



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

CONTRACT CHANGE NOTICE

Change Notice Number 12

to

Contract Number 071B6600102

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Jeff Bankowski
	734-644-0595
	jbankowski@guidehouse.com
	CV0056730

STATE	Program Manager	Bethany Rigg	DTMB
		517-230-9360	
		riggb@michigan.gov	
	Contract Administrator	Jordana Sager	DTMB
		(517) 896-1903	
		sagerj2@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>	60 days	February 29, 2024
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,062,442.00	\$0.00	\$1,062,442.00		

DESCRIPTION

Effective September 26, 2023, this contract is extended 60 days per Section 25 in the Standard Contract Terms. The revised contract expiration date is February 29, 2024.

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



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CONTRACT CHANGE NOTICE

Change Notice Number 11
 to
 Contract Number 071B6600102

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Jeff Bankowski
	734-644-0595
	jbankowski@guidehouse.com
	CV0056730

STATE	Program Manager	Bethany Rigg	DTMB
		517-230-9360	
	RiggB@michigan.gov		
	Contract Administrator	Jordana Sager	DTMB
(517) 896-1903			
sagerj2@michigan.gov			

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,062,442.00	\$0.00	\$1,062,442.00		

DESCRIPTION

Effective March 14, 2023, please note the State's Program Manager has been changed to Bethany Rigg:

Bethany Rigg
 517-230-9360
 RiggB@michigan.gov

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



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CONTRACT CHANGE NOTICE

Change Notice Number **10**
 to
 Contract Number **071B6600102**

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Jeff Bankowski
	734-644-0595
	jbankowski@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
	willemsj@michigan.gov		
	Contract Administrator	Jordana Sager	DTMB
(517) 896-1903			
sagerj2@michigan.gov			

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,032,442.00	\$30,000.00	\$1,062,442.00		

DESCRIPTION

Effective 02/28/2023, this contract is hereby increased by \$30,000.

Please note the Contract Administrator has been changed to Jordana Sager:

Jordana Sager
 SagerJ2@michigan.gov
 517.896.1903

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on 02/28/2023.



STATE OF MICHIGAN
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CONTRACT CHANGE NOTICE

Change Notice Number **9**

to

Contract Number **071B6600102**

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Jeff Bankowski
	734-644-0595
	jbankowski@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
		willemsj@Michigan.gov	
	Contract Administrator	Courtney Powell	DTMB
		(517) 249-0452	
		powellc11@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		December 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,032,442.00	\$0.00	\$1,032,442.00		

DESCRIPTION

Effective June 9, 2022, , the attached Schedule A - Statement of Work is hereby updated to reflect the 2022 Employee Survey for DTMB.

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

Scope of Our Services

Specifically, Guidehouse and its subcontractors (“Team Guidehouse”) will perform the following activities:

Guidehouse Activities	
Activity Workstream	Activity Description
Kick-off Meeting and Project Plan	The Guidehouse project team will host a project kick-off meeting with the State of Michigan DTMB (“State”) project team to define program objectives, finalize the project plan and Deliverable dates, assess the previous Survey content, and identify team members and responsibilities of each project team member throughout the different workstreams of the project.
Weekly Meeting	Guidehouse will schedule, conduct, and lead 60-minute weekly meetings with the State. Meetings will start shortly after the project kick-off and will continue until the end of the project under this SOW, as needed. The survey will be launched in October 2022.
Mid-point debrief	Guidehouse will convene with the State during the survey fielding period to review the overall project to date.
Pre-delivery review	Guidehouse will review all final outputs with the State at least one week prior to presentation or delivery. Guidehouse will perform a thorough quality review of any hard-copy or electronic reports with the State to facilitate accuracy and proper content/messaging.
Helpdesk support	Team Guidehouse will make available a helpdesk email during the survey administration period to provide respondents with technical support via email.
Online Results Dashboard design and review	<p>Team Guidehouse will have a Results Dashboard design session outlining platform functionality and available visualizations. The dashboard layout and configuration requirements will be finalized within 3 iterations of Guidehouse/State review and feedback.</p> <p>At least one week prior to release, Guidehouse will provide the State core team with view access to confirm layout and functionality meets requirements set forth in the design session.</p>
Survey Design Sessions	Team Guidehouse will facilitate up to three (3) Survey Design sessions with key stakeholders and survey Champions to review survey objectives and finalize the survey redesign.
Questionnaire	<p>Based on the State’s goals, objectives stated at the survey design sessions, and revision requests, Team Guidehouse will draft the Survey questionnaire for the State’s review and approval.</p> <p>Questionnaire design and content will be finalized within three iterations of Guidehouse/ State review and feedback.</p> <p>Survey questionnaire will allow for a small subset of additional custom questions for requesting departments.</p>

Survey Configuration	<p>Team Guidehouse will configure the on-line Survey based on the final State-approved questionnaire.</p> <p>The survey will be set-up to allow for all employees to self-select various demographics. The existing list of self-select demographics will be leveraged and revised collaboratively with the State.</p>
Communication Templates	<p>Guidehouse will draft communication templates for the State's review and approval. Including:</p> <ul style="list-style-type: none"> • Email Invitation • Email Reminders <p>Guidehouse is responsible for sending the communications.</p> <p>Branding/logos for surveys to be provided by the State.</p>
Administer Survey	<p>Team Guidehouse will administer the State-approved Survey with State defined population for up to three weeks. Administration of Survey includes sending out the Survey to State-defined population, collecting results of Survey from respondents, answering questions from Survey respondents during Survey.</p>
Template Reviews	<p>Guidehouse will hold meetings with the core project team to review the survey process timeline, communication templates, Overall Report template and Agency Report template.</p> <p>Communication and reporting templates will be finalized within 3 iterations of Guidehouse/State review and feedback.</p>
Survey Results	<p>Team Guidehouse will conduct an analysis and summarize Survey results and recommendations to the State in an Overall Report. The analysis will include a trend comparison to the State's prior survey results for up to three survey periods, as applicable. The State will have view access to their results through technology which is limited to the scope and duration of this contract.</p> <p>Aggregated results will be made available for populations containing 10 or more survey respondents.</p>
Presentation of Survey Results and Recommendations	<p>Guidehouse will share the Overall Report with the State project team for feedback, and present at one (1) in-person session to executives and senior leaders of the State of Michigan, or two (2) virtual sessions to executives and senior leaders of the State of Michigan.</p>

Survey Scope and Assumptions		
Scope category	Scope	Scope Description
Number of surveys	1	Administration of 1 web-enabled survey ("Survey").
Survey Population	~50,000	All employees will be eligible to participate. The State will provide the defined population of Survey respondents that will receive Survey.
Modality	Web/Mobile Formats	A unique email link will be sent to Survey respondents.
Questionnaire Length	up to 70 items per survey	Survey questionnaire will contain approximately 70 items.
Language	English	Survey will be programmed in English and will be tested to confirm usability with screen readers in adherence to ADA requirements. Translation fees for other languages are \$2,500 per language, which includes both communications (invitation and reminder notifications) and the questionnaire/landing page text.
Open Ended Questions	See description	Open-ended comments will be reported strictly as they are entered by the respondent. Guidehouse will produce a visualization of the commonly used words in a word cloud format via Guidehouse technology. Verbatim responses can be accessed and queried through the same technology.
Benchmarks	3	Guidehouse will provide up to 3 external benchmarks (based on the availability of data) to be used as comparison of Survey results. Benchmarks include: <ul style="list-style-type: none"> ● Services ● High Performing ● Public Sector
Testing	3-5 Testers 1 Round of Testing	The State will identify up to 20 testers to facilitate understanding, accuracy, and appropriate Survey instructions. The State will identify a central point of contact to facilitate testing feedback. The Survey will be tested to confirm usability with screen readers in adherence to ADA requirements. One round of testing will be conducted by the State. Any issue will necessitate a re-test to the affected area. If re-test is necessary based on items in the approved IT Checklist, this may be considered out of scope.
Employee List Demographic Data and Hierarchy Data	1 consolidated employee list with up to 1 hierarchy, provided by State	The State will provide Guidehouse with a preliminary employee list with agency and hierarchy assignments. The State will also provide Guidehouse one final, consolidated employee list (submitted a minimum of four weeks prior to the Survey-fielding period).

