are ready for deployment.

The Test phase is broken down by the tests planned during this phase. The Test phase will occur across three cycles, each cycle is described below:

Test Cycle	Description
1	System & Integration Testing
2	User Acceptance Testing
3	Technical Testing

System & Integration Testing

The System & Integration Testing cycle will be a functional test of the configured Diona Child Support application and how it integrates with the State's back-end systems. It will be a collaborative effort between Diona and the State with Diona leading the effort with support from the State for elements related to integration with the State's back-end applications. The integration testing will confirm the necessary integration points between Diona Child Support and State applications have been implemented according to designs and function accordingly.

User Acceptance Testing

The User Acceptance Testing cycle will be a second functional test of the configured Diona Child Support application. Much like the System & Integration Testing cycle, this testing will be a collaborative effort between Diona and the State, with the State business users executing tests with support and assistance from Diona.

During this step, the State will define and execute the acceptance test scenarios. It is important the State defines their scripts and scenarios prior to the beginning of the phase. Diona will assist the State during testing, helping business users access the testing apps and supporting the testers during test execution. Success of this phase will require significant State participation and coordination.

Technical Testing

The Technical Testing cycle will be where the performance testing, security testing, and accessibility testing are conducted. Diona will work collaboratively to plan and execute these technical tests to ensure the configured Diona Child Support application meets the State's non-functional requirements. Performance testing will be executed using a State provided automated tool such as LoadRunner, to call the Diona Server APIs and ensuring that response times are acceptable. Security testing will involve using the State's existing security tools to scan the exposed Diona Server APIs and using a tool to perform static scans of the compiled native apps.

The State will be responsible for ensuring the real time services exposed in their systems, such as MiCSES and MiLogin meet the State's agreed upon response times, whereas Diona will be responsible for ensuring the Diona Child Support solution meets the agreed performance metrics after a service is invoked.

The State's staff will be required to support all three testing cycles. Cycle 1 and 2 will leverage the Diona test and staging environments which will be connected to non-production MiCSES, MiLogin and MiSDU instances. Cycle 3 will be executed in the staging and production environments (during the 1st release), which will also require access to back-end State applications. The State will need to provide the mobile devices required for User Acceptance Testing.

Diona will submit test results at the end of each test cycle for the State's review and approval.

Outputs:

Name	Description
Test Plan	Details the scope, objective and approach for the testing activities.
Final Test Results	Captures the results of the test types executed in this phase: - System & Integration Testing - User Acceptance Testing - Performance Testing - Security Testing - Accessibility Testing

Training & Knowledge Transfer

Towards the end of the Test phase, Diona will initiate the Training & Knowledge Transfer phase. For the initial release, Diona will plan and execute four knowledge transfer sessions to include topics such as software installation, solution architecture, configuration, and system operations.

As part of each release, Diona will engage the State's Tier 1 helpdesk to provide training on the functionality included in the release to assist in Tier 1 support. Trainings and knowledge transfer sessions will be iterative per release. These sessions can be recorded for future reference to provide a cumulative overview for the State.

Deployment

The Deployment phase is where the DHHS Child Support Mobile App is deployed to the app stores and made available to the end users. Diona will work with the State to define for the initial release whether the functionality will be executed with a 'soft' release where the app is deployed to the app stores but with no public announcement and no formal direction to the app. The State will determine the timing for the 'public' release of the DHHS Child Support Mobile App. For subsequent releases of functionality, the State will determine when to deploy the additional configurations to the production environment at which time the functionality will be available to end users.

The DHHS Child Support Mobile iOS app will be released via the Apple App Store and the Android app will be released via the Google Play Store. Diona will work with the State's Center for Shared Solutions/eMichigan (CSS) to coordinate the access, configuration, and submission of both the Apple iOS and Google Android apps.

Diona will support the State with the usage of Google Analytics for Firebase. Diona Child Support uses this service to provide usage analytics reports which can provide valuable insights into application usage.

Outputs:

Name	Description
Operational Job Aid	Details the functionality of the DHHS Child Support Mobile App and provides guidance to the Help Desk and support staff.
Operations Manual	Contains the details the State will need to build, deploy, maintain, and troubleshoot the DHHS Child Support Mobile App.

Ongoing Maintenance & Support

Diona will provide Tier 2 support services to the State including technical support and maintenance. The State will be responsible for providing Tier 1 support for the DHHS Child Support Mobile App. Diona and the State will collaborate on integrating the Diona support team into the Tier 1 helpdesk support model for the DHHS Child Support Mobile App.

Milestones/Deliverables for Implementation

Contractor will meet the following milestones table:

Phase	Milestone Event	Associated Milestone / Deliverable(s)	Schedule
Planning	Project Planning	Project Kick-off	Contract Execution + 2 weeks
Planning	Requirements	Requirement Validation Document	Contract Execution + 6 weeks
Planning	Release Plan	Release Plan	Contract Execution + 6 weeks
Project Management	Implementation Project Workplan	Project Workplan	Contract Execution + 8 weeks
Technical Architecture	Environments	System Architecture Design	Contract Execution + 8 weeks
Deliverables to be created for each release defined in the Release Plan:			
Design	Defined Configurations	Configurations Design	To Be Confirmed in the Project Workplan
Design	Defined Integrations	Integration Design	To Be Confirmed in the Project Workplan
Configuration & Integration	Configuration and Integration of software	Unit Test Results	To Be Confirmed in the Project Workplan
Test, Training & Knowledge Transfer	Testing and Acceptance	Test Plan, Final Test Results	To Be Confirmed in the Project Workplan
Deployment	App stores and postproduction warranty	Operational Job Aid, Operations Manual / Updated Operations Manual	To Be Confirmed in the Project Workplan
Production Maintenance & Support	Production Support Services	Production Support Services from initial release until Final Acceptance of the final release defined in the Project Workplan	To Be Confirmed in the Project Workplan

The DHHS Child Support Mobile App Project Workplan will be provided at the conclusion of the Planning phase. The Project Workplan will detail the implementation methodology to be followed to implement the solution. It will show the tasks to be performed, milestones, deliverables, timetables, staffing required, and status meetings scheduled for the project. Tasks in the Project Workplan will cover activities undertaken by both Diona and State staff as the team works collaboratively to deliver the solution.

As detailed in section 23. Project Management, Contractor will use the SUITE methodology modified and adjusted based on best practices of Diona's Implementation Methodology to meet the proposed alternative timeframes and deliverables for the DHHS Child Support Mobile App project.

24. ADDITIONAL INFORMATION

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

SCHEDULE A – TABLE 1 – BUSINESS SPECIFICATION WORKSHEET

Instructions for Completing the Business Specifications Worksheet

Contractors must meet business Specification on how they will meet the requirements in the document provided.
Contractor must not alter the document.

The Business Specifications Worksheet contains columns and is defined as follows:

Column A: Business Specification number.

Column B: Business Specification description.

Column C:

Current Capability – This capability is available in the proposed Solution with no additional configuration or cost

Requires Configuration – This capability can be met through Contractor-supported changes to existing settings and application options as part of the initial implementation at no additional cost (e.g., setting naming conventions, creating user-defined fields).

Customizations to Diona COTS Product Required – The requirement can be met through Contractor modifying the underlying source code, which can be completed as part of the initial implementation.

Future Enhancement – This capability is a planned enhancement to the base software and will be available within the next 12 months of contract execution at no additional cost.

Not Available – This capability is not currently available, and a future enhancement is not planned.

NOTE: Configuration is referred to as a change to the Solution that must be completed by the awarded Contractor according to the schedule approved by the State but allows an IT or non-IT end user to maintain or modify thereafter (i.e., no source code or structural data model changes occurring).

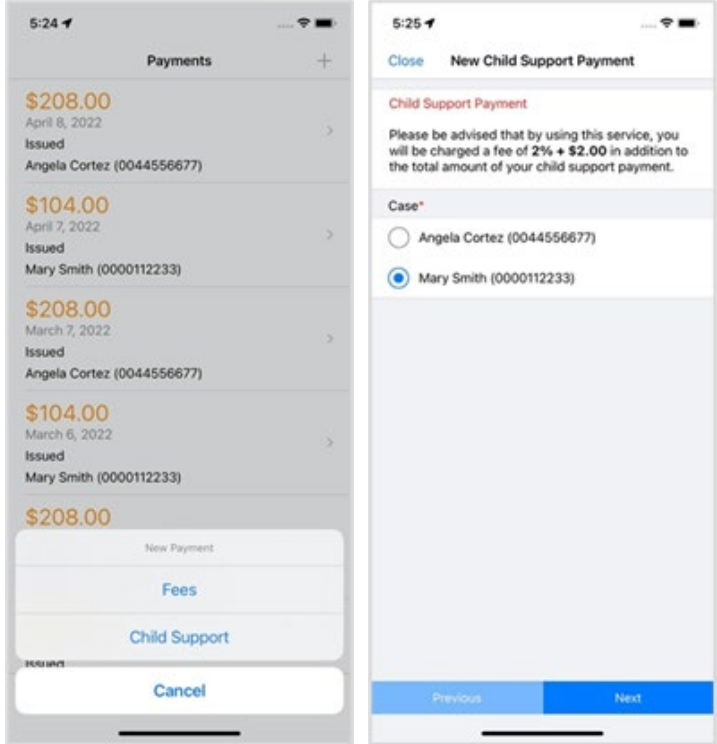
Customization is referred to a modification to the Solution's underlying source code, which can be completed as part of the initial implementation. All configuration changes or customization modifications made during the term of the awarded contract must be forward-compatible with future releases and be fully supported by the awarded Contractor without additional costs.

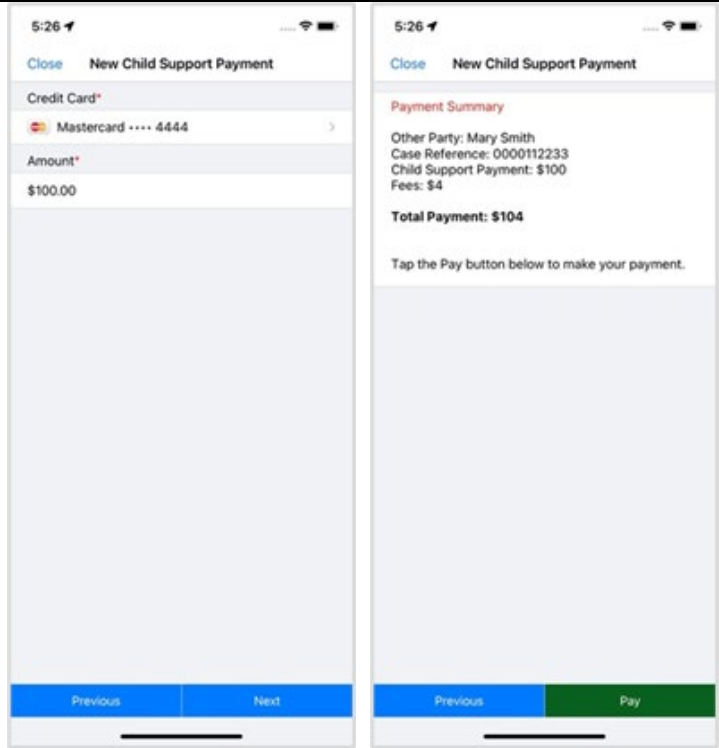
Contractor shall understand that customizations (i.e., changes made to the underlying source code of the Solution) may not be considered and may impact the evaluation of the Contractor's proposal.

Column D: The Contractor must also fully disclose how they will meet the requirements in their proposal response. This column is for Contractor to describe how they will deliver the business Specification and if the Contractor proposes configurations or customizations, the Contractor must explain the details of the impacted risk that may be caused if configured or customized to meet the business Specification. Description must be no more than 250 words for each business Specification. Nothing stated in column D will diminish Contractor's obligations to meet the Business Specifications in Column B.

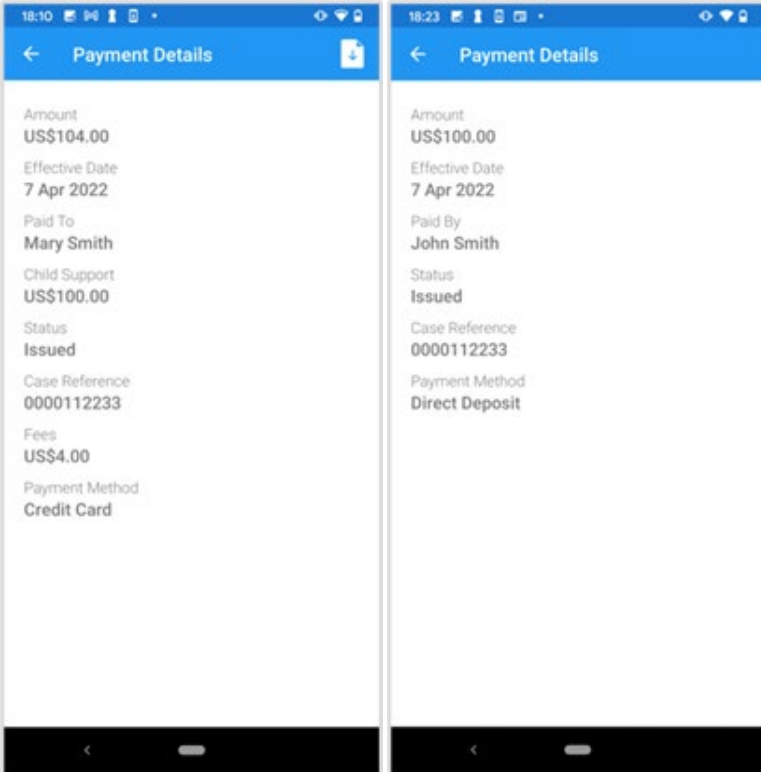
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Business Specification Number	Business Specification	Current Capability	Requires Configuration	Requires Customization	Future Enhancement	Not Available	Contractor must meet how they will deliver the business Specification. Explain the details of any configuration/customization and the impacted risk that may be caused if configured or customized to meet the business specification.
Required							
1.0	The Mobile App must have the capability to allow users to make a payment via a withdrawal from their bank account, via PayPal or via credit card, by leveraging the		X				The Diona Child Support solution will integrate with the payment services already utilized by the MDHHS-OCS to allow users to make payments from the app. Diona Child Support can be configured to support multiple payment types, e.g., Child Support or Fee payments. The types of payment that can be made by a client depend upon the role that the client plays in the cases involving the client. For example, Child Support

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	Michigan SDU payment services function.						payments can be made available only when a client plays the role of non-custodial parent in a case. A payment type of Fees can be made available for both custodial and non-custodial parents. The information required to make a payment depends on the type of payment being made and the method of payment (e.g., credit card, PayPal). A script can be configured for each payment type. The payment scripts are configured to capture the inputs required for the payment services utilized by the MDHHS-OCS. The information captured in the script must be passed to the appropriate service to execute the payment.

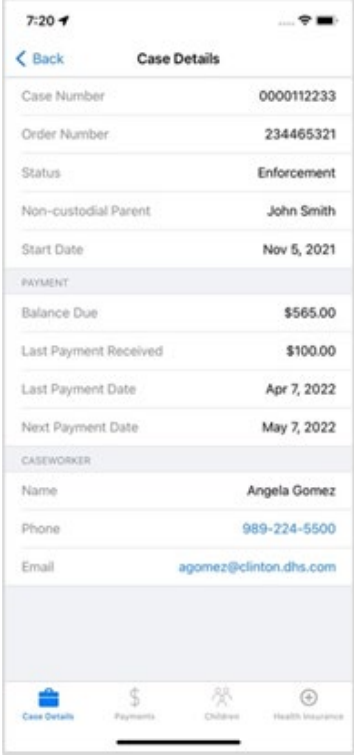
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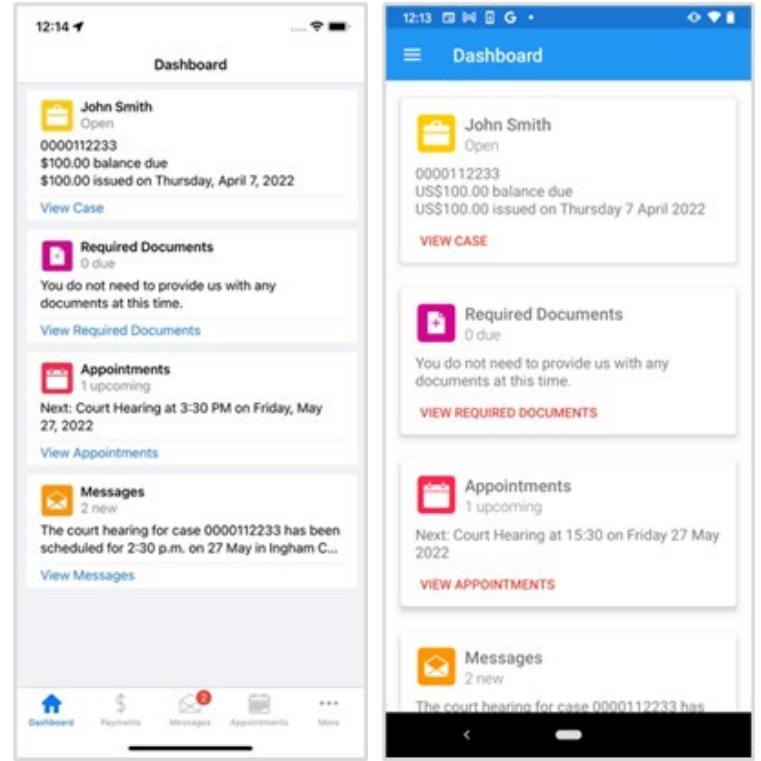
A	B	C					D	
							 <i>iOS Sample Credit Card Payment Script</i>	
2.0	The Mobile App must have the capability to allow user to see payment history – for Custodial Parents of payments received; for Non-Custodial Parents for	X					The Diona Child Support Solution allows a user to review the payment history and the details of each payment made or received for both custodial and non-custodial parents. Diona Child Support displays two payment lists. A payment list in the top-level navigation displays a consolidated set of payments made and received across all the cases involving the logged in	

A	B	C				D
	payment made					user. Another payment list is available at the case level and shows only the payments made or received for the selected case. <i>Android Consolidated & Case Payment Lists</i> The details displayed for a payment can be configured. The configuration used depends upon the client's role in the case associated with the payment, i.e., the information displayed for a

A	B	C					D
							specific payment can differ between a custodial and a non-custodial parent. In addition, a payment receipt can be downloaded by the parent who made the payment. 

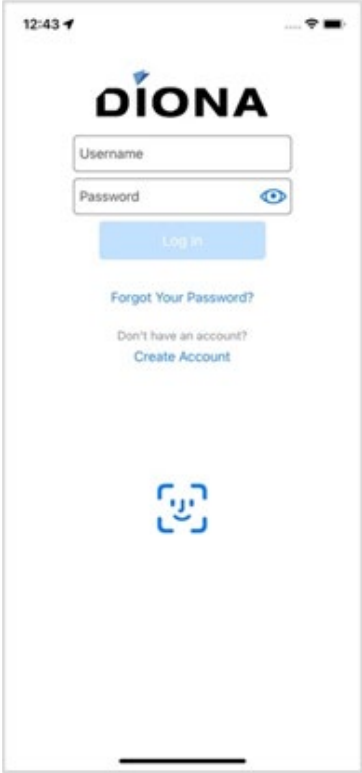
A	B	C					D
							 <i>Android Non-Custodial & Custodial Payment Details, Payment Receipt</i>
3.0	The Mobile App must have the capability to allow users to check when payments are due.		X				The Diona Child Support solution can display the next date a payment is due for a case.

A	B	C					D
							 <i>iOS Case Details Displaying Next Payment Date</i>
REQUIRED							
4.0	The Mobile App must have the capability to be available on iOS and Android devices, and available on their respective	X					Diona Child Support is available for both the iOS and Android platforms. It is provided as native applications designed and built specifically for each of the supported mobile operating systems. Native applications deliver superior performance, reliability, security, usability and accessibility to other approaches such as

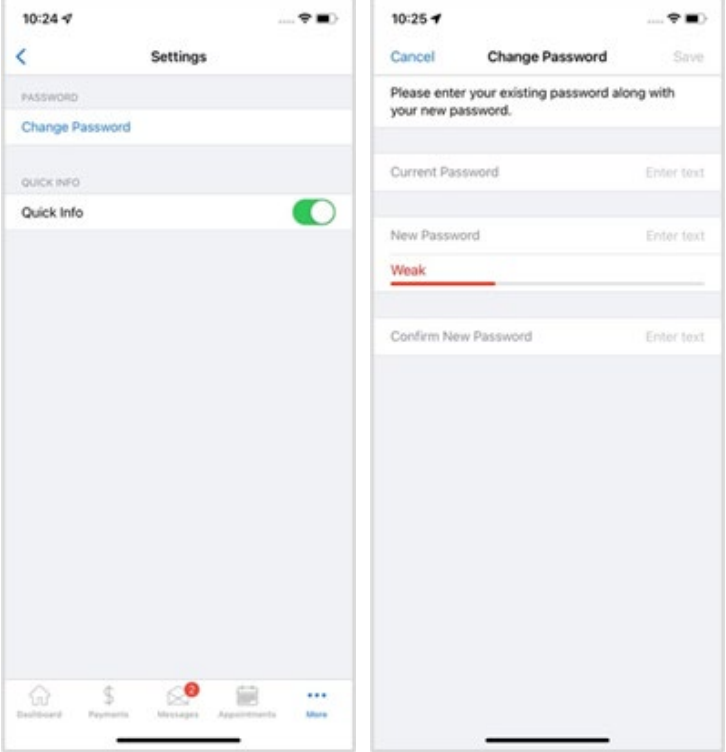
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	application stores.					cross platform web or hybrid applications. Diona Child Support is a robust, mature solution with an engaging user experience that is consistent in function and appearance with other apps on the same platform. Diona follows the user interface design guidelines provided by Apple and Google to deliver apps that utilize well understood and familiar user interface concepts and patterns.  <i>iOS & Android Dashboard Screen</i>

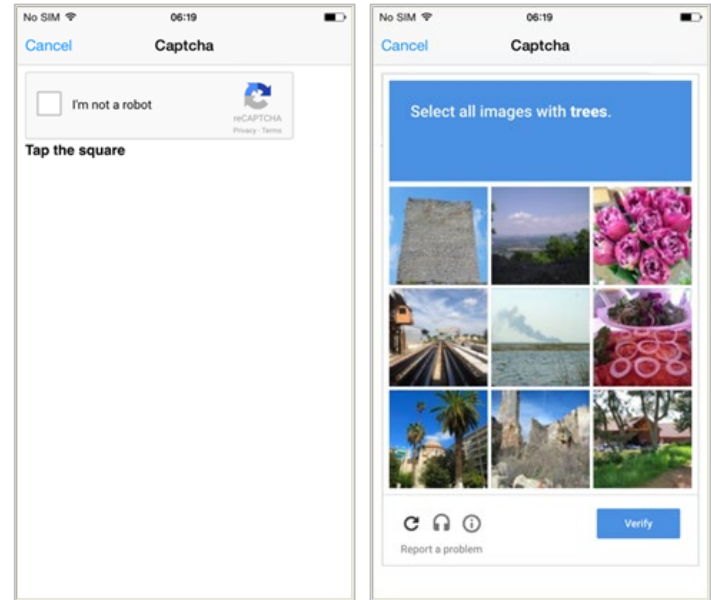
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5.0	The Mobile App must have the capability to provide easy and secure access.	X					The Diona Child Support solution is designed to provide easy and secure access to child support case information for the clients of agencies such as the MDHHS-OCS. The client must provide a username and password to access the solution. Password entry is made easier with the use of an eye button to toggle password visibility. Biometric login, e.g., fingerprint scanning or facial recognition, provides a convenient and easy login mechanism that does not require the client to remember their username and password. The Diona Child Support solution is engineered according to the Open Web Application Security Project (OWASP) best practices for secure mobile applications. All communications between the mobile app, server, and other solution components are encrypted using SSL and TLS encryption technologies. Encoding and whitelist validation are used when managing user supplied input to protect against input and injection style attacks. An integrated, common authentication and authorization framework validates that each request is associated to a user that has been successfully authenticated and that has an active session with the server. Authentication is managed via integration with an identity and access management solution such as MILogin. The Diona Server manages the user sessions and will time users out (on both the app and server) after a configurable amount of time has elapsed during which the user has not interacted with the app. Diona Child Support is tested for security vulnerabilities at regular intervals.
6.0	The Mobile App must have the capability to integrate with the State of Michigan's identity and		X				Diona Child Support is by design intended to be integrated with identity and access management solutions such as MILogin.

A	B	C					D
	access management solution (MILogin).						As a commercial off-the-shelf (COTS) solution, Diona Child Support provides several options in relation to identity and access management solution integration. For MILogin integration, Diona propose direct API based integration for user authentication (assuming the availability of an appropriate MILogin API) and delegation from the app to MILogin for account creation and forgotten password capabilities.
7.0	The Mobile App must have the capability to allow Biometric login (e.g., Facial Recognition).	X					The Diona Child Support solution supports biometric login, e.g., login using fingerprint scanning or facial recognition technology. The Diona Child Support app utilizes the capabilities provided by the mobile device and operating system to provide a convenient and familiar login experience. Instead of having to remember an account username and password every time they open the app, MDHHS-OCS clients can use their biometric credentials to confirm their presence and login to Diona Child Support.