		<p>State will provide final approval of demographic questions and options.</p> <p>For hierarchy trend mapping. Guidehouse will provide the State with the 2020 Hierarchy and Revision template. The State will be required to review and provide revisions highlighting group name changes, movement of groups, group additions, and elimination of groups. The State project team will coordinate points of contact from each agency who will update their respective hierarchies.</p> <p>The State is responsible for the completeness and accuracy of employee data provided to Guidehouse, including the cleaning of the employee list based on specifications mentioned above. As such, any missing data including demographic data will not be included in final reports and analysis. In addition, Guidehouse will not perform data clean-up as part of the scope of this engagement. If the State requests Guidehouse to perform data clean-up, this would be a change to scope that may require additional fees that will be agreed upon between Guidehouse and the State.</p>
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Deliverables

We expect to provide you with Deliverables consisting of the following:

Deliverables	
Name of Deliverable	Description of Deliverable
Questionnaire	Documented survey questionnaire content based on feedback from State, for State review and approval
Communication Templates	Documented communication templates for State review and approval, including: <ul style="list-style-type: none"> • Email Invitation • Email Reminders
Dashboard Layout	Documented Dashboard Layout for State review and approval
Raw Survey Results (upon request)	Only upon request, Guidehouse will provide raw survey results to State. This data will be provided with no identifiable demographic information.
Survey Results via Overall Report	One (1) State-wide reporting, including Employee Engagement, Heatmap, Demographic Distribution Table, Driver matrix, and Recommendations. If applicable, the report will contain trend comparison to State's prior Survey results.
Agency Report Template	One departmental reporting template will be developed by Guidehouse, incorporating State feedback and approval.
Training Materials	Materials related to up to 2 Results Dashboard training webcasts.

Debrief Meeting Materials	Materials related to the follow-up meeting at close of survey to analyze process, improvement opportunities, lessons learned and next steps for next survey administration.
Pricing and Fees	\$225,000
Key Personnel	Jeff Bankowski, Robert Tate, Katherine Briceno, Anna Zinkel Walters, Marlo Aubrey



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CONTRACT CHANGE NOTICE

Change Notice Number **8**
 to
 Contract Number **071B6600102**

CONTRACTOR	Guidehouse LLP
	2941 Fairview Park Dr., Suite 501
	Falls Church, VA 22042
	Jeff Bankowski
	734-644-0595
	jbankowski@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
	willemsj@Michigan.gov		
	Contract Administrator	Courtney Powell	DTMB
(517) 249-0452			
powellc11@michigan.gov			

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	September 30, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	2 Years 3 Months	<input type="checkbox"/>		December 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$922,442.00	\$110,000.00	\$1,032,442.00		

DESCRIPTION

Effective September 15, 2021, this Contract is exercising the remaining available option years and is increased by \$110,000.00. The revised contract expiration date is December 31, 2023.

Please note that the Contractor's address and contact information have been updated.

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



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

CONTRACT CHANGE NOTICE

Change Notice Number 7
 to
 Contract Number 071B6600102

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Michael Tosh
	773-255-5890
	mtosh@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
	willemsj@Michigan.gov		
	Contract Administrator	Courtney Powell	DTMB
(517) 249-0452			
powellc11@michigan.gov			

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	June 30, 2021

PAYMENT TERMS	DELIVERY TIMEFRAME
NET 45	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	3 Months	<input type="checkbox"/>		September 30, 2021

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$817,442.00	\$105,000.00	\$922,442.00

DESCRIPTION

Effective June 1, 2021, this Contract is hereby amended as follows:

- This Contract is exercising 3 months of the available option year and is increased by \$105,000 for Michigan State Police use. The revised Contract expiration date is September 30, 2021.
- The attached Statement of Work for the Michigan State Police is hereby incorporated into this Contract.

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

STATEMENT OF WORK

Employee Culture Assessment for the Michigan State Police (MSP)

BACKGROUND

MSP is working towards creating a Culture of One and shifting to an intent-based leadership style. Employee Engagement has been on a downward trend and employees express concerns with communication, transparency, and diversity.

SCOPE

The Contractor will develop a hypothesis around culture drivers and barriers to change. This will consist of assessing existing data through a culture and DEI lens. Contractor will validate hypotheses through focus groups and/or pulse surveys and establish a solutioning roadmap focused on evolving MSP's culture and breaking through barriers to change.

- Hypothesis
 - Approach: Work with MSP to understand the existing culture within the agency and vision for the future.
 - Outcomes: Hypothesis of culture drivers, segments to improve, and barriers to change
- Discovery
 - Approach: Compile and assess existing data (survey, pulse, other employee metrics) with a focus around culture and D&I
 - Outcomes: Culture current state details based on existing survey/metrics data including:
 - Identified gaps in experience by key segments
 - Demographic DEI representation analysis
- Solution & Roadmap
 - Approach: Develop strategies to address hot spots, gaps, and obstacles through stakeholder and employee feedback
 - Outcomes: recommendations and implementation roadmap outlining approaches to address gaps including leading practices and timeline/checkpoints

REQUIREMENTS AND PRICING

1. Part One

a. Approach

- i. Discuss culture vision and approach with senior MSP leaders

- ii. As available, gather internal documentation regarding MSP's organization strategy
- iii. Analyze existing survey data with a focus on culture, including analysis of DEI demographics/ results
- iv. Compile and assess additional metrics/information (as available)
 - 1. Workforce/employee data (Civilian vs. Law Enforcement)
 - 2. Vision/guiding principles
 - 3. Standards of conduct
 - 4. Pulse survey data
- v. Define hypotheses around culture drivers and barriers to change
- vi. Determine organizational KPIs for ongoing measurement of program effectiveness

b. Outputs/Deliverables

- i. Documented hypotheses around culture drivers and barriers to change
- ii. Summary of findings based on existing survey/metrics and recommended next steps including:
 - 1. Identified gaps in experience by organization segment and demographic group
 - 2. Demographic DEI representation analysis
- iii. Leadership discussion to review baseline report

c. Timeline & Resources

- i. Timeline: 2-3 Weeks
- ii. Delivery Team
 - 2 part time resources and oversight
 - 1. Manager
 - 2. Senior Associate
 - 3. Partner oversight

d. Estimated Fees

Total Estimated Fees: \$40,000

2. Part Two

a. Approach

- i. Conduct stakeholder interviews with leaders across MSP (e.g. department, region, etc.)
- ii. Virtual focus groups of various employee groups identified in Part One needing additional information to assist with solutioning, insights, and specific actions
- iii. Synthesize focus areas for action based on identified gaps from stakeholder interviews/virtual focus groups
- iv. Develop roadmap and timeline recommendations

- v. Refine and finalize organizational KPIs for ongoing measurement of program effectiveness

b. Outputs/Deliverables

- i. Summarize findings of up to 10 stakeholder interviews
- ii. Develop insights generated from up to 3 virtual focus groups
- iii. Deliver recommendations and roadmap to address experience gaps and paths to achieving the Culture of One vision
- iv. Provide a roadmap timeline, checkpoints, and methods for measuring effectiveness
- v. Leadership discussion to review roadmap

c. Timeline & Resources

- i. Timeline: 5 – 6 Weeks
- ii. Delivery Team
 - 2 part time resources and oversight
 - 1. Manager
 - 2. Senior Associate
 - 3. Partner oversight

d. Estimated Fees

Total Estimated Fees: \$65,000



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CONTRACT CHANGE NOTICE

Change Notice Number **6**
 to
 Contract Number **071B6600102**

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Michael Tosh
	773-255-5890
	mtosh@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
	willemsj@Michigan.gov		
	Contract Administrator	Courtney Powell	DTMB
		(517) 249-0452	
		powellc11@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	6 Months	<input type="checkbox"/>	N/A	June 30, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$817,442.00	\$0.00	\$817,442.00		

DESCRIPTION
 Effective January 1, 2021, the State is exercising a six month option. The revised contract expiration date is June 30, 2021.
 All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

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CENTRAL PROCUREMENT SERVICES
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CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B6600102**

CONTRACTOR	Guidehouse LLP
	1800 Tysons Blvd
	McLean, VA 22102
	Michael Tosh
	773-255-5890
	mtosh@guidehouse.com
	CV0056730

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
		willemsj@Michigan.gov	
	Contract Administrator	Courtney Flores	DTMB
		(517) 249-0452	
		floresc@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$781,442.00	\$36,000.00	\$817,442.00		

DESCRIPTION

Effective April 19, 2019, this Contract is amended as follows:

- The attached Statement of Work for Michigan Department of State (MDOS) and Attorney General (AG) are hereby incorporated into this Contract.
- This Contract is increased by \$36,000.00. \$30,000.00 for MDOS and \$6,000.00 for AG use.
- The Contractor's Key Personnel Section V.4. and Organizational Chart Section V.5. of Exhibit A has been deleted and replaced with the following:

Relationship Director – Jeff Bankowski (Guidehouse LLP)
 Engagement Director – Robert Tate (PricewaterhouseCoopers LLP)
 Project Manager – Katherine Briceneo (PricewaterhouseCoopers LLP)
 Content Specialist – Elizabeth Conjar (PricewaterhouseCoopers LLP)

- The following subcontractor has been added to Section V.6. of Exhibit A to provide all of the Contract Activities. Guidehouse LLP will provide oversight and support as necessary.