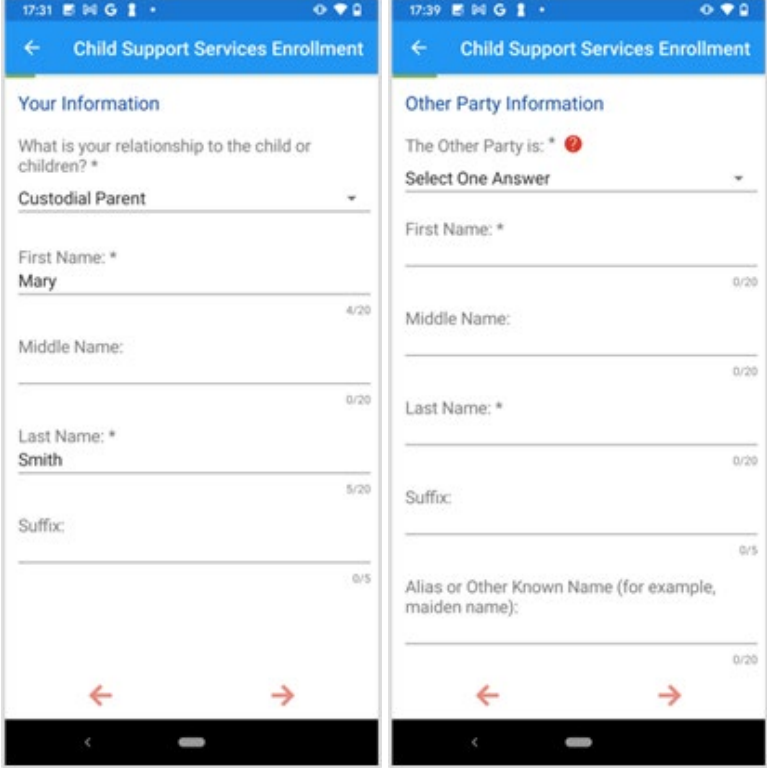
A	B	C					D
							 <i>iOS Face ID Prompt</i>
8.0	The Mobile App must have the capability to share the same login credentials as the MiChildSupport Portal.		X				The Diona Child Support solution will be integrated with MILogin and will therefore share/require the same login credentials as the MiChildSupport portal.

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9.0	The Mobile App must have the capability to allow a user to create an account.		X				Diona Child Support can be used to create an account. As a COTS solution, Diona Child Support provides several configurable options regarding account creation. The optimal approach for the MDHHS-OCS is to directly utilize the account creation process provided by MILogin. The Create Account action on the Diona Child Support login screen can be configured to directly link to the MILogin account creation web page. The user will be automatically redirected back to the Diona Child Support app upon creation of the MILogin account.
10.0	The Mobile App must have the capability to allow the user to indicate that they have forgotten their password and allow a password reset.		X				Diona Child Support provides password reset functionality. As a COTS solution, Diona Child Support provides configurable mechanisms for the maintenance of passwords. The optimal approach for the MDHHS-OCS is to use the MILogin forgot password facility. The app displays a "Forgot Your Password" action on the Login screen. This action will be configured to open the MILogin password reset facility. The user will be automatically redirected back to the Diona Child Support app after completion of password reset in MILogin.
11.0	The Mobile App must have the capability to allow the user to change their password	X					Diona Child Support allows the user to change their password. Assuming an appropriate API is available, the Diona Child Support change password operation will be integrated with an API provided by the MILogin service.

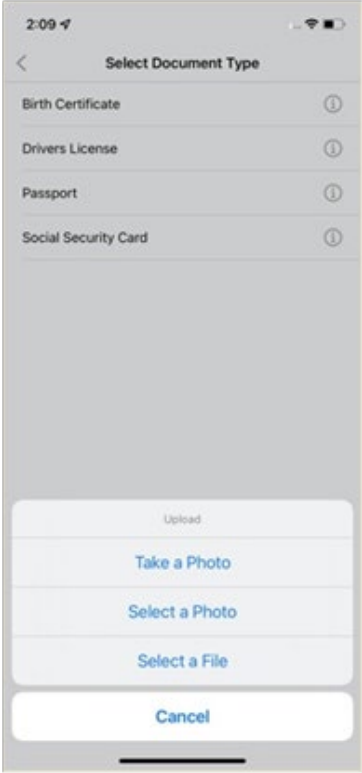
A	B	C				D	
						 <i>iOS Settings & Change Password Screens</i>	
12.0	The Mobile App must have the capability to capture failed login attempts and lock an account based on a configurable number of failed login attempts		X			Diona Child Support can capture failed login attempts. However, MILogin will be used for user authentication and account management. Therefore, the ability and criteria required to lock an account will be defined by the MILogin service's capabilities in this area.	

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13.0	The Mobile App must have the capability to utilize the Captcha function for ensuring identity		X				The Diona Child Support solution can be configured to employ a Captcha challenge to differentiate between real users and automated users, such as bots. The Diona Child Support app presents the user with a Captcha challenge after a configured number of failed login attempts. This functionality is only available when the solution is integrated with the MILogin service using an API based approach, i.e., the user credentials are entered in Diona Child Support.  <i>iOS Captcha Challenge</i>

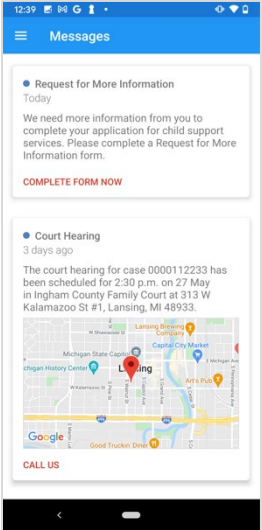
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14.0	The Mobile App must have the capability to allow a participant to apply for child support services (electronic DHS-1201).		X				The Diona Child Support solution can be configured to allow a participant to apply for child support services using the DHS-1201 application form. A new application for child support services can be initiated from a card on the dashboard screen or using the plus button on the applications screen. The application form is presented as a script where the user moves from screen to screen through the form. The user can complete the form or can choose to save the form for completion later. To guard against unexpected events, e.g., app time out due to inactivity or the mobile device running out of battery, data entered in the application form is automatically saved as the client moves from screen to screen through the form. This means that in the event of something unexpected happening, application data will not be lost.

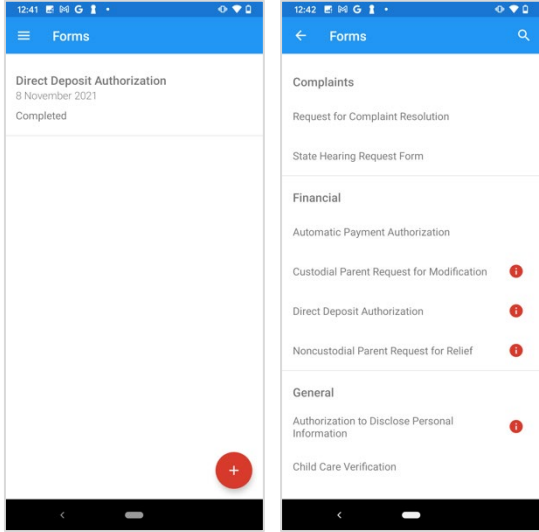
A	B	C					D
							 <i>Android Application Form Screens</i> The Diona Child Support solution includes a forms framework. This framework provides all the facilities required to author the script required to capture the DHS-1201. This is a robust and mature framework that has already been used by many Diona customers to make a wide variety of Health and Human Services application forms available to their clients. The framework provides all the

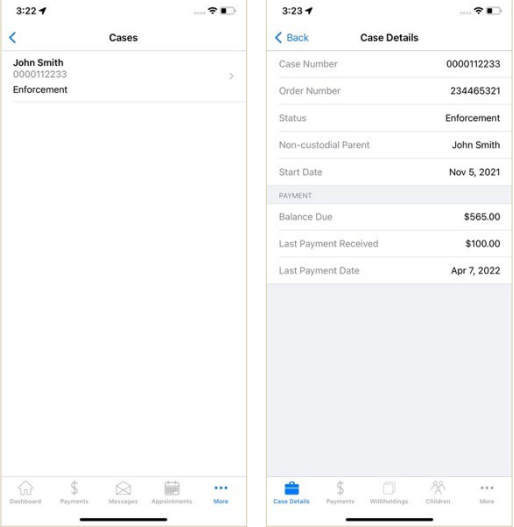
A	B	C				D
						capabilities required to guide a user through the completion of the application.
15.0	The Mobile App must allow a participant to upload documents / pictures (e.g., Driver's License)		X			Diona Child Support provides extensive document upload capabilities. Diona Child Support allows a user to upload files or photographs of specific types of documents, e.g., a driver's license, a birth certificate, etc. Typically, this is to provide verification of data already provided, e.g., to verify the information entered in a child support services application form. The screenshots below illustrate aspects of the document upload process. The device's camera may be used to take one or more photos of a document, photos may be selected from the device's gallery, or a file (e.g., PDF of a pay stub) may be uploaded. These and many more aspects of the upload process are configurable per document type. The second screenshot illustrates automatic edge detection and manual image cropping to ensure optimum image quality. The third screenshot displays the upload preview screen where the client can choose to remove images or files from the upload and add additional items.

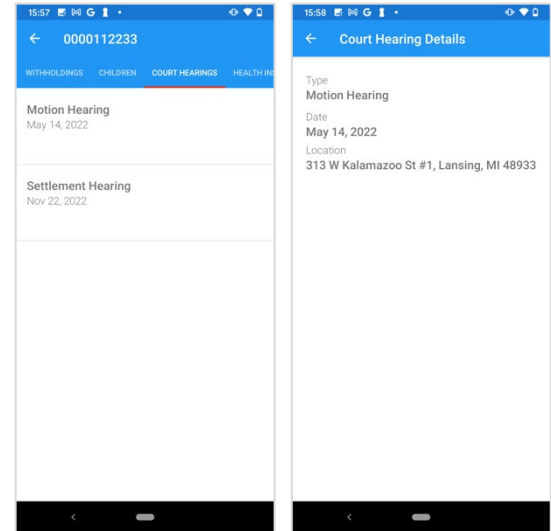
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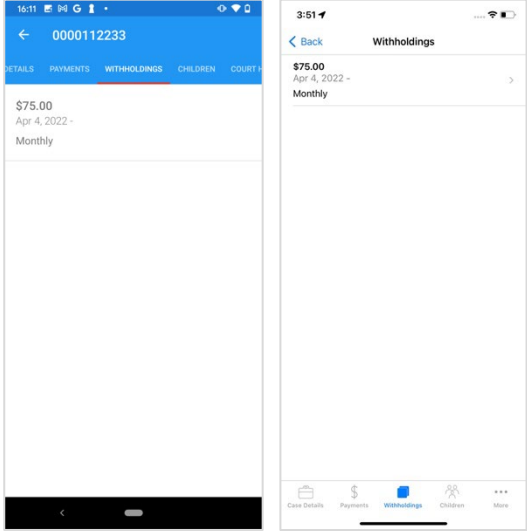
A	B	C					D
							 <i>iOS Document Uploads</i>
16.0	The Mobile App must allow a participant to receive a form and respond to the form via the app (e.g., respond to Request for More Information (e-842))		X				The Diona Child Support solution allows a participant to receive and respond to a form. A push notification will be used to inform a participant of the need to provide more information. The associated message, displayed

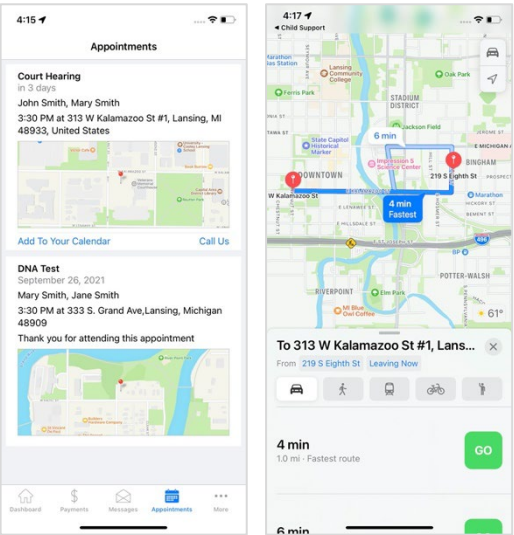
A	B	C				D
						securely within the app, can be used to open the Request for More Information form.  <i>Android Request for More Information Message</i> The forms framework, described above in response to the e-1201 child support services application requirement, may also be used by the MDHHS-OCS to provide other forms, such as a Request for More Information. The screenshot below displays the forms screen and the new form selection screen. The MDHHS-OCS can configure the solution to provide multiple form categories and types.