Subcontractor:

PricewaterhouseCoopers, LLP

300 Madison Ave, New York, NY 10017

(646) 471-3000

5. The attached Exhibit D Service Level Agreement are hereby incorporated into this Contract.

6. Section 41 Nondiscrimination of the Standard Contract Terms is hereby deleted and replaced with the following:

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

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



Contract Number 071B6600102 – Change Notice 5

Statement of Work for Michigan Department of State (MDOS) and Attorney General (AG)

The following items are the sole Deliverables to be provided under this Statement of Work (SOW)

Survey Scope		
Engagement Survey	~2,000	Single administration; all Department of State (MDOS) and Attorney General (AG) employees will be invited to participate Survey responses will be anonymous
Modality	Web	Each participant to receive an invitation via email with a survey link
Question-Length	~60-70	There will be approximately ~50 – 60 survey questions, not including demographic questions. Estimated time for an employee to complete the engagement survey is ~10 - 15 minutes
Kick-off meeting	Yes	The Contractor will facilitate a project kick-off meeting with a joint project team made up of MDOS and AG team members to define program objectives and elements, set agreed upon milestones, and identify key team members and responsibilities

Survey Design		
Questionnaire Design Process	>>	The questionnaire will replicate the 2018 State of Michigan (SOM) employee engagement survey, with language to be updated as needed The Contractor will work with MDOS/AG team to agree on a final questionnaire for the engagement survey; one round of review is anticipated
Questionnaire Versions	1	There will be one version of the questionnaire, in English only and ADA accessible
Indices	>>	Questionnaire to include 6 engagement questions in order to calculate the Engagement Index used in the 2018 SOM employee engagement survey
Questionnaire Approval	Yes	The MDOS/AG team will approve final questionnaire
Open Ended Questions	1	All open-ended comments will be reported strictly as they are entered by the respondent. Open-ended comments to be reported via START, the online reporting tool
Branding	Yes	Branding/logos for the survey to be provided by the MDOS/AG team

Segmentation / Benchmarking Coverage		
Groups	Manager/ Department	Each Manager/Department will be covered The Contractor will assume that each department will have one formal leader
Benchmarking	3	The Contractor will provide three benchmark comparison groups: <ul style="list-style-type: none"> • Services Industry – variety of services organizations, such as professional and travel/hospitality • High Performing – leading organizations in their respective industries (Manufacturing, Services, Healthcare/Hospital, Retail, Telecommunications, and Utilities) that have shown sustained financial success/growth • Public Sector – cross section of state, local and federal employees
Employee Demographic Data	Yes	The MDOS/AG team will provide a single consolidated employee list prior to survey launch The survey will leverage existing SOM demographic items used in 2018 and will include these demographic elements to the questionnaire
Hierarchy	>>	The MDOS/AG team will provide us a single MS Excel based hierarchy in required template format
Data aggregation/ Minimum group size	10	The Contractor will not identify individual participant comments or responses to anyone at MDOS/AG group reporting size will be 10 respondents

Testing and Communications		
Survey pre-test	Yes	The MDOS/AG team to identify 3-5 testers to facilitate understanding, functionality and appropriate survey instructions. One round of testing to be conducted. Any issue will necessitate a re-test
ADA Testing and Roll-out	>>	The Contractor will program a version of the web-enabled survey to be ADA compliant by ensuring it is usable with screen readers. Once programmed, the Contractor will coordinate testing and acceptance with designated the MDOS/AG team testers
Communication plan	Yes	The Contractor will provide the MDOS/AG team a communication plan and schedule including: <ol style="list-style-type: none"> 1. Pre-survey announcements 2. Splash page text 3. Invitation 4. Reminders The DOS/AG team to review these communication templates, revise as needed, and finalize. The Contractor will send out communications relating to the fielding of the survey (i.e. invitation and survey reminders). It is MDOS/AG responsibility to send out pre/post survey communications

Status Reporting		
Response Rate Tracking	Yes	The Contractor will provide the MDOS/AG team access to on-line response rates that can be segmented based on demographic data rollups

Status Reporting		
Status Calls	Yes	Status calls will be scheduled for 60 minutes on a weekly basis, or as needed. The project managers from both teams will be in communication with what decisions need to be made prior to the status call by each team, with an issue and decision log maintained by the Contractor's team. The Contractor will provide an agenda prior to each scheduled status call and will provide a summary of meeting notes afterwards There will be additional ad-hoc calls/meeting as needed
Help Desk	Yes	The Contractor will provide respondent support via e-mail while the survey is fielding

Quality Review		
Template review meetings	Yes	The Contractor will hold meetings with the core project team to review survey process timeline, communication templates, and reporting templates
Mid-point debrief	Yes	The Contractor will convene with the DOS/AG team during the survey fielding period to review the overall project to date
Pre-delivery review	Yes	The Contractor will review all final output with the DOS/AG team. At least one week prior to presentation or delivery, the Contractor will perform a thorough quality review of all hard-copy reports with the DOS/AG team to ensure accuracy and proper content/messaging
Pre-delivery online reporting tool review	Yes	The Contractor will review initial online reporting tool programming with the DOS/AG team

Deliverables

The Contractor expects to provide MDOS/AG with deliverables including the following:

Deliverables		
Analysis Report	2	One MDOS-wide report and one AG-wide to include driver matrix, employee engagement landscape, frequency/distributions, a demographic distribution table and heat map to include key demographics identified by the MDOS/AG team
START Access	>>	Through the START tool, leaders will have universal access to survey results, can run analysis, generate reports, document and track action plans Action planning functionality will be enabled for all users or as determined by Atwell. This action planning module allows leaders to select, document and report action planning activities START provides the ability to download reports in PDF, PowerPoint and/or Excel

Deliverables		
		The Contractor will provide one virtual training session to designated START users
Presentations	2	The Contractor will present overall MDOS results to the MDOS executive leadership and another presentation of overall AG results to AG executive leadership
Project debrief	Yes	Follow-up meeting at close of survey to review process, improvement opportunities, lessons learned and next steps

Fees and Expenses

The fee for services relative to this project will be \$36,000; \$30,000 for MDOS and \$6,000 for AG which would require issuance of individual Delivery Orders (DO) from both MDOS and AG to start work on the project. The State will make payment for Contract Activities after completion and acceptance of deliverables.



Contract Number 071B6600102
Employee Engagement Survey
Exhibit D
Service Level Agreement

Acceptable Standard	Definition	Failure to Meet Acceptable Standard
Item 1: Data Quality Assurance - Electronic Reports		
<p>a. The Contractor must perform a single administration of the Survey to all State of Michigan (SOM) employees who will be invited to participate.</p> <p>All data points and information and content related to the data contained in the reports must be free of errors, mistakes, miscalculations and omissions, such as but not limited to:</p> <ul style="list-style-type: none"> • Incorrect, inconsistent or missing data points related to any of the Employee Engagement Survey and past survey years trending data 	<p>Any error, defined in the Acceptable Standard section, and that is discovered by SOM will be considered one occurrence.</p>	<p>The Contractor will credit SOM in the amount of \$500.00 for each occurrence.</p>
<p>b. The Contractor must provide Electronic Reports in addition to hard copy reports. All non-data information, content and messaging contained in the reports must be free of formatting errors, mistakes and omissions, such as but not limited to:</p> <ul style="list-style-type: none"> • Typographical errors (e.g., misspelled words) • Grammatical errors (e.g., faulty punctuation, inappropriate or inconsistent verb use) • Incomplete sentences, thoughts or missing words • Table of Contents (TOC) referencing incorrect page numbers or page titles • Incorrect, inconsistent or missing report titles, headers, footers and/or page numbers • Inconsistent use of font type or font size when reporting the same information • Inconsistent formatting of charts and graphs when reporting the same information • Illegible or misplaced chart and graph data labels • Illegible or cut-off column headings or data points 	<p>Any error, defined in the Acceptable Standard section, and that is discovered by SOM will be considered one occurrence.</p>	<p>The Contractor will credit SOM in the amount of \$200.00 for each occurrence.</p>
Item 2: Data Quality Assurance - Online Reporting Tool		
<p>a. The Contractor must guarantee 100% accuracy of all Employee Engagement data stored in the online reporting tool.</p> <p>All data stored in the online reporting tool must be consistent with and match all data points reflected in the final Employee Engagement electronic reports.</p>	<p>Any error, defined in the Acceptable Standard section, and that is discovered by SOM will be considered one occurrence.</p>	<p>The Contractor will credit DTMB in the amount of \$500.00 for each occurrence.</p>



Contract Number 071B6600102
Employee Engagement Survey
Exhibit D
Service Level Agreement

Acceptable Standard	Definition	Failure to Meet Acceptable Standard
Item 3: Response Time		
a. The Contractor must respond to all email and telephone inquiries from the SOM Project Team within two business days.	Any response that exceeds two business days from SOM's initial telephone or email inquiry will be considered one occurrence.	The Contractor will credit SOM in the amount of \$50.00 for each day that passes the two-business day response deadline.
Item 4: Late Reports		
a. The Contractor must deliver all Employee Engagement Survey reports in an editable electronic form by the due date mutually agreed upon by the SOM and Contractor.	Any report that is delivered past the mutually agreed upon due date will be considered one occurrence.	The Contractor will credit SOM in the amount of \$1000.00 for each day that passes the due date.
b. The Contractor must deliver all final Employee Engagement Survey presentation materials for the core team presentation (e.g., Overall SOM report), executive presentation and additional presentation in an editable electronic format a minimum of one week prior to its scheduled presentation date.	Any presentation material that is delivered past one-week prior to the scheduled presentation date will be considered one occurrence.	The Contractor will credit SOM in the amount of \$1000.00 for each day that passes the one-week minimum due date.



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

CONTRACT CHANGE NOTICE

Change Notice Number **4**
to
Contract Number **071B6600102**

CURRENT CONTRACTOR	PricewaterhouseCoopers Public Sector LLP	NEW CONTRACTOR	Guidehouse LLP
	300 Madison Ave.		1800 Tysons Blvd
	New York, NY 10017		McLean, VA 22102
	Todd Hoffman		Michael Tosh
	917-664-6188		773-255-5890
	Todd.hoffman@pwc.com *****7312		mtosh@guidehouse.com

STATE CONTACTS					
Program Manager	Jim Willems	DTMB	Contract Administrator	Courtney Flores	DTMB
	517-335-2109			(517) 249-0452	
	willemsj@Michigan.gov			floresc@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
P-Card Direct Voucher (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	2 - 1 Year	<input type="checkbox"/>	N/A	December 31, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$531,442.00	\$250,000.00	\$781,442.00		

DESCRIPTION

Effective January 1, 2019, this Contract is hereby amended as follows:

- The State is exercising two option years and is increased by \$250,000.00. The revised Contract expiration date is December 31, 2020.
- The Contract Administrator has been changed to Courtney Flores: Phone: 517-249-0452; Email: floresc@michigan.gov, per Section 2 and 3 of the Standard Contract Terms.
- The Contractor's contact person has been changed to Michael Tosh: Phone: 773-255-5890; Email: mtosh@guidehouse.com, per Section 2 and 3 of the Standard Contract Terms.
- All references to "Purchase Order(s) (PO)" for new requests will hereinafter be referred to as "Delivery Order(s) (DO)" (e.g.

Section 6, 22 and 49 of Standard Contract Terms; Section VIII.1. of Exhibit A Statement of Work).

5. Effective May 1, 2018, the Contractor's name changed from PricewaterhouseCoopers Public Sector LLP to Guidehouse LLP.

All other terms, conditions, specifications, and pricing remain the same. Per Contractor and Agency agreement, DTMB Procurement approval, and State Administrative Board approval on November 27, 2018.



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

CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B6600102**

CONTRACTOR	PricewaterhouseCoopers Public Sector LLP
	300 Madison Ave.
	New York, NY 10017
	Todd Hoffman
	917-664-6188
	todd.hoffman@pwc.com
*****7312	

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
		willemsj@Michigan.gov	
	Contract Administrator	Jillian Yeates	DTMB
		(517) 284-7019	
		yeatesj@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

NA

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$496,442.00	\$35,000.00	\$531,442.00		

DESCRIPTION

Effective August 30, 2017 the following amendment is hereby added to this Contract, per the attached Statement of Work for the Michigan Gaming Control Board (MGCB). This Contract is increased by \$35,000.00 for MGCB use.

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

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

Project Title: Michigan Gaming Control Board (MGCB) Customer Satisfaction Survey	Period of Coverage: 8/15/2017-12/15/2017
Requesting Department: MGCB	Date: 8/21/2017
Agency Project Manager: Kurt Steinkamp Manager, Enterprise Licensing Michigan Gaming Control Board	Phone: Office: 313-456-4140

TABLE OF CONTENTS

SECTION 1: BACKGROUND

SECTION 2: PROJECT OBJECTIVES

SECTION 3: SCOPE and DELIVERABLES

- *Scope of work*
- *Deliverables*

NOTE:

This Statement of Work (SOW) describes the customer satisfaction survey implemented for Michigan Gaming Control Board (MGCB) for Fiscal Year 2017. This SOW is a Contract Change Notice (CCN) to Contract #071B6600102 between the State of Michigan and PricewaterhouseCoopers (PwC).

SECTION 1: BACKGROUND

The Michigan Gaming Control Board (MGCB) is going to conduct an externally administered, customer satisfaction survey of the charities that participate in millionaire party charitable gaming events, which are licensed and regulated by MGCB. The time period of service MGCB is looking to survey are charities that conducted a millionaire party event between January 1, 2017 and July 31, 2017. We are expecting this to include between 500 -700 charities.

SECTION 2: PROJECT OBJECTIVES

Assess satisfaction that organizations have of the MGCB's licensing process and identify opportunities for improvement.

SECTION 3: SCOPE OF WORK AND DELIVERABLES

This section describes the scope of work for the customer satisfaction survey, for 9 weeks beginning on August 15, 2017. This is a firm, fixed price contract with a total engagement fee not to exceed \$35,000.

The table below outlines the survey scope of work.

SCOPE OF WORK:

Survey scope		
Survey population	~500 - 700	Single web-based administration covering all charities that participate in millionaire party charitable gaming events, licensed and regulated by Michigan Gaming Control Board (MGCB)
Modality	Web with Email Invitation	Survey will be accessible via the web. Each customer will receive an invitation to participate via email with a unique survey link
Questionnaire length	< 30 items	The questionnaire will be fewer than 30 items and take approximately 5 minutes to complete

Implementation/Set-up		
Kick-off meeting	Yes	PwC will host a project kick-off meeting with MGCB's project team to define program objectives, establish a project plan and identify core team members and responsibilities
Questionnaire design process	>>	Based on MGCB goals and objectives stated at the kick-off meeting, PwC and MGCB will discuss previous questionnaires as well as PwC's library of questions. Based on this discussion MGCB and PwC will agree on a questionnaire format and PwC will provide a draft questionnaire for MGCB to revise as desired and return to PwC for final programming
Open-ended question	1-2	Open-ended comments will be reported strictly as they are entered by the respondent. Self-selection categories for comment categorization can be developed jointly by PwC and MGCB
Client approval	Yes	MGCB will provide sign off on the questionnaire by date designated in the agreed upon project plan. Changes past this date may be out of scope. MGCB core team and IT will test and approve final web survey for functionality and formatting
Branding	Yes	One set of branding/logos for the survey to be provided by MGCB

Testing and communications

Survey pre-test	Yes	<p>MGCB to identify 3-5 testers to ensure understanding, functionality and appropriate survey instructions</p> <p>One round of testing to be conducted and reviewed by MGCB. Any issue will necessitate a re-test to the affected area</p>
Communication plan	Yes	<p>PwC to provide MGCB with a communication plan and schedule including:</p> <ol style="list-style-type: none"> 1. Splash page text 2. Invitation instructions 3. Reminders <p>MGCB to review PwC’s communication templates, revise as necessary, and finalize. PwC will send out communication relating to the fielding of the survey (i.e. invitation and survey reminders). It is MGCB’s responsibility to send out any pre/post survey communication</p>

Customer lists

Customer list	1	<p>MGCB will provide PwC one consolidated customer list. PwC will provide a table format for the customer list that is based on the desired customer demographics</p>
Customer demographic data	>>	<p>PwC will consult with MGCB, and provide examples regarding the types of demographics to be included in the customer list</p> <p>PwC will work with MGCB to select the list of employee demographic information. Demographic categories will be finalized and signed off on by MGCB during the project planning phase</p>

Status reporting / Management

Response rate access	Yes	<p>PwC will provide MGCB access to online response rates that can be segmented based on demographic data provided in the customer lists</p>
Status calls	Yes	<p>Status calls will be scheduled on a weekly basis, or as needed</p> <p>The project managers from both teams will be in communication with what decisions need to be made prior to the status call by each team, with an issue and decision log maintained by PwC. There will be additional ad-hoc calls/meeting as needed</p>
Help desk support	Yes	<p>A PwC email address will be provided to respondents for support via e-mail. A MGCB contact may also be provided</p>

DELIVERABLES:

The following table outlines the deliverables proposed to MGCB throughout this engagement.