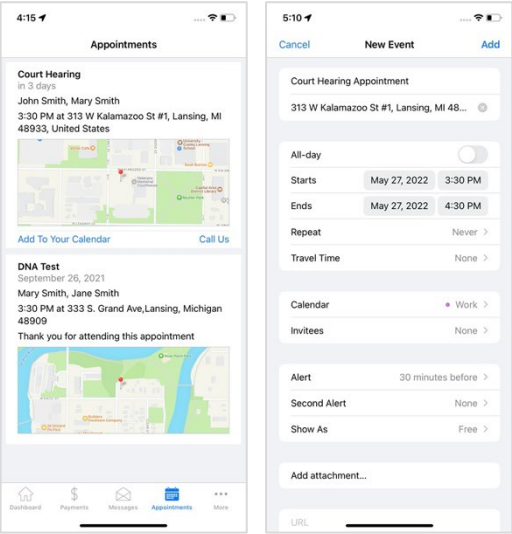
A	B	C					D
							 <i>Android Forms Screens</i>
17.0	The Mobile App must identify the 'stage' a case is in – i.e., Initiation in Progress, Locating Parent, Establishing Paternity, Establishing Support, Enforcement, so that the parent can see the progress of processing the case.		X				Diona Child Support does identify the stage a case is in. The screenshots below illustrate the case list screen and the case details screen, both of which display the case status (stage). The content of these screens, as in the case for all Diona Child Support screens, may be configured to meet the requirements of the MDHHS-OCS. Diona COTS Product fields may be removed, or their label changed (e.g., "status" may be changed to "stage"). The MDHHS-OCS may add new fields if the OOTB product does not provide a field required by the MDHHS-OCS.

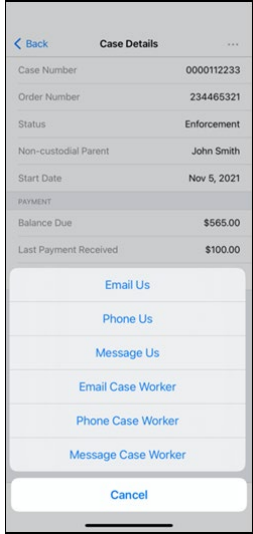
A	B	C				D
						 <i>iOS Case List & Details</i>
18.0	The Mobile App must display basic case demographic information including all participants demographics, related court cases, enforcement actions that have occurred, payments, etc.		X			The Diona Child Support solution displays an extensive set of case data. Diona Child Support is a highly configurable solution. The solution includes a dynamic screen and a custom data framework. The dynamic screen framework is used to extend the solution to include new table or list based dynamic screens. Table based dynamic screens are used to define a new table of information related to a specific item, e.g., a case. Likewise, a list based dynamic screen is used to extend an item to provide a list of related items, e.g., a list of court hearings associated with a case. The custom data framework is used to change the contents of any OOTB screen. For example, the custom data framework can be

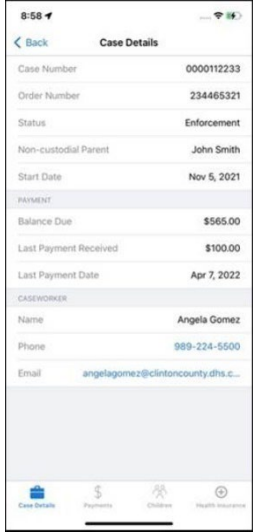
A	B	C				D
						used to remove OOTB fields or add new fields to the case details screen. Both frameworks provide the MDHHS-OCS with the ability to configure the Diona Child Support solution to match their requirements. No Android or iOS coding is required. The screen configurations are defined using the Diona Configuration Manager. The Diona Configuration Manager is a web-based tool that is used to configure all aspects of the Diona Child Support solution. The screenshots below illustrate a sample configured court hearings screen. The MDHHS-OCS can define the content of these screens to match their requirements.  <i>Android Sample Configured Court Hearings Screens</i>

A	B	C					D
19.0	The Mobile App must display income withholding information; including amounts of withholding, frequency and dates of past and future withholdings.		X				The Diona Child support solution can be configured to include withholding information. The Diona Configuration Manager can be used to configure the solution to extend the information that is displayed for a case. This mechanism can be used to include the withholding information required by the MDHHS-OCS in the solution.  <i>Android & iOS Configured Withholdings List Screens</i>
20.0	The Mobile App display a schedule of upcoming meetings, appointments and hearings.	X					The Diona Child Support solution's appointments screen can be used to display upcoming meetings, appointments, and hearings. The appointments screen lists all the meetings, hearings and appointments that have been scheduled for the client. A static map image is displayed when an appointment location is provided. Tapping on the static map opens the default map app on the device

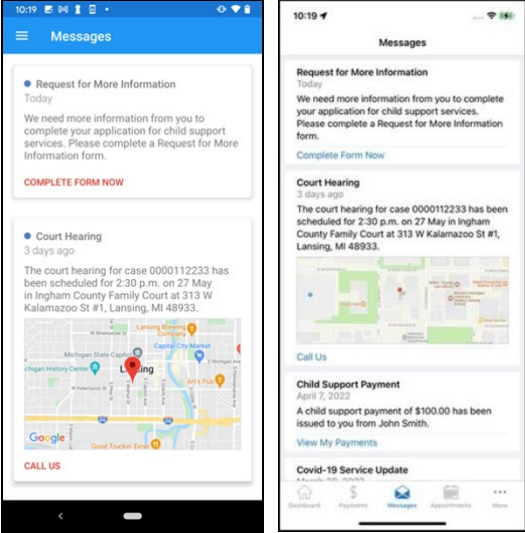
A	B	C				D
						(Apple Maps on iOS, Google Maps on Android), where the user can utilize the capabilities of the map app to undertake tasks such as finding directions, etc. Generally, appointments are used in conjunction with push notifications and messages. Push notifications are sent when appointments are scheduled, and reminders can be sent several days in advance of the scheduled appointment.  <i>iOS Appointments and Apple Maps Integration</i>
21.0	The Mobile App must allow a user to add upcoming appointments to their personal calendar.	X				Diona Child Support allows a user to add upcoming appointments to their personal calendar. A button with the label, Add to Your Calendar, is displayed for all upcoming appointments. Tapping on this button opens the screen used to add an event into the user's personal calendar on the

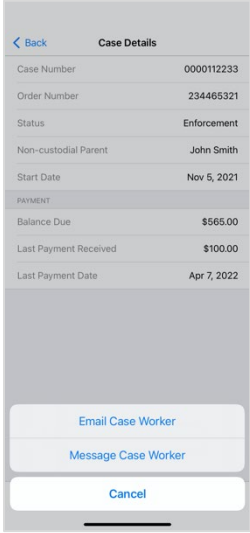
A	B		C			D
						device. Where possible, the information in the calendar event screen is populated using the appointment information, e.g., title, start date and time, location, etc.  <i>iOS Add Appointment to Calendar</i>
22.0	The Mobile App must allow two-way communication between a parent and their caseworker.		X			The Diona Child Support solution provides several options for promoting communication between a parent and their caseworker. Caseworker and agency contact information may optionally be specified for a case. Email addresses can be optionally specified for both the agency and the caseworker. Likewise, landline phone numbers can be optionally specified for both the agency and the caseworker. Cell numbers may also be specified. The screenshot

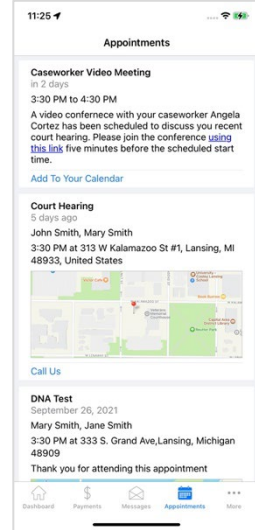
A	B	C				D
						below illustrates the menu that is displayed when all contact options are specified. The MDHHS-OCS can choose to allow only those contact options they deem appropriate.  <i>iOS Full Case Contact Menu</i> Alternatively, the Diona Configuration Manager can be used to extend the information that is displayed by the solution for a case. This mechanism can be used to include caseworker contact information, e.g., phone number and email address. In the screenshot below, the case details screen has been configured to include a caseworker contact section. The phone and email fields can be used by the client to contact their caseworker.

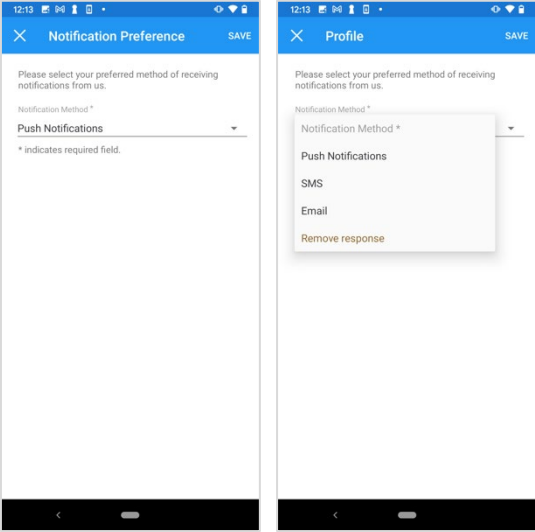
A	B	C					D
							 <i>iOS Case Details Screen</i>
23.0	The Mobile App must allow Caseworkers to send unique messages to users or groups		X				The Diona Child Support solution can be used to send messages to users or groups. Diona recommends the use of push notifications to engage with clients through the mobile app. Push notifications are one of the most significant innovations offered by mobile devices. Using push notifications, the MDHHS-OCS can actively reach out to their clients in real time. Clients are immediately informed and aware of what they need to do to help maintain their engagement with the MDHHS-OCS.

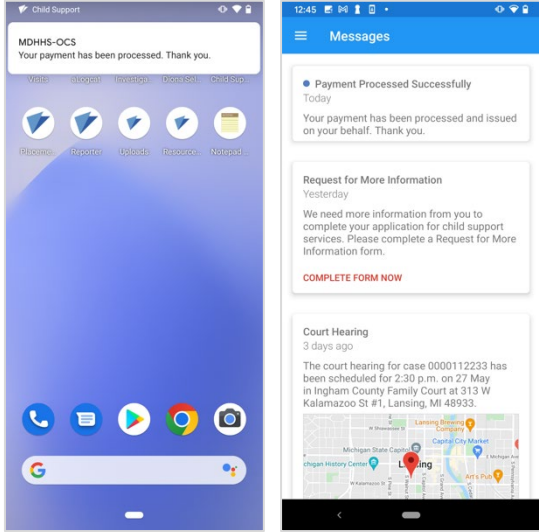
A	B	C					D
							Push notifications are not secure. A notification message generally pops-up on a user's phone and may be seen by anyone looking at the screen at that time. Therefore, when a notification refers to sensitive information, it is best that the notification is used only to alert the client of a new message. The message is displayed securely within Diona Child Support. Diona Child Support automatically creates a message for every push notification. Tapping on the push notification opens the Diona Child Support app (after the user has logged in) to display the associated message. There is seamless integration between the push notification and a secure message within the app. The use of push notifications and messages enables the MDHHS-OCS to enhance their interaction and engagement with clients. For example, a push notification may be issued to remind a client of an upcoming court hearing. The associated message can be used to provide the client with directions to the court house. Or a push notification may be issued to ask a client to complete a Request for More Information form. The associated message can be used to initiate the completion of the form.

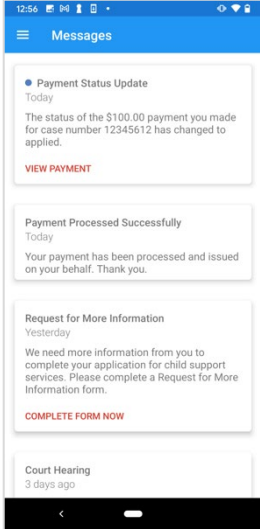
A	B	C				D
						 <i>Android & iOS Messages Screen</i>
24.0	The Mobile App must allow Participants to send text messages to caseworkers	X				The Diona Child Support app can be used by a client to send a text message to a caseworker. Caseworker and agency contact information may optionally be specified for a case. When the caseworker's cell phone number is associated with a case, an option to send an SMS message to the caseworker is available to the client. In the screenshot below, the caseworker's cell phone number and email address are associated with the case information. The client's preferred SMS app is used to send the SMS message to the caseworker.