Deliverables		
Analysis reports	1	One overall report that includes key findings; overall performance and a Demographic Distribution table and heat map
Executive team presentation	1	PwC will present overall results and findings from the overall reports to the MGCB Executive team
Open-ended comments	Yes	Open ended comments will be reported strictly as they are entered by the respondent
Project debrief	Yes	Follow-up meeting at close of survey to review process, improvement opportunities and document lessons learned

Assumptions (and Critical Dependencies)

To facilitate our work, you will need to provide the following assistance:

You are responsible for all management functions and decisions relating to this engagement, including evaluating and accepting the adequacy of the scope of the Services in addressing your needs. You are also responsible for the results achieved from using any Services or deliverables, and it is your responsibility to establish and maintain your internal controls. You will designate a competent member of your management to oversee the Services.

We expect that you will provide timely, accurate and complete information and reasonable assistance, and we will perform the engagement on that basis.

PROJECT CONTACT:

Bob Simon, Deputy Director of Administration & Indian Gaming
Michigan Gaming Control Board
(517) 241-0451 (desk)
simonr@michigan.gov



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

CONTRACT CHANGE NOTICE

Change Notice Number 2
 to
 Contract Number 071B6600102

CONTRACTOR	PricewaterhouseCoopers Public Sector LLP
	300 Madison Ave.
	New York, NY 10017
	Todd Hoffman
	917-664-6188
	todd.hoffman@pwc.com
*****7312	

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
		willemsj@Michigan.gov	
	Contract Administrator	Jillian Yeates	DTMB
		(517) 284-7019	
		yeatesj@michigan.gov	

CONTRACT SUMMARY

EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> Direct Voucher (DV)	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
 N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$481,942.00	\$14,500.00	\$496,442.00		

DESCRIPTION

Effective June 8, 2017, the following amendment is hereby added to this Contract, per the attached Scope of Services for the Department of Technology, Management and Budget (DTMB). This Contract is increased by \$14,500.00 for DTMB use.

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

Scope of Services

Contractor will provide the following services (the "Services") to the State of Michigan (State), Department of Technology, Management, and Budget per Contract 071B6600102, Exhibit A, Section III. 1. J. Post Survey-Activities:

Layer of clay/Non-Manager Champion Analysis		
Purpose	Contractor will support the State to identify "Non-Managerial Employee Engagement Champion Profiles" in order to better understand where non-managerial Champions exist within the State and how the State can begin to identify them for future action planning initiatives	
Population	Employees in the State's Employment Groups 1 and 2	Conduct advance analytics on non-managerial employees (i.e., Group 1: Non-degreed, non-supervisory classifications and Group 2: Degreed, non-supervisory classifications)
Analytics	Quantitative and Qualitative	<p>Contractor will conduct both quantitative and qualitative analyses:</p> <ul style="list-style-type: none"> Contractor will begin by conducting various quantitative analysis to determine where non-managerial Champions can be found within the State, at what levels in the hierarchy, and across what demographics. Contractor will follow up with advanced analytics that focus on best distinguishing non-managerial Champions from non-managerial, non-Champion through the identification of different patterns of responses to survey questions. From these different analyses, various "Champion Profiles" at the non-managerial level will be developed containing a combination of demographic and key perception information. Contractor will review the commentary data provided during the engagement survey to conduct a qualitative validation of Champion Profiles
Deliverable - Layer of clay/Non-Manager Champion Report		
Group 1 & 2 Assessment Report	1	<p>Contractor will provide the State with a report detailing:</p> <ul style="list-style-type: none"> Non-managerial Champion Profiles outlining key demographics as well as engagement perceptions that distinguish Champions from Non-Champions at the non-managerial level of the organization Report out Champion profiles by Agency Qualitative Validation <p>Report will also include initial recommendations of approaches and programs to engaged Champions, including broad levels of employees across the State and Agencies</p>



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

CONTRACT CHANGE NOTICE

Change Notice Number 1
 to
 Contract Number 071B6600102

CURRENT CONTRACTOR	Pricewaterhouse Coopers, LLP	NEW CONTRACTOR	PricewaterhouseCoopers Public Sector LLP
	1000 Louisiana Street		300 Madison Ave.
	Houston, TX 77002		New York, NY 10017
	Todd Hoffman		Todd Hoffman
	917-664-6188		917-664-6188
	Todd.hoffman@pwc.com		Todd.hoffman@pwc.com
	*****8324		*****7312

STATE CONTACTS				
Program Manager	Jim Willems	DTMB	Contract Administrator	
	517-335-2109			Jillian Yeates
	willemsj@Michigan.gov			(517) 284-7019
			yeatesj@michigan.gov	

CONTRACT SUMMARY			
EMPLOYEE ENGAGEMENT SURVEY			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 19, 2016	December 31, 2018	5 - 1 Year	December 31, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
P-Card Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
DESCRIPTION OF CHANGE NOTICE			
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION
<input type="checkbox"/>		<input type="checkbox"/>	
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$481,942.00	\$0.00	\$481,942.00	
DESCRIPTION			
Effective February 3, 2017 the Contractor has been updated to PricewaterhouseCoopers Public Sector LLP.			
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.			



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Technology, Management, and Budget

525 W. Allegan, Lansing MI 48913
P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **071B6600102**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Pricewaterhouse Coopers, LLP
	1000 Louisiana Street
	Houston, TX 77002
	Todd Hoffman
	917-664-6188
	Todd.hoffman@pwc.com
8324	

STATE	Program Manager	Jim Willems	DTMB
		517-335-2109	
		willemsj@michigan.gov	
STATE	Contract Administrator	Jillian Yeates	DTMB
		517-284-7019	
		yeatesj@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Employee Engagement Survey - Statewide			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 19, 2016	December 31, 2018	5, 1 Year	December 31, 2018
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the solicitation #007116B0007895. Orders for delivery will be issued directly by Departments through the issuance of a Purchase Order Form.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$481,942.00

FOR THE CONTRACTOR:

Pricewaterhouse Coopers, LLP

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Tom Falik, Services Division Director

Name & Title

DTMB Procurement

Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Pricewaterhouse Coopers, LLP (“**Contractor**”), a Delaware limited liability partnership. This Contract is effective on September 19, 2016 (“**Effective Date**”), and unless terminated, expires on December 31, 2018.

This Contract may be renewed for up to five additional one year period(s). Renewal must be by written agreement of the parties.

The parties agree as follows:

- 1. Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the material performance and operational standards, and specifications of the Statement of Work (SOW); (c) provide all Contract Activities in good quality, with no material defects in accordance with the warranties stated herein; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; and (j) comply with all State physical and IT security policies and standards which will be made available upon request.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- 2. 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:
<i>Jillian Yeates DTMB Procurement Constitution Hall 525 W. Allegan, 1st Floor Lansing, MI 48913 YeatesJ@michigan.gov (517) 284-7019</i>	<i>Todd Hoffman Partner 1000 Louisiana Street Houston, TX 77002 todd.hoffman@pwc.com (917) 664-6188</i>

3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms and conditions of this Contract (each a “**Contract Administrator**”):

State:	Contractor:
<i>Jillian Yeates DTMB Procurement Constitution Hall 525 W. Allegan, 1st Floor Lansing, MI 48933 YeatesJ@michigan.gov (517) 284-7019</i>	<i>Todd Hoffman Partner 1000 Louisiana Street Houston, TX 77002 todd.hoffman@pwc.com (917) 664-6188</i>

4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State:	Contractor:
<i>Jim Willems DTMB willemsj@michigan.gov (517) 335-2109</i>	<i>Robert Tate</i>

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the reasonable opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.

6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by an company with an A.M. Best rating of "A" or better and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> <u>\$1,000,000 Each Occurrence Limit</u> <u>\$1,000,000 Personal & Advertising Injury Limit</u> <u>\$2,000,000 General Aggregate Limit</u>	Contractor must add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds.

<u>\$2,000,000 Products/Completed Operations</u> <u>Deductible Maximum:</u> <u>\$50,000 Each Occurrence</u>	
Automobile Liability Insurance	
<u>Minimal Limits:</u> <u>\$1,000,000 Per Occurrence</u>	Contractor must have their policy: (1) add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned automobiles.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> <u>Coverage according to applicable laws governing work activities.</u>	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$2,000,000 Per Claim \$2,000,000 Aggregate	Contractor must have their policy (1) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability; and (2) be renewed on an annual basis with terms that will comply with the requirements of this section.