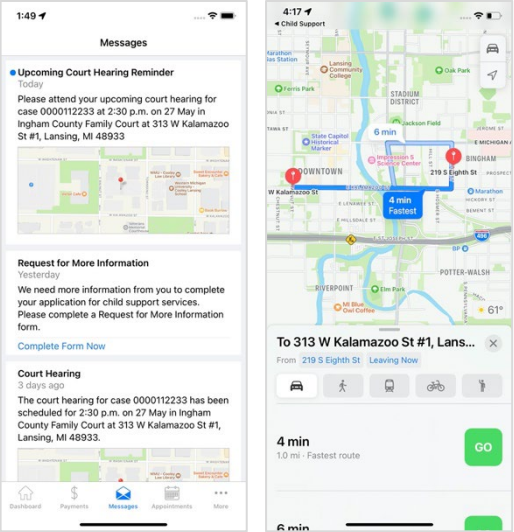
A	B	C					D
							 <i>iOS Message Caseworker Action</i>
25.0	The Mobile App must include a capability for a video meeting/chat between a participant and their caseworker.		X				An appointment is displayed in the Diona Child Support app when a video meeting has been scheduled between a client and their caseworker. The appointment includes a link that is used to initiate the video conference at the appropriate time. The video conference is undertaken using the conference platform utilized by the MDHHS-OCS, e.g., Microsoft Teams, Zoom. The scheduling of meetings such as this should be provided in conjunction with push notifications and messages, e.g., a push notification is issued when the meeting is scheduled, and a reminder notification is issued a few days in advance of the meeting date.

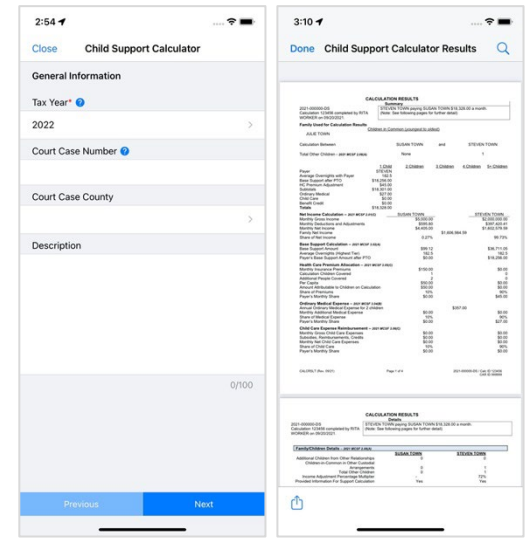
A	B	C					D
							 <i>iOS Video Meeting Appointment</i>
26.0	The Mobile App must allow users to choose to receive text or email reminders including Payment Received, Payment Made, Hearing Date Scheduled, Bench Warrant Issued.		X				The Diona Child Support solution can be configured to allow users to select the channel by which they would like to receive messages, e.g., SMS, email or push notifications. The Diona Child Support app profile screen can be configured to offer a client the choice of notification method.

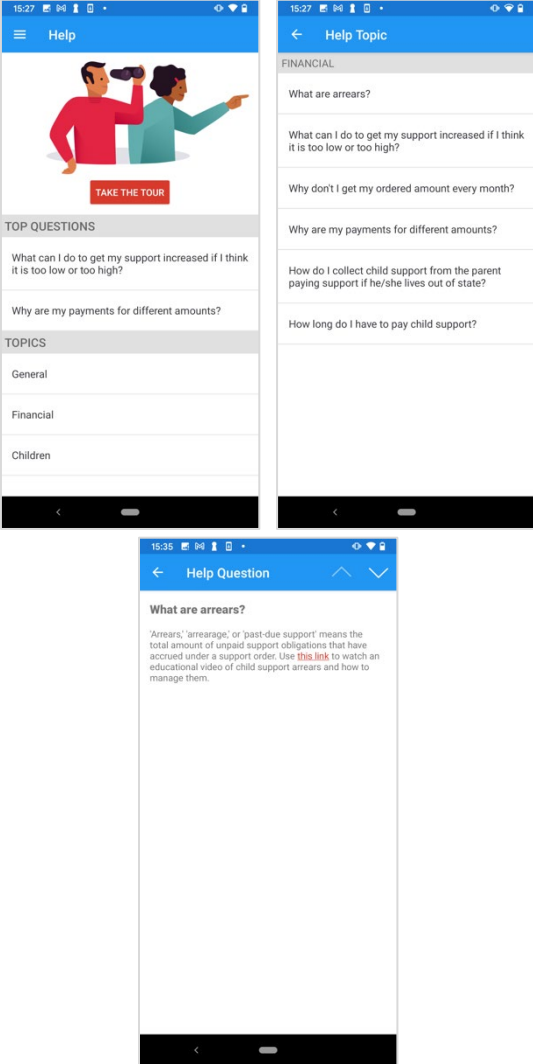
A	B	C				D
						 <i>Android Notification Preferences</i> The Diona Server is fully integrated with the Firebase Cloud Messaging (FCM) service provided by Google for the provision of push notifications. It is assumed that the MDHHS-OCS will provide an SMS gateway for sending text messages and an SMTP server for the sending of emails.
27.0	The Mobile App must include the capability to send automated Thank-you's For Payments Made/Docs Submitted		X			The Diona Child Support solution can issue a push notification in response to specific events such as a payment or a document upload. The screenshots below demonstrate a push notification and a message that have been issued in response to the successful processing of a payment.

A	B	C				D
						 <i>Android Payment Notification & Message</i>
28.0	The Mobile App must provide push notifications of status of payments (received, applied, distributed, disbursed, held, etc.)		X			Diona Child Support can be used to send push notifications in response to the change in status of a payment. The Diona Server is fully integrated with the Firebase Cloud Messaging (FCM) service provided by Google for the issuance of push notifications. A Diona Server API is used to issue both the push notification and to create the associated message. Tapping on the push notification opens the app where the associated message is securely displayed. Messages are used to provide additional information and functionality regarding the event that resulted in the sending of the push notification. For example, a payment related message can include an action that allows the user to view the details of the payment.

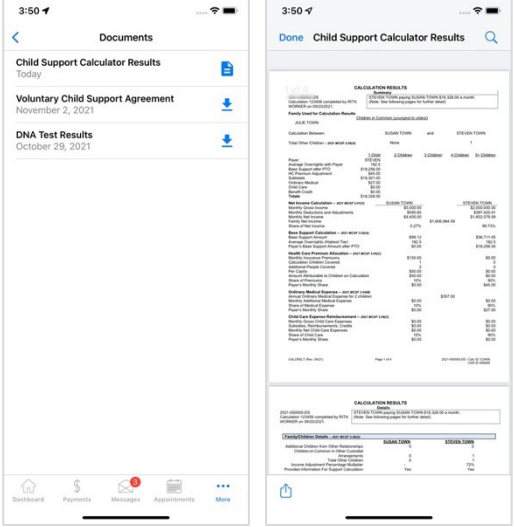
A	B	C					D
							 <i>Android Payment Status Change Message</i>
29.0	The Mobile App must provide push notifications that are reminders of upcoming appointments, hearing dates, case next actions or payments due		X				Diona Child Support can be used to send push notifications that are reminders of upcoming events. The Diona Server is fully integrated with the Firebase Cloud Messaging (FCM) service provided by Google for the issuance of push notifications. A Diona Server API is used to issue both the push notification and to create the associated message. Tapping on the push notification opens the app where the associated message is securely displayed. Messages are used to provide additional information and functionality regarding the event that resulted in the sending of the push notification. For example, a message that is issued to remind a client of an upcoming court

A	B		C			D
						appointment can allow the client to get directions to the court location.  <i>iOS Messages Screen & Map Integration</i>
30.0	The Mobile App must allow a user to fill in the guideline calculator to determine child support amounts obligated and then request a review of their case for potential modification		X			The Diona Child Support solution can be integrated with the MiChildSupport Calculator service for the calculation of child support amounts. Based on the results, a client can complete a form to request a modification in support payments. As a COTS solution, Diona Child Support provides several different approaches to integrating with a service such as the MiChildSupport Calculator. Diona believe the optimal approach is the use of the form framework. This involves the capture of the MiChildSupport Calculator inputs using a form. The data captured in the form is sent to the MiChildSupport Calculator using a service

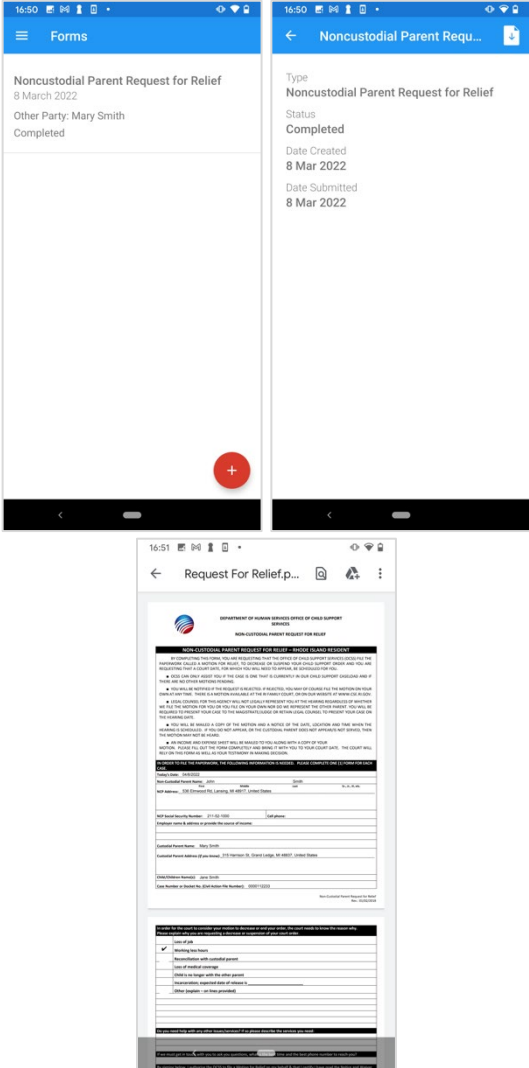
A	B	C				D
						API exposed by the MDHHS-OCS. A summary of the results is displayed to the user who can download a PDF document containing all the information entered and the full results.  <i>iOS Calculator Input Form & Results</i>
31.0	The Mobile App must allow access to educational videos that the user can choose to view		X			Help questions can be configured that include links to existing resources, such as an educational video.

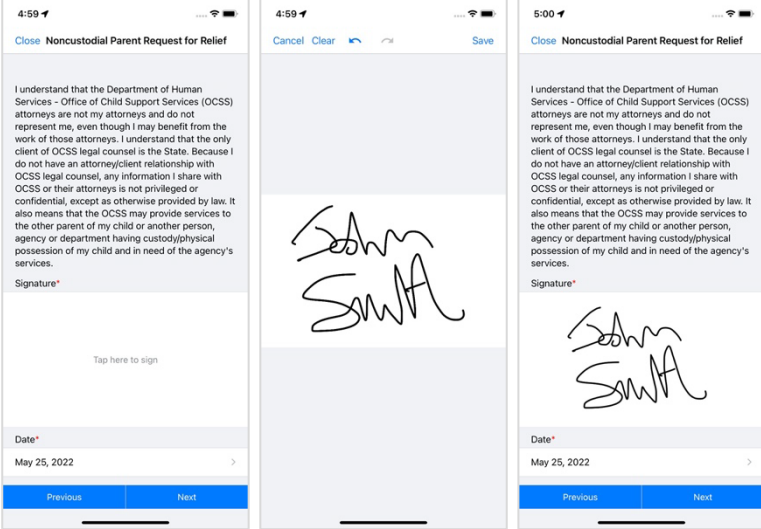
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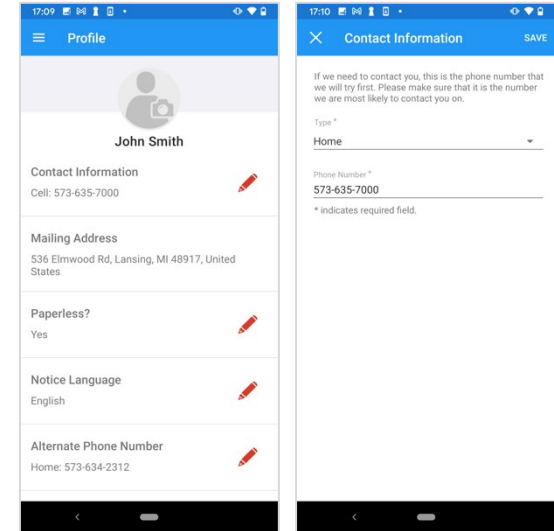
A	B	C					D
							<i>Android Help Screens</i>
32.0	The Mobile App must display an image that is aligned to the status/stage of the case		X				The Diona Child Support app displays the case status in both the case list and the case details screens. An image can optionally be associated with the case status and displayed in the case list. Michigan DHHS can configure images to represent each case status value.
33.0	The Mobile App must store documents unique to a case and allow a user to retrieve/download those documents to their device.	X					Diona Child Support allows a client to download and view case documents. The documents screen displays a list of the documents associated with a case. Tapping on the download icon downloads and opens the document for display on the user's device. Once downloaded, the document is retained on the device for the duration of the session only. It does not need to be downloaded again and can be accessed by opening it from within the app. It is deleted from the device when the user logs out of the app.