If any of the required policies provide **claim-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance to the extent of the insurance limits. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not 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).

7. **MiDEAL Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on all MiDEAL payments made to Contractor under the Contract. Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget
Financial Services – Cashier Unit
Lewis Cass Building
320 South Walnut St.
P.O. Box 30681
Lansing, MI 48909

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

8. **Extended Purchasing Program.** This Contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this Contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

Any SOW between Contractor and MiDEAL member will be independently negotiated by the parties. Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities applicable to Contractor as set forth in this Contract. 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. Contractor hereby acknowledges that, upon full payment thereof, and except for any Contractor Technology contained therein, the State will be the sole and exclusive owner of all right, title, and interest in the Contract Activities which Contractor creates for delivery to the State ("Deliverables") and all associated intellectual property rights, if any. Except for Contractor Technology, such Deliverables are works made for hire as defined in Section 101 of the Copyright Act of 1976. Except for Contractor Technology, to the extent any Deliverables and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately upon full payment thereof, assign, transfer

and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Deliverables, including all intellectual property rights therein, and grants to the State, the right to use, for the State's internal business purposes, any Contractor Technology included in the Deliverables in connection with its use of the Deliverables. Except for the foregoing license grant, Contractor or its licensors retain all rights in and to all Contractor Technology. "Contractor Technology" means all works of authorship, materials, information and other intellectual property created prior to or independently of the performance of the Services, or created by Contractor or its subcontractors as a tool for their use in performing the Services, plus any modifications or enhancements thereto and derivative works based thereon. Any pre-existing software applications of Contractor, whether embedded in a Deliverable or stand alone, will be independently licensed. The State may grant Contractor a license in work made for hire under the terms of the applicable SOW.

- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 15 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor. If the State requests replacement of a subcontractor, the State must provide written reasonable detail outlining the reasons for the replacement request. Unless the State has requested replacement of the subcontractor due to performance issues, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required replacement.
- 11. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor. If the State removes or reassigns personnel, the State must provide written reasonable detail outlining the reasons for the removal or reassignment request. Unless the State has requested removal or reassignment due to performance issues, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal or reassignment.
- 12. Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested, unless the Contractor's employee has refused to undergo the background check or share the results of such background check, in which case that individual will not be allowed to perform services under the contract. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- 13. Assignment.** Contractor may not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Contract, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the State's prior written consent. However, Contractor may assign the Contract to an Affiliate so long as (a) Contractor provides the State thirty (30) days prior written notice of such assignment, (b) the Affiliate is adequately capitalized and can provide adequate assurances that the Affiliate can perform the Contract and applicable Statement of Work, and (c) a Change Notice will be executed by the parties if necessary under DTMB contracting policies. No delegation or

other transfer will relieve Contractor of any of its obligations or performance under this Contract. Any purported assignment, delegation, or transfer in violation of this **Section 13** is void.

- 14. Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State 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.

- 15. Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Exhibit A.

- 16. Acceptance.** Contract Activities 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 Exhibit A. If the Contract Activities do not meet the requirements set forth in the SOW, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver acceptable Contract Activities to the State in accordance with the requirements of the SOW. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, 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.

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. If the State cancels the order in whole or in part, the State shall be entitled to the cost of the Deliverable that was rejected, including any costs paid by the State for associated Services. Notwithstanding the foregoing provisions of this section, acceptance of this Contract activity should be deemed given by the State if the State has not delivered to Contractor a notice of deficiencies for such Contract activity prior to the expiration of any period of the State services thereof as set forth in this section.

- 17. Reserved.**

- 18. Reserved.**

19. Reserved.

20. Terms of Payment. 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 Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. If payment for undisputed amounts is not received within forty-five (45) days of receipt of an invoice Contractor may suspend or terminate the Services upon fifteen (15) days' notice if not paid within such notice period. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount, provided that the State timely pays all undisputed amounts owing to Contractor. The State will notify Contractor of any dispute in writing, within a reasonable time, not to exceed 45 days of the State's receipt of invoice and agrees to work together with the Contractor through the dispute resolution process set forth herein. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under the SOW, other than those claims previously filed in writing on a timely basis and still disputed.

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/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

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

21. Liquidated Damages. Liquidated damages, if applicable, will be assessed as described in Exhibit A.

22. Stop Work Order. The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order within 5 business days detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 30 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 purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period. Upon resumption the parties may execute a change order to address the impact of such suspension on fees, schedule, staffing, and scope.

23. Termination for Cause. The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) violates the State's security standards; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) breaches any of its material duties

or obligations; or (d) fails to cure a breach within 30 calendar days. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the 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 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources, subject to the limitation of liability set forth in Section 29.

24. Termination for Convenience. The State may terminate this Contract in whole or in part without penalty and for any reason with 15 calendar days prior written notice, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay for completed and accepted work and all reasonable costs, as determined by the State, for State approved Transition Responsibilities. Contractor may terminate the SOW if it is legally obligated to, by giving the State 30 calendar days prior written notice.

25. Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 60 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

26. 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 third party claims: (a) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; and (b) any bodily injury, death, or damage to real or tangible personal property occurring to the extent 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).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's 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. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. 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.

27. Infringement Remedies. If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for the infringing deliverable.

Notwithstanding the preceding paragraph of this Section 28, Contractor will have no liability or obligation regarding infringement arising solely from (a) use of equipment, software, commodity, or service in a manner other than its intended use as reflected in the SOW, (b) Contractor's compliance with any designs, specifications, or instructions of the State, (c) modifications to equipment, software, commodity, or service by the State without the prior knowledge and approval of Contractor, or (d) the State's failure to use modifications or enhancements made available at no cost to the State by Contractor, provided Contractor has given the State written notice and such modification or enhancement will not negatively impact the equipment, software, commodity, or service.

28. Limitation of Liability.

- a. Disclaimer of Damages. NEITHER PARTY WILL BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

- b. Limitation of Liability. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES SPECIFIED IN THE SOW.
- c. Exceptions. Subsections a (Disclaimer of Damages) and b (Limitation of Liability) above, shall not apply to:
 - i. Contractor's obligation to indemnify under **Section 26** of this Contract;
 - ii. Contractor's obligations under **Section 31** of this Contract (State Data), subject to the special limitation set forth in Section 31 below; and
 - iii. damages arising from either party's recklessness, bad faith, or intentional misconduct.

29. Disclosure of Litigation, or Other Proceeding. Contractor must notify the State within 14 calendar days of receiving notice of any litigation, arbitration, or other proceeding that directly affects the Contract (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or 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: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) 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.

30. Reserved.

31. State Data.

- a. Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, 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, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
- b. Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in 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 Contract Activities, such use

and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.

- c. Extraction of State Data. Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. Backup and Recovery of State Data. Contractor's backup and recovery obligations will be set forth in Exhibit A.
- e. Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach by Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days after the State provides contact information for the affected individuals; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all third party claims (except for fines levied against the State), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) 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, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section survives the termination of this Contract. Notwithstanding anything to the contrary in this section, Contractor's aggregate liability under this section shall be the greater of (i) \$1,000,000.00, or (ii) the value of the SOW.

32. 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. The provisions of this Section survive the termination of this Contract.

- a. 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.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in 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 a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor’s responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State’s Confidential Information in confidence. At the State’s request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section. If Contractor notifies the State of a legal obligation to disclose confidential information, and the State provides written consent, the Contractor may disclose such confidential information to a third party. Further, the parties may disclose confidential information in accordance to the terms of the SOW.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use reasonable 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 promptly 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 section and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the

- breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any non-State Data Confidential Information is not feasible, such party must destroy the non-State Data Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.

33. Data Privacy and Information Security.

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, 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) protect 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) provide for the proper disposal of State Data; and (e) require that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available at http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html.
- b. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract with 15 days prior written notice. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 60 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program. To the extent the State uses a third party auditor, the State will not use a direct competitor of the Contractor, unless it is unreasonable not to.
- c. Audit Findings. With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- d. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. Reserved.

35. Reserved.

36. Records Maintenance, Inspection, Examination, and Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records (other than Contractor's internal costs to provide services) related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records (other than Contractor's internal costs to provide services) related to this Contract. Contractor must cooperate and provide reasonable assistance. If any 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 the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. Warranties and Representations. Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not knowingly infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract signatory has the authority to enter into this Contract; (f) to Contractor's knowledge, all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (g) to Contractor's knowledge, all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A material breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause. TO THE EXTENT PERMITTED BY LAW, THE CONTRACTOR EXPRESSLY DISCLAIMS ANY WARRANTIES NOT LISTED HEREIN.

38. 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 subcontractor that performs Contract Activities in connection with this Contract.

39. Compliance with Laws. The parties must comply with all federal, state and local laws, rules and regulations in connection with this Contract.

40. Reserved

41. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, 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, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

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

43. 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 Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.

44. Non-Exclusivity. Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.

45. Force Majeure. Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.

46. 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.

- 47. Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
- 48. Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
- 49. Order of Precedence.** In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the Contract terms (b) Exhibit A and (c) any other exhibits.
- 50. 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.
- 51. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 52. Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
- 53. Entire Contract and Modification.** This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**").

STATE OF MICHIGAN

Contract No. 071B6600102
Employee Engagement Survey - Statewide

EXHIBIT A STATEMENT OF WORK CONTRACT ACTIVITIES

I. PROJECT REQUEST

This is a Contract for an Employee Engagement Survey for the State of Michigan (State), Office of Good Government (OGG), other State Departments and MiDEAL members (authorized local units of government). The State seeks a Contractor who can support the reinvention of the State government by developing and deploying a statewide employee survey that measures employee engagement across the State and make recommendations for an effective action plan follow-up campaign based on the results.

II. BACKGROUND

Research studies over the past two decades have demonstrated that greater levels of engagement are associated with better organizational performance. Engagement translates into positive results for an organization, thus reinforcing the value in measuring, monitoring, and improving employee engagement.

Because of the demonstrated relationship between performance and engagement, increasing employee engagement is a key focus in organizations of all sizes and all sectors. This survey is part of a broader program of government transformation that focuses on attracting and retaining the most capable and talented individuals; ensuring that we have an environment that encourages employee engagement, diversity, and inclusion; linking these measures to organizational outcomes; and insuring accountability for long-term improvement across all measures. The Contractor who both understands and has experience in measuring and addressing engagement and inclusion as part of large-scale transformation efforts will be integral to this effort.

Since 2012 the State of Michigan has conducted three employee engagement surveys, one about every 18 months and is planning a fourth survey in October 2016. These surveys may involve as many as 50,000 employees; and establish ongoing monitoring, links to performance data, and methods to increase engagement. Baseline metrics have been established in the first survey and we continue to compare and evaluate against the baseline.

III. REQUIREMENTS

The Contractor must perform the following:

1. Work and Deliverables

A. Survey in General

The State of Michigan is seeking a contractor to:

- i. Develop, host, administer, analyze, and report results of an online survey of employee engagement and inclusion, including appropriate workforce segmentation, across Michigan state government (approximately 50,000 employees);
 - a. Conduct a single administration of the survey; all 50,000 State of Michigan employees need to be invited to participate. Survey responses will be anonymous.
 - b. Send each participant an invitation via email with a survey link, ADA version provided.
 - c. There will be approximately 60 - 70 survey questions, not including demographic questions.
 - d. All communications, invites, the survey questionnaire itself, and all reports must be ADA compliant (see Section III.3, Contract Activities That Will Include IT Related Services).
- ii. Provide online access to survey data for additional analysis and reporting, including customizable report capabilities.
- iii. Provide executive, agency and management-level reports and recommendations regarding follow-up activities, links to performance metrics/business outcomes, and next steps.
- iv. Overview of Contractor's Engagement Survey Approach:



Creating success by keeping the end-goal in mind

- Kick-off meeting
- Project planning
- ADA testing
- Hierarchy testing
- Stakeholder interviews/ business alignment
- Survey design / questionnaire library



Providing a high quality employee experience

- Web survey with unique links
- Enhanced for smartphone, tablet, SMS
- Communications library
- Real-time response rate tracking
- 24/7 Help Desk



Delivering easy to use technology and reports

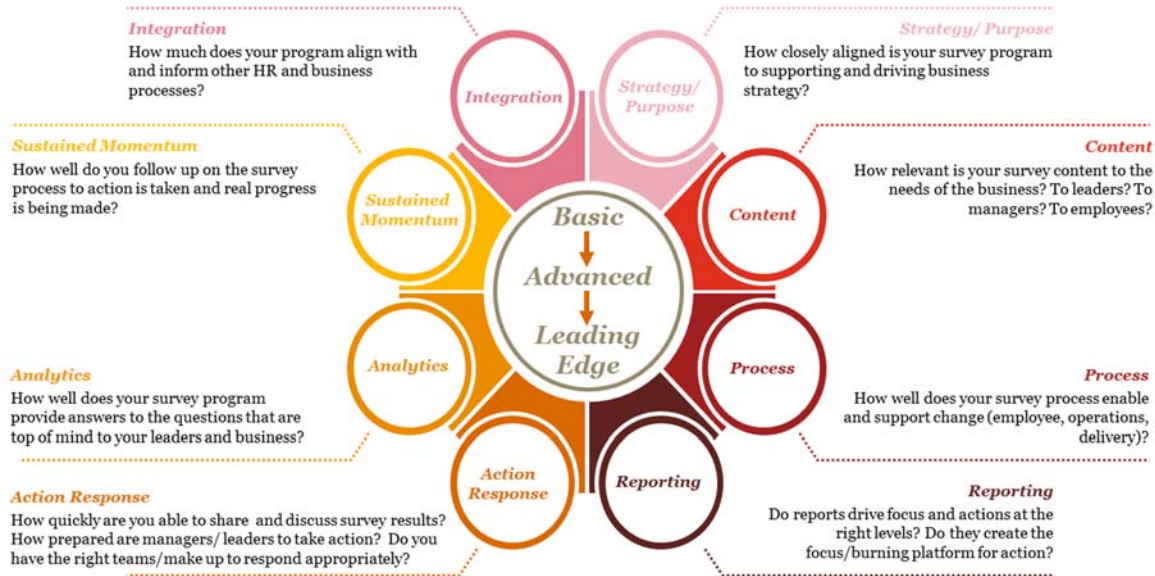
- Enterprise insights
- Regional/manager reports
- Technology tools
- Benchmarking/trending
- Comment analysis
- Employee landscape
- Heat maps
- Driver analyses
- Business linkage
- Organizational network analysis



Helping leaders lead and creating sustainable change

- Leadership guidance and support
- Action planning and tracking
- Survey Champion training
- Hosting Survey Champion sessions
- Action planning roadmap development
- Manager training
- Organizational development support
- Advanced and predictive analytics

- v. To ensure effectively that historical efforts and successes are not only sustained but also enhanced, Contractor will facilitate a session with the core team and key stakeholders during the project kick-off not only to discuss lessons learned from prior survey cycles, but also to evolve and innovate the survey program and leading practices. Contractor will facilitate a conversation that covers all aspects of the survey program from alignment to organizational strategies through application of survey results to business processes. Survey Program Maturity Framework:



- vi. Contractor will provide a Government benchmark and complimentary access to Contractor’s Saratoga Human Capital Effectiveness Report which contains hundreds of metrics and benchmarks related to human capital.
- vii. Contractor will provide the State with a reporting and action planning tool. Contractor’s Survey Taking Action and Reporting Tool (“START”) activates the action planning process by integrating action planning tools with survey results. As described in (v) Online Reporting Tool in Section I – Survey Results Reporting, this tool enables:
 - a. Administrators and other designated management or “super-users” to conduct unlimited querying. Ad hoc reports can be developed on demand, around the clock.
 - b. Integration of survey reports with clearly defined action planning.
 - c. Reporting and action planning all in one platform, available on all devices including smartphones and tablets.

B. Survey Scope

- i. Engagement Survey
 - a. Contractor must perform a single administration of the Survey to all 50,000 State of Michigan employees who will be invited to participate. Current plan calls for administering the survey in the month of October 2016.

Contractor's system will configure the survey to fit the device.

- b. Contractor must ensure the correct and simultaneous administration of the survey per the State employee groupings; the State project team will provide appropriate groupings of email addresses for employees corresponding to the implementation and that the capacity exists to support the volume of employees for the single phase survey.
- c. Contractor must ensure that the survey responses will be anonymous.
 - i. Contractor will not release information (in either a report or the online reporting tool) on any given demographic if there are fewer than a specified number of responses (typically 10 responses).
 - ii. Contractor will have the ability to match individual participant responses to data that is either provided to us via self-select demographic and hierarchical questions in the survey itself or, if available, from State of Michigan system feeds.
 - iii. Contractor's team will provide the State with a robust, clear, and effective communication plan, showing the precise steps and methods used to facilitate that employees will be comfortable that responses are protected and kept anonymous, and that the program is supported by leadership and building upon previous survey and action planning efforts.
 - iv. Contractor will further reinforce anonymity by using "This survey is anonymous" text in emails and posters, and further refine the definition; distributing FAQs prior to survey to address common questions and include details on how the "Rule of 10" is implemented; educating Survey Champions, managers and supervisors in addressing anonymity concerns; and meeting with Survey Champions to discuss "Rule of 10" and how it is applied to reporting; hold role playing sessions to foster understanding of how demographic data is used

ii. Modality

- a. Contractor must send an invitation via email to each participant that includes a survey link.