A	B	C				D
						 <i>iOS Case Documents Screens</i>
34.0	The Mobile App must store forms unique to a case and allow the user to securely fill in the forms electronically and both download a copy to their device and upload/submit the documents to the caseworker.		X			The Diona Child Support solution allows a user to complete and submit forms. Once submitted, a PDF copy of the form can be downloaded to the user's device. The Diona Child Support solution includes a forms framework. This framework provides all the facilities required to allows clients to complete and submit forms electronically. The Diona Configuration manager is used to define the set of forms that are available in the solution. Forms can be grouped into categories to make it easier for the client to find the required form. Help can be defined for the form that can help the user to determine that the form is appropriate for their needs. The form definition is downloaded as part of the app configuration, and therefore as new

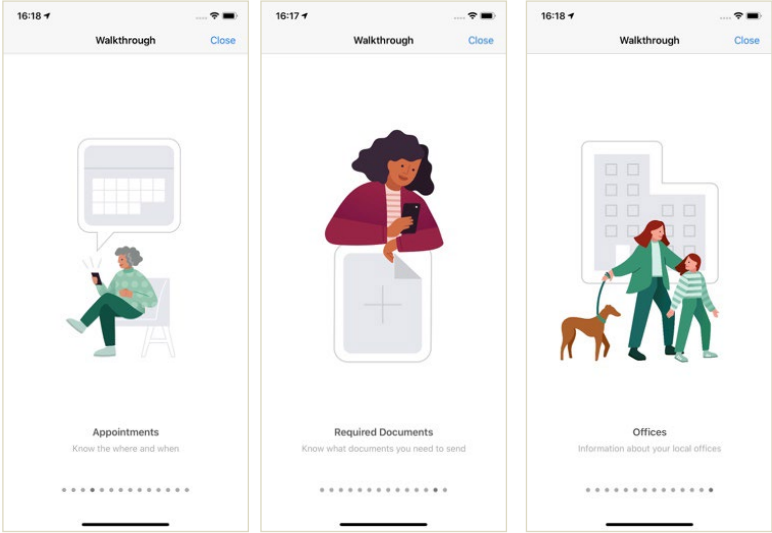
A	B	C					D
							forms are made available by the MDHHS-OCS, they will be available to users automatically in the app, i.e., the user does not need to download a new version of the app. Once submitted, a form may no longer be modified by the user. Therefore, when opened from the forms list screen, a submitted form does not open the script. Instead, a table of information regarding the form is displayed, e.g., reference number, date submitted, status, etc. This screen can be configured to include any additional information deemed appropriate by the MDHHS-OCS. The user can download a PDF representation of the submitted form.

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A	B	C					D
							<i>Android Submitted Form Screens</i>
35.0	The Mobile App must have the capability for a user to electronically sign a document or form.	X					The Diona Child Support solution allows a client to directly enter their signature in a form.  <i>iOS Client Signature</i>
36.0	The Mobile App must allow the user to update personal information, including: -Name -SSN		X				The Diona Child Support solution allows a user to update personal information. The profile screen is designed to allow a client to set demographic and other information, e.g., name, social security number, phone number, date of birth, address, etc. It can also be used to allow clients to specify aspects of their interaction with the MDHHS-OCS, e.g., notification language.

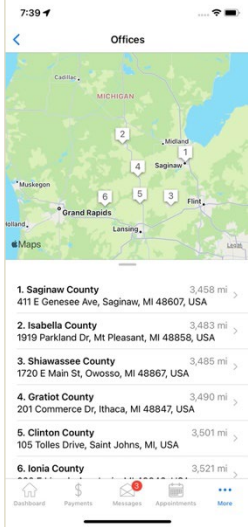
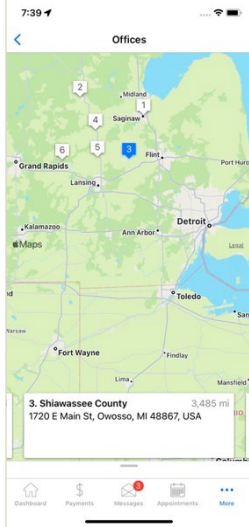
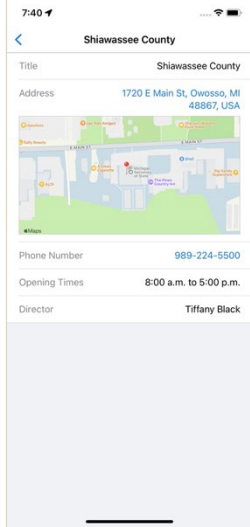
A	B	C					D
	-Date of Birth -Address -Add a child to the case -Add an Employer						The Diona Configuration Manager is used to define the content of the profile screen. The MDHHS-OCS can configure the type of item that should be included in the profile screen and the format of the data that constitutes a profile item, e.g., the data fields necessary to capture an address or a phone number.  <i>Android Profile Screens</i> The profile screen is used to maintain simple information, e.g., primary contact number. However, it is not appropriate for the recording of more complex changes, e.g., the addition of a child to a case or a new employment. Changes such as the two mentioned may involve the capture of additional information, e.g., has the new employment resulted in the end of a previous employment. Forms should be used to capture complex changes in circumstance.

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37.0	The Mobile App must include field level informational help	X					The Diona Child Support Solution utilizes both screen and field level informational help. A help icon is displayed next to the label of any item for which help has been defined. Tapping on the label opens a new screen displaying the help defined for the item.
38.0	The Mobile App must identify assistance options (e.g. trouble making payments...) and provide online instructional help		X				Diona Child Support follows a simple, easy to use design that is familiar and easily understood. However, the child support services offered by the MDHHS-OCS may be complex and a user may need help to understand various aspects of these services. Diona Child Support provides a rich set of capabilities to help the user understand the services offered by the MDHHS-OCS and to ensure that they are using the solution to successfully manage their relationship and interaction with the MDHHS-OCS. Walkthrough The Walkthrough is presented to the user when they first launch the app. It is not displayed for any subsequent app launch; however, it may be accessed again from the app's Help screen.

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						 <i>iOS Walkthrough</i> Dashboard The Dashboard screen is displayed immediately when a user successfully logs into Diona Child Support. Each dashboard card is designed to either answer a specific question, inform the user of an event that has happened, or alert the user to the fact that there is an activity that they need to undertake..

A	B	C				D
						<i>iOS & Android Dashboard Screen</i> Help Help questions are arranged into topics allowing a client to easily find all questions relating to a specific area. The most important questions, i.e., questions that are most often asked by clients, can be displayed on the first section in the Help screen.

A	B	C				D
						<i>Android Help Screens</i> Office Locations An interactive map and list of MDHHS-OCS offices may be provided. The MDHHS-OCS can configure the information that is displayed for each office, e.g., office address, phone number, toll free phone number, etc.

A	B	C					D
							 1. Saginaw County 411 E Genesee Ave, Saginaw, MI 48607, USA 3,458 mi 2. Isabella County 1919 Parkland Dr, Mt Pleasant, MI 48858, USA 3,483 mi 3. Shiawassee County 1720 E Main St, Owosso, MI 48867, USA 3,485 mi 4. Gratiot County 201 Commerce Dr, Ithaca, MI 48847, USA 3,490 mi 5. Clinton County 105 Toiles Drive, Saint Johns, MI, USA 3,501 mi 6. Ionia County 3,521 mi  3. Shiawassee County 1720 E Main St, Owosso, MI 48867, USA 3,485 mi  Shiawassee County Title Shiawassee County Address 1720 E Main St, Owosso, MI 48867, USA Phone Number 989-224-5500 Opening Times 8:00 a.m. to 5:00 p.m. Director Tiffany Black

Offices

Offices

SCHEDULE B – PRICING

Price proposals must include all costs for the licensing, support, implementation, and training for the Solution.

The Pricing table below is representative of total costs based on assumptions of the described timeframes:

DHHS Child Support Mobile App Contract		Year 1	
Implementation Services			
Planning Services (6 weeks)		\$100,000	
Implementation Services (12 months, max 3 releases)		\$1,465,000	
Warranty (90 days post final release)		\$0	
Support Services			
Support Services (post initial release* until final release)		\$0	
Diona COTS Product			
Diona COTS Product Monthly Pre-Production Subscription*		\$48,000 6 months *	Years 2 -5
Diona COTS Product Annual Production Subscription*		\$229,974 annual	\$919,896
Diona COTS Product Annual Support*		\$24,960 annual	\$104,933
* 7-month initial release illustrative, defined during planning			
Total Cost		\$1,867,934	\$1,024,829 \$2,892,763
			CONTRACT

1. Licensing Fees.

Diona COTS Product Subscription and Maintenance Fees and Payment Schedule.

- The State will pay Contractor the following fees based on implementation needs and decisions as determined by the State:

Monthly Pre-Production Subscription	Installed in SOM Environment
State use of the Diona COTS Product as defined in Software Contract Terms and Condition, Section 5, in Pre-Production Instances for configuring, developing, and testing prior to Go-Live as will be agreed to by the Parties.	\$8,000

Annual Production Subscription	Installed in SOM Environment
Diona COTS Product Subscription	\$229,974
Diona COTS Product Support	\$24,960

Total	\$254,934
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- b. The State will pay Contractor the Monthly Pre-Production Subscription fee each month from Contract Effective Date until the initial Go-Live Date of Schedule A – Statement of Work (“Production Date”). As of the Production Date, State will pay Contractor the Annual Production Subscription fee.
- c. Diona COTS Product Support will increase by 2% annually.

Subscription fees (Monthly Pre-Production and Annual Production) will be invoiced 30 days in advance and payable in accordance with the Contract. Except as set forth in Section 16.1, all fees are nonrefundable and non-cancelable.

- 2. Implementation Fees. All costs associated with Implementation Services as described in Schedule A – Statement of Work are included below (e.g., configuration, integration, testing, etc.) (the “**Implementation Fees**”). All costs are firm fixed.

Phase	Payment Milestone / Deliverable	Schedule	Fee
Planning	Requirement Validation Document	Contract Execution + 6 weeks	\$50,000
Planning	Release Plan	Contract Execution + 6 weeks	\$50,000
Project Management	Project Workplan	Contract Execution + 8 weeks	\$47,000
Technical Architecture	System Architecture Design	Contract Execution + 8 weeks	\$47,000
Payment for Release activities will be monthly payments per month for the 12-month release time period.		Beginning Contract Execution + 10 weeks	\$98,000 per month
Deployment	Final Updated Operations Manual	Contract Execution + 6 weeks + 11 months	\$45,000
Project Completion	Project Complete	Contract Execution + 6 weeks + 12 months + 90 days	\$150,000
Total Implementation Fees			\$1,565,000

- 3. Postproduction Warranty. The Contractor must provide a 90 calendar days postproduction warranty at no cost to the State. The postproduction warranty will meet all requirements of the contract, including all Support Services identified in Schedule D.
- 4. Rate Card for Ancillary Professional Services.

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

Resource	Not to exceed On-Site Hourly Rate *	Not to exceed Remote Hourly Rate*
Mobile Solution Architect	\$280	\$225
Project Manager	\$265	\$210
Technical Architect	\$250	\$195
Principal Technical Consultant	\$225	\$170
Senior Technical Consultant	\$205	\$150
Technical Consultant	\$180	\$125
Associate Consultant	\$155	\$100
Business Architect	\$240	\$195
Principal Business Analyst	\$225	\$170
Senior Business Analyst	\$195	\$140
Business Analyst	\$165	\$110

* Rates are valid until April 30, 2024, after which they will increase by 3% annually.

5. Additional Pricing Terms.

Travel and Expenses

The State does not pay for overtime or travel expenses.

Diona (US) Inc.

SCHEDULE C - INSURANCE REQUIREMENTS

General Requirements. Contractor, at its sole expense, must maintain the insurance coverage as specified herein for the duration of the Term. Minimum limits may be satisfied by any combination of primary liability, umbrella or excess liability, and self-insurance coverage. To the extent damages are covered by any required insurance, Contractor waives all rights against the State for such damages. Failure to maintain required insurance does not limit this waiver.

- 1. Qualification of Insurers.** Except for self-insured coverage, all policies must be written by an insurer with an A.M. Best rating of A- VII or higher unless otherwise approved by DTMB Enterprise Risk Management.
- 2. Primary and Non-Contributory Coverage.** All policies for which the State of Michigan is required to be named as an additional insured must be on a primary and non-contributory basis.
- 3. Claims-Made Coverage.** If any required policies provide claims-made coverage, Contractor must:
 - a. Maintain coverage and provide evidence of coverage for at least 3 years after the later of the expiration or termination of the Contract or the completion of all its duties under the Contract.
 - b. Purchase extended reporting coverage for a minimum of 3 years after completion of work 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.
- 4. Proof of Insurance.**
 - a. Insurance certificates showing evidence of coverage as required herein must be submitted to DTMB-RiskManagement@michigan.gov within 10 days of the contract execution date.
 - b. Renewal insurance certificates must be provided on annual basis or as otherwise commensurate with the effective dates of coverage for any insurance required herein.
 - c. Insurance certificates must be in the form of a standard ACORD Insurance Certificate or equivalent unless otherwise approved by DTMB Enterprise Risk Management.

- d. All insurance certificates must clearly identify the Contract Number (e.g., notated under the Description of Operations on an ACORD form or equivalent).
 - e. The State may require additional proofs of insurance or solvency, including but not limited to policy declarations, policy endorsements, policy schedules, self-insured certification/authorization, and balance sheets.
 - f. In the event any required coverage is cancelled or not renewed, Contractor must provide written notice to DTMB Enterprise Risk Management no later than 5 business days following such cancellation or nonrenewal.
- 5. Subcontractors.** Contractor is responsible for ensuring its subcontractors carry and maintain insurance coverage.
- 6. Limits of Coverage & Specific Endorsements.**

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate	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 20 10 12 19 and CG 20 37 12 19.
Automobile Liability Insurance	
If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.	
Workers' Compensation Insurance	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.

Employers Liability Insurance	
Minimum Limits: \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Crime (Fidelity) Insurance	
Minimum Limits: \$1,000,000 Employee Theft Per Loss	Contractor must have their policy: (1) cover forgery and alteration, theft of money and securities, robbery and safe burglary, computer fraud, funds transfer fraud, money order and counterfeit currency, and (2) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as Loss Payees.
Professional Liability (Errors and Omissions) Insurance	
Minimum Limits: \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	

- 7. Non-Waiver.** This Schedule C 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

The parties agree as follows:

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

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

“Critical Service Error” has the meaning set forth in the Service Level Table.

“Error” means, generally, any failure or error referred to in the Service Level Table.

“First Line Support” means the identification, diagnosis, and correction of Errors by the State.

“High Service Error” has the meaning set forth in the Service Level Table.

“Low Service Error” has the meaning set forth in the Service Level Table.

“Medium Service Error” has the meaning set forth in the Service Level Table.

“Resolve” and the correlative terms, **“Resolved”**, **“Resolving”** and **“Resolution”** each have the meaning set forth in **Section 2.4**

“Service Credit” has the meaning set forth in **Section 3.1**

“Second Line Support” means the identification, diagnosis, and correction of Errors by the provision of (a) telephone and email assistance by a qualified individual on the Contact List and remote application support, or (b) on-site technical support at the State's premises by a qualified individual on the Contact List.

“Service Levels” means the defined Error and corresponding required service level responses, response times, Resolutions and Resolution times referred to in the Service Level Table.

“Service Level Table” means the table set out in **Section 2.4**

“State Cause” means any of the following causes of an Error: (a) a State server hardware problem; (b) a desktop/laptop hardware problem; (c) a State network communication problem; or (d) a State Systems problem.

“State Systems” means the State's information technology infrastructure, including the State's computers, software, databases, electronic systems (including database management systems) and networks.

“Support Hours” means Monday through Friday, 8:00am - 5:00pm EST.

“Support Period” means the period of time beginning 90 days after the date the Software has an initial release to production and ending 90 days after final release to production under this Statement of Work.

“Support Request” has the meaning set forth in **Section 2.2**

2. Support Services. The State will provide First Line Support prior to making a Service Request for Second Line Support. Contractor shall perform all Second Line Support and other Support Services during the Support Hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the Contract, including the Service Levels and other Contractor obligations set forth in this **Section 2**.

2.1 Support Service Responsibilities. Contractor shall:

(a) provide unlimited telephone or e-mail support during all Support Hours;

(b) respond to and Resolve all Support Requests in accordance with the Service Levels;

(c) provide unlimited remote Second Line Support to the State during all Support Hours;

(d) provide on-premise Second Line Support to the State if remote Second Line Support will not Resolve the Error; and

(e) provide to the State all such other services as may be necessary or useful to correct an Error or otherwise fulfill the Service Level requirements, including defect repair, programming corrections and remedial programming.

2.2 Support Requests. Once the State has determined that an Error is not the result of a **State Cause**, the State may request Support Services by way of a Support Request. The State shall classify its requests for Error corrections in accordance with the support request classification and definitions of the Service Level Table set forth in **Section 2.4** (each a "**Support Request**"). The State shall notify Contractor of each Support Request by e-mail or telephone. The State shall include in each Support Request a description of the reported Error and the time the State first observed the Error.

2.3 State Obligations. The State shall provide the Contractor with each of the following to the extent reasonably necessary to assist Contractor to reproduce operating conditions similar to those present when the State detected the relevant Error and to respond to and resolve the relevant Support Request:

- (i) if not prohibited by the State's security policies, remote access to the State Systems, and if prohibited, direct access at the State's premises;
- (ii) output and other data, documents, and information, each of which is deemed the State's Confidential Information as defined in the Contract; and
- (iii) such other reasonable and prompt cooperation and assistance as Contractor may request within the corresponding resolution timeframe.

2.4 Service Level Table. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (a) responded to that Support Request, in the case of response time and (b) Resolved that Support Request, in the case of Resolution time or provided a resolution plan approved by the State. "**Resolve**", "**Resolved**", "**Resolution**" and correlative capitalized terms mean, with respect to any Support Request, that Contractor has corrected the Error that prompted that Support Request and that the State has confirmed such correction and its acceptance of it in writing. Contractor shall respond to and Resolve all Support Requests within the following times based on the State's designation of the severity of the associated Error, subject to the parties' written agreement to revise such designation after Contractor's investigation of the reported Error and consultation with the State:

Support Request Classification	Definition	Service Level Metric (Required Response Time)	Service Level Metric (Required Resolution Time)
Critical Service Error	(a) Issue affecting entire Software system or single critical production function for which there is no workaround option available; (b) Software down or operating in materially degraded state. (c) Data integrity at risk. (d) Material financial impact; (e) Widespread application access interruptions, not related to State Cause.	Contractor shall acknowledge receipt of a Support Request within thirty (30) minutes.	Contractor shall Resolve the Support Request as soon as practicable and no later than eight (8) hours after Contractor's receipt of the Support Request. If the Contractor Resolves the Support Request by way of a work-around accepted in writing by the State, the support classification assessment will be reduced to a High Service Error.

Support Request Classification	Definition	Service Level Metric (Required Response Time)	Service Level Metric (Required Resolution Time)
High Service Error	(a) A Critical Service Error for which the State has received, within the Resolution time for Critical Service Errors, a work-around that the State has accepted in writing; or (b) Primary component failure that materially impairs Software's performance. (c) Data entry or access is materially impaired on a limited basis; or (d) performance issues of severe nature impacting critical processes	Contractor shall acknowledge receipt of a Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around, within twenty-four (24) hours.	Contractor shall Resolve the Support Request as soon as practicable and no later than two (2) Business Days after Contractor's receipt of the Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around.

Support Request Classification	Definition	Service Level Metric (Required Response Time)	Service Level Metric (Required Resolution Time)
Medium Service Error	An isolated or minor Error in the Software that meets any of the following requirements: (a) does not significantly affect Software functionality. (b) can or does impair or disable only certain non-essential Software functions; or (c) does not materially affect the State's use of the Software	Contractor shall acknowledge receipt of the Support Request within two (2) Business Days.	Contractor shall Resolve the Support Request as soon as practicable and no later than twenty (20) Business Days after Contractor's receipt of the Support Request.
Low Service Error	Request for assistance, information, or services that are routine in nature.	Contractor shall acknowledge receipt of the Support Request within five (5) Business Days.	N/A

2.5 Escalation. If Contractor does not respond to a Support Request within the relevant Service Level response time, the State may escalate the Support Request to the Contractor Project Manager and State Program Managers, or their designees, and then to the parties' respective Contract Administrators.

2.6 Time Extensions. The State may, on a case-by-case basis, agree in writing to a reasonable extension of the Service Level response or Resolution times.

2.7 Contractor Updates. Contractor shall give the State monthly electronic or other written reports and updates of:

- (a) the nature and status of its efforts to correct any Error, including a description of the Error and the time of Contractor's response and Resolution;
- (b) its Service Level performance, including Service Level response and Resolution times; and
- (c) the Service Credits to which the State has become entitled.

3. Service Credits.

3.1 Service Credit Amounts. If the Contractor fails to respond to a Support Request within the applicable Service Level response time or to Resolve a Support Request within the applicable Service Level Resolution time, the State will be entitled to the corresponding service credits specified in the table below ("**Service Credits**"), provided that the relevant Error did not result from a State Cause.

Support Request Classification	Service Level Credits (For Failure to Respond to any Support Request Within the Corresponding Response Time)	Service Level Credits (For Failure to Resolve any Support Request Within the Corresponding Required Resolution Time)
Critical Service Error	An amount equal to 5% of the then current monthly Support Fee for each hour by which Contractor's response exceeds the required Response time.	An amount equal to 5% of the then current monthly Support Fee for each four (4) hours by which Contractor's Resolution of the Support Request exceeds the required Resolution time.
High Service Error	An amount equal to 3% of the then current monthly Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which	An amount equal to 3% of the then current monthly Support Fee for each Business Day, by which Contractor's Resolution of the Support Request exceeds the required Resolution time.

Support Request Classification	Service Level Credits (For Failure to Respond to any Support Request Within the Corresponding Response Time)	Service Level Credits (For Failure to Resolve any Support Request Within the Corresponding Required Resolution Time)
	Contractor's response exceeds the required Response time.	

Service Level Credit's apply after the completion of the Warranty Period.

Should a singular occurrence of an Error result in multiple Service Level Metrics not being met in a given month, the State will only be entitled to receive the highest level of Service Level Credit associated with the root cause of the Error. For the avoidance of doubt, this will not preclude the State from receiving Service Level Credits if an Error is resolved and thereafter repeats and causes Contractor to fail to meet the same Service Level Metric within the same month.

3.2 Compensatory Purpose. The parties intend that the Service Credits constitute compensation to the State, and not a penalty. The parties acknowledge and agree that the State's harm caused by Contractor's delayed delivery of the Support Services would be impossible or very difficult to accurately estimate as of the Effective Date, and that the Service Credits are a reasonable estimate of the anticipated or actual harm that might arise from Contractor's breach of its Service Level obligations. Notwithstanding any provision to the contrary, the maximum amount of Service Credits that may be imposed on the Contractor in any month shall not exceed 20% of the applicable current monthly Support Fee.

3.3 Issuance of Service Credits. Contractor shall, for each monthly invoice period, issue to the State, together with Contractor's invoice for such period, a written acknowledgment setting forth all Service Credits to which the State has become entitled during that invoice period. Contractor shall pay the amount of the Service Credit as a debt to the State within fifteen (15) Business Days of issue of the Service Credit acknowledgment, provided that, at the State's option, the State may, at any time prior to Contractor's payment of such debt, deduct the Service Credit from the amount payable by the State to Contractor pursuant to such invoice.

3.4 Additional Remedies for Service Level Failures. Contractor's repeated failure to meet the Service Levels for Resolution of any Critical Service Errors or High Service Errors, or any combination of such Errors, within the applicable Resolution time set out in the Service Level Table will constitute a material breach under the Contract. Without limiting the State's right to receive Service Credits under this **Section 3**, the State may terminate this Schedule for cause in accordance with terms of the Contract.

4. Communications. In addition to the mechanisms for giving notice specified in the Contract, unless expressly specified otherwise in this Schedule or the Contract, the parties may use e-mail for communications on any matter referred to herein.

SCHEDULE D – Attachment 1 – Contact List

Support request:

Ryan Koontz
ryan.koontz@diona.com
[703-581-7843](tel:703-581-7843)

Support request escalation:

John Polakowski
jpolakowski@diona.com
512-720-1919

SCHEDULE E – DATA SECURITY REQUIREMENTS

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

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

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

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

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

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

“PCI” means the Payment Card Industry.

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

“SSAE” means Statement on Standards for Attestation Engagements.

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

2. Security Officer. Contractor will appoint a contractor employee to respond to the State’s inquiries regarding the security of the Hosted Services who has sufficient knowledge of the security of the Hosted Services and the authority to act on behalf of the 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 the Contractor's or its subcontractor's possession; and
- (e) ensure that all Contractor Personnel 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 the Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and the 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/policies/it-policies>.

This responsibility also extends to all service providers and subcontractors with access to State Data or an ability to impact the contracted solution. The 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 Standard. To the extent that the Contractor has access to the State's IT environment, the Contractor must comply with the State's Acceptable Use Standard, see <https://www.michigan.gov/dtmb/-/media/Project/Websites/dtmb/Law-and-Policies/IT-Policy/13400013002-Acceptable-Use-of-Information-Technology-Standard.pdf>. All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Standard before accessing State systems or Data. 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, The 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.