Contractor's survey tool will attach the employee's survey results back to the employee's email address to ensure respondents take the survey only once and that their self-selected demographic information is aligned with their survey responses. Contractor's system will allow for multiple sessions (leave survey and come back to finish at a later time).

- b. Contractor must provide an ADA version of the survey instrument and reports.
- c. Contractor must work with the State's information technology staff to enable effective and secure access to and completion of the survey by all employees through the Internet (see Section III.3, Contract Activities That Will Include IT Related Services).
- d. Employees will be directed to a site designated by the Contractor, outside of the Michigan.gov, MichiganAdvantage.org and Michigan.org network domains.

- e. The survey will be web-based.
- f. E-mail addresses (Michigan.gov, Michigan.org, ssa.gov, som.ad.state.mi.us, us.army.mil) will be provided using the appropriate format.
- g. Respondents will be guaranteed their anonymity, and administration of the survey will need to reinforce that guarantee.
- iii. Question-Length
The Survey must consist of approximately 60 - 70 survey questions, not including demographic questions.
- iv. ADA Compliance
All communications, invites, the survey questionnaire itself, and all reports must be ADA compliant.

Contractor's survey platform must accommodate all ADA requirements including being screen reader compatible, keyboard accessible, navigation friendly and simply structured.

Contractor will coordinate testing and acceptance of the ADA survey version by working with designated State testers.

Contractor will deploy the survey only after receiving confirmation that the interface is compliant.

Contractor will work with the State project team to review current communications and make the proper adjustments to ensure the survey messages sent to employees are ADA compliant.

Contractor will provide an alternate ADA compliant report template for any employees that may require an alternate option for reports.

- v. Security
Contractor must ensure security/protection of the data throughout all phases of administration, collection, analyses, reporting, and post-survey follow-up. The Contractor is responsible for all aspects of quality control and security--data collection, storage, transmission, and reporting; and for disaster recovery on their site (see Section III.3, Contract Activities That Will Include IT Related Services Standard Contract Terms Sections 31 through 33).

C. Survey Design

- i. Questionnaire Design Process
 - a. Contractor must review the questionnaire and survey tool from previous years. The Contractor will leverage what worked well in the past and make recommendations for improvements. The link to the previous year's survey reports is:
<http://www.michigan.gov/ogg/0,5880,7-338-71811---,00.html>
 - b. The survey will leverage existing State of Michigan demographic items used in 2015 and will be revised with the State Project Team Director (State PTD).

- c. Contractor will provide validated instruments (Likert scale) for online measures of employee engagement and the appropriate employee demographic and other workplace descriptors. Definition of constructs and data substantiating the psychometric aspects of the survey must be provided. The extent to which the survey and items have been used in other environments must also be included.
 - d. Contractor will engage in a structured, collaborative, and iterative process to customize the final survey questionnaire content so that it is reflective of the State's historical items, goals and objectives. Stakeholder interviews can be used to help reinforce the direction of the content and post-survey analysis.
 - e. Contractor will first run a series of statistical analyses (such as a factor analysis and correlations) on the 2015 Engagement Survey dataset in order to point out where opportunities to streamline the questionnaire exists as well as identify elements that differentiate engagement at the State of Michigan.
 - f. If needed, Contractor will draw upon Contractor's library of over 300 items.
 - g. Contractor will re-examine the Good Government pillars and relevant strategies, activities, and/or metrics that help advance the goals of Good Government i.e. performance management, service/process optimization, and change management – in addition to employee engagement.
 - h. Where appropriate, Contractor will incorporate a “survey within a survey” model that will allow the State to target specific questions to key sub-groups within the State of Michigan.
- ii. Questionnaire Versions
There will be one version of the questionnaire, in English only and ADA accessible.
 - iii. Questionnaire Updates
Contractor must allow for a small subset of questions specific to 2-5 agencies on issues specific to that agency.
 - iv. Questionnaire Approval
 - a. The State PTD will approve the final questionnaire. The questionnaire will take into account enterprise-level strategies, activities, and/or metrics that would further the overall goals of Good Government.
 - b. The questionnaire content will be finalized within five iterations.
 - v. Open Ended Questions
 - a. The Contractor must allow for an open-ended "comments" section at the end of each survey, and develop an objective method for summarizing and presenting that information (e.g., content analysis), and provide agency-level access to their employees' comments. Comments must be organized to allow for efficient categorization that can be accessed (queried/filtered) via an online reporting portal. Contractor must also employ a text analytics tool for more detailed analysis of open ended responses.

- b. The State will provide necessary information for the Contractor to customize a series of employee demographic questions that allow further analysis and understanding of responses.
- c. For open text comments, Contractor will incorporate a self-theming methodology.

vi. Hierarchy

Contractor must work with the State PTD and State project team to update the 2015 organizational hierarchy for 2016. This involves documenting changes to group names, movement of groups, and elimination of groups. The State project team will coordinate points of contact from each agency who will update their respective hierarchies.

Contractor will host a webcast to educate Agency Survey Champions on the steps to follow in developing their hierarchies. Contractor will review the hierarchy changes, provide support during the process as questions arise, and ensure all Survey Champions are aware of the impact changes in the hierarchy will have on reporting.

vii. Employee Self Selection and Agency List Management

a. The survey must allow for employees to self-select from the organizational hierarchy provided by the State. The 2015 organizational hierarchy levels will be leveraged and will be revised collaboratively with the State PTD. Levels refer to the various hierarchical levels within each department or agency. L1 refers to the top or the department /agency level. L2 refers to the level just below the department or agency level. L3 refers to the level just below the L2 in the hierarchy of the department/agency, etc.

b. In order to determine if the correct Agency was selected by the employee, the Contractor will review said agency self-selections after the survey closes. Contractor will review the agency assignments provided by the State of Michigan and reassign agency designations where discrepancies exist. Reassignment of agency designations will be done at the L1 level and L2 levels. All other self-selected details regarding L3 levels and below will be removed for individuals whose L1 level or L2 level is reassigned.

viii. Branding

The State will provide branding/logos for the survey.

Contractor will work with the State to ensure the overall appearance (including any logos or branding desired), functionality, and branding meets and exceeds expectations. The State will have the final approval of the survey appearance and functionality prior to the survey launch.

D. Segmentation/Survey Coverage

i. Departments/Agencies

The Survey must include up to 30 State departments/ agencies. (See Appendix A for list.)

Contractor will work with the State to update the hierarchy accordingly to reflect any new agencies.

ii. Benchmarking

Contractor must provide comparative data within the overall Statewide and Agency report that includes two benchmark comparison groups, one that will allow comparison to other service industries or governmental entities, and another that allows comparison against other leading organizations in their respective industries. This must be provided in an electronic format, such as MS Word, Excel, PPT or PDF. Refer to the link to the previous year's survey reports for examples of how benchmarking was used here:

<http://www.michigan.gov/ogg/0,5880,7-338-71811---,00.html>

Contractor will include a Government benchmark incorporated into the reporting.

Contractor will offer the State complimentary access to Contractor's Saratoga Human Capital Effectiveness Report.

iii. Trending

Contractor must incorporate year-over-year data from the 2012, 2013 and 2015 engagement surveys as possible (depending on organizational and management changes) at the overall level where applicable and where possible at agency level as well.

E. Testing and Communications

i. Survey Technical Testing

Connectivity and functional testing must be conducted and reviewed by the State PTD (see Section III.3). Testing must include .org, .gov, .us and .mil populations. Retesting will be performed until an acceptable level of performance is attained.

Contractor will provide the State with an 'IT Checklist' covering steps and actions necessary to successfully deliver the survey as well as implement the online reporting and action planning tool.

Contractor's testing plan includes both the e-mail invitation and web survey access, covering a representative cross-section of the organization by location, and Internet browser usage. Contractor will provide a detailed testing log with criteria for testers to review and document. Testers will fill out the testing log during the testing period to indicate successful functionality or highlight any areas for Contractor to look into and update prior to survey launch.

ii. ADA Testing and Roll-out

Contractor must program a version of the web-enabled survey to be ADA compliant by ensuring it is usable with screen readers. Once programmed, Contractor will coordinate testing and acceptance with designated State testers.

Contractor will maintain a documented log to track outstanding questions and resolutions.

iii. Communication Plan Development