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

5.3 ensure that the Software and State Data is securely stored, hosted, supported, administered, accessed, and backed up in the continental United States, and the data center(s) in which the data resides minimally meet Uptime Institute Tier 3 standards (<https://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 Throughout the Term, Contractor must not provide Hardware or Services from the list of excluded parties in the [System for Award Management \(SAM\)](#) for entities excluded from receiving federal government awards for "covered telecommunications equipment or services.

5.6 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);

5.7 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;

5.8 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;

5.9 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;

5.10 ensure the Hosted Services implements NIST compliant multi-factor authentication for privileged/administrative and other identified access.

5.11 Contractor must permanently sanitize or destroy the State's information, including State Data, from all media both digital and nondigital including backups using National Security Agency ("NSA") and/or National Institute of Standards and Technology ("NIST") (NIST Guide for Media Sanitization 800-88) data sanitization methods or as otherwise instructed by the State. Contractor must sanitize information system media, both digital and non-digital, prior to disposal, release out of its control, or release for reuse as specified above.

6. Security Accreditation Process. Throughout the Term, when the Contractor has a current Statement of Work for Support Services or Diona COTS Product Support, the 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 the Contractor to submit evidence, upon request from the State, in order to validate the Contractor's security controls within two weeks of the State's request. On an annual basis, or as otherwise required by the State such as for significant changes, re-assessment of the system's controls will be required to receive and maintain authority to operate (ATO). All identified risks from the SSP will be remediated through a Plan of Action and Milestones (POAM) process with remediation time frames and required evidence based on the risk level of the identified risk. For all findings associated with the Contractor's solution, at no additional cost, the Contractor will be required to create or assist with the creation of State approved POAMs, perform related remediation activities, and provide evidence of compliance. The State will make any decisions on acceptable risk, the Contractor may request risk

acceptance, supported by compensating controls, however only the State may formally accept risk. Failure to comply with this section will be deemed a material breach of the Contract.

7. Unauthorized Access. Contractor may not access, and must not permit any access to, State systems, in whole or in part, whether through the Hosted Services or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this Section. All State-authorized connectivity or attempted connectivity to State systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to the 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 the 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 the Contractor's data privacy and information security program. If the State chooses to perform an on-site audit, the 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 the Contractor, provided that the State: (i) gives the 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 the 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 and Hosting Provider's FedRAMP System Security Plan(s) or SOC 2 Type 2 report(s) to the State within two weeks of the State's request. The System Security Plan and SSAE audit reports will be recognized as the Contractor's Confidential Information.

8.4 With respect to State Data, the Contractor must implement any required safeguards as identified by the State or by any audit of the 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 the Contractor fails or has failed to meet its obligations under this **Section 8**.

9. Application Scanning. During the Term, the Contractor must, at its sole cost and expense, scan the Diona COTS Product, and must analyze, remediate, and validate all vulnerabilities identified by the scans as required by the State Secure Web Application and other applicable PSPs.

The 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 Diona COTS Product; or b) in lieu of the State performing the scan, Contractor must dynamically scan a deployed version of the Diona COTS Product using a State approved application scanning tool and provide the State with a vulnerabilities assessment after the 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 the Diona COTS Product, the Contractor, at its sole expense, must 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 the Contractor must provide the State with a vulnerability assessment after the 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 Diona COTS Product 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 the Contractor must provide the State with a vulnerability assessment after the 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, the 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. The 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 the Contractor without any notice or cure period, and the Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

SCHEDULE F – TRANSITION IN AND OUT

Transition In

Transition In activities are part of the Contractor's standard project mobilization and will occur during the Planning phase of the Schedule A – Statement of Work.

The Transition In approach is designed to quickly get the project underway while establishing a shared understanding of the project goals and objectives for all stakeholders. The key components of the Transition In approach include:

- **Contractor Onboarding** – Contractor will identify Contractor resources joining the project and complete the necessary background checks and onboarding documentation. DHHS will process the onboarding documentation and provide the necessary ids for Contractor access.
- **Kick-off** – Contractor will facilitate a project kick-off with DHHS stakeholders to review the high-level project approach and Contractor and DHHS roles and responsibilities.
- **Diona Child Support Overview** - Contractor will conduct a session to provide a detailed overview of the Diona Child Support functionality. The intent of this session will be to establish a baseline understanding of the commercial-off-the-self (COTS) solution that will be the basis of the DHHS Child Support Mobile App.

Transition Out

During Transition Out, Contractor will transition the DHHS Child Support Mobile App solution and Contractor Maintenance and Support Services to the DHHS Maintenance and Support Services team. The goal of Transition Out is to provide the DHHS Maintenance and Support Services team with the necessary support, training, documentation, and system information to support a seamless project transition.

The Transition Out approach is designed to promote collaboration and transparency including the following key components:

- **Planning** – Transition planning begins with a Transition Kick-off and includes development of a Transition Plan that defines roles and responsibilities, transition tasks, processes, schedule, and exit criteria.

- **Knowledge Transfer** – Contractor provides the DHHS Maintenance and Support Services team with the current Operations Manual and other documentation such as the System Architecture Design and the Operational Job Aid. Contractor will transfer knowledge through activities like job shadowing and training sessions.
- **Transition Management & Reporting** – Throughout the Transition, Contractor provides status on the transition activities. Contractor recommends using a common repository for sharing Transition documentation and status.
- **Project Closeout** – During project closeout, Contractor confirms with the DHHS Maintenance and Support Services team that transition activities are complete and the exit criteria for the transition have been met.

SCHEDULE G – 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 the 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 Contractor 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 Contractor 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 G – ATTACHMENT 1- BYRD ANTI LOBBYING CERTIFICATION

The 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, _____ 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

SCHEDULE H – DIONA COTS PRODUCT SUPPORT

1. Diona COTS Product Support.

Diona COTS Product Support provides support services to the State for the Diona COTS Product licensed as set forth in the Contract, including any service packs, updates or other releases provided by Contractor. If the State's Configurations are degraded because of a Maintenance Release or New Version, Contractor will, at no additional cost, trouble-shoot and provide instructions/assistance to make the State's Configurations functional and operable following a Maintenance Release or New Version.

1.1 Points of Contact. State will identify in writing points of contact to work with Contractor on technical issues related to the Diona COTS Product.

1.2 Support Portal. Contractor will provide State points of contact accounts to access the Diona COTS Product Support online portal (<https://support.diona.com>). State points of contact will have the ability to:

- a) open tickets;
- b) review and track open tickets;
- c) view a history of State tickets;
- d) access the Diona COTS Product document library;
- e) download licensed Diona COTS Product as defined in Section 1;
- f) download Diona COTS Product service packs; and
- g) view information relating to Diona COTS Product that can assist Support Services personnel.

1.3 Reporting Issues. State points of contact may report issues to Contractor by:

- 1) Logging into the Diona COTS Product Support online portal at <https://support.diona.com> and creating a ticket, or
- 2) Sending an email to the support email address at support@diona.com.

When an issue is reported to Contractor by the State through one of the methods above, the Diona COTS Product Support team will acknowledge the receipt of the ticket by email and will provide a ticket ID or reference number.

1.4 Proactive Notifications. Diona COTS Product Support team will issue notices to State points of contact via email and postings on the support portal. Notices may cover items such as:

- known defects, issues, and workarounds
- service packs and emergency fixes
- upcoming releases of new versions of Diona COTS Product
- upcoming end of life of old versions of Diona COTS Product

1.5 Reproducing Defects. Where the Diona COTS Product does not function as described in the Documentation, or where the State considers some specific behavior to be a defect in the Diona COTS Product, the Diona COTS Product Support team will attempt to reproduce the behavior in an unmodified version of the Diona COTS Product in an environment that is similar to the State environment. The State will provide the necessary information and steps required to reproduce the potential defect. Where it is not possible to reproduce the behavior in question, the Diona COTS Product Support team will assist the State with reasonable resources to assist in analyzing the issue and trying to find a mutually acceptable resolution.

1.6 Defect Resolution Process.

4.6.1 Initiation. The defect resolution process begins when a request is submitted through the Diona COTS Product Support portal or via email to the support email address. The Diona COTS Product Support team will acknowledge receipt and create a ticket as per the response times described Section 4.9. This communication will be via email to the person who created the ticket and will include the ticket number, the assigned severity, the status, a short description and any other pertinent information.

4.6.2 Investigation. An investigation is comprised of analysis of an issue raised by the State, providing an understanding of the issue and, if necessary, a plan to address the issue. A Diona COTS Product Support team engineer will investigate the reported issue and try to reproduce and verify the reported issue on a support system that is similar to the State environment. The Diona COTS Product Support team engineer may need more

information, in which case they will contact the person who created the ticket. If the Diona COTS Product Support team cannot reproduce the reported issue on a support test system, they will work with the State using reasonable means with a view to understand the cause of the issue and, where possible, to come to a mutually agreed upon resolution of the issue. If the issue can be reproduced, the Diona COTS Product Support team will determine whether it is a defect in the Diona COTS Product or an enhancement. A defect is when the Diona COTS Product does not function in accordance with the user documentation. An enhancement is when an issue is due to some missing functionality or misunderstanding of the intended use of existing functionality, and the resolution of the perceived issue requires a modification of the Diona COTS Product.

4.6.3 Resolution. If the Diona COTS Product Support team determines that the issue is a defect and the severity level is 0 or 1, the Diona COTS Product Support team will work with the State point of contact to find a temporary workaround. If necessary, the Diona COTS Product Support team will initiate and schedule an emergency fix to the Diona COTS Product. If the severity level of the defect is 2 or 3, the fix will be placed in the work queue for the next or subsequent service pack. In addition, if applicable, a workaround for the issue will be provided. If the Diona COTS Product Support team determines that the defect is an enhancement request to the Diona COTS Product, the request will be expanded to include recommendations and be forwarded to the Diona COTS Product Development team with recommendations for consideration of the enhancement request to be included as part of a future version of the Diona COTS Product.

4.6.4 Closure. If the issue cannot be reproduced, the State will be informed and the ticket will be closed. If the issue is a Severity 0 or 1 defect in a production system and an emergency fix has been developed to address the issue, the emergency fix will be made available to the State's point of contact. On successful deployment, the ticket will be closed. The fix will be added to the Diona Product Development work queue for a future service pack. If the Diona COTS Product Support team determines that the issue is an enhancement request, the State will be informed if or when the enhancement will be implemented and the ticket will be closed. If no activity is associated with a ticket for four weeks, the Diona COTS Product Support

team will send a reminder to the State points of contact. If there is no activity for six weeks, the Diona COTS Product Support team will close the ticket.

4.7 Remote Support. The Diona COTS Product Support team may require secure remote access to State systems in order to assist in diagnosing issues, understanding problems and generally supporting State operations related to the Diona COTS Product. This access will be controlled by the State. Access will be strictly on an as-needed basis and sufficient to troubleshoot the issue.

4.8 Severity Level. The Diona COTS Product Support team will assign one of four severity levels to each new ticket:

Severity	Production System	Non Production System
0	Production system down or unusable, causing large scale disruption or interruption of normal business operations.	Not applicable
1	Failure or malfunction of a major function of the system that results in significant adverse effects on normal business operations.	System down or unstable. System cannot be used for intended use, for example: training or user acceptance testing.
2	A component or feature of the Diona COTS Product is not working as described in the associated documentation.	Adverse negative impact on ongoing activities or a component or feature of the Diona COTS Product is not working as described in the associated documentation.
3	Any issue relating to the Diona COTS Product that does not involve defects or errors.	Any issue relating to the Diona COTS Product that does not involve defects or errors.

4.9 Response Time. Response time is the time from when the issue is reported by the State until the time Diona COTS Product Support team proposes a resolution plan.

4.9.1 Target Response Times

Severity	Production System
0	Within 1 hour
1	Within 4 hours
2	Within 1 business day
3	Within 5 business days

4.9.2 Case Resolution

Severity	Action for temporary resolution	Action for permanent resolution	Target resolution time
0	All available resources will be assigned to the ticket.	Produce an emergency fix as soon as is reasonable.	24 hours
1	Reasonable effort will be applied to the problem resolution.	Assigned to a scheduled service pack and planned accordingly.	7 business days
2	An agreed level of resource will be assigned to resolving the issue with due regard to the availability of resources and other outstanding tickets.	Assigned to a scheduled service pack and planned accordingly.	21 business days
3	To be scheduled	To be scheduled	To be scheduled

4.10 Ticket Escalation. Severity 0 and 1 tickets will launch a pre-defined action plan that includes notifications of relevant Contractor personnel. The ticket will be escalated according to the below schedule.

Role within Diona	Severity 0	Severity 1
Head of Customer Support	1 hour	1 day
Account Manager	4 hours	1 day
CTO/Head of Product Engineering	1 day	3 days
CEO	4 days	10 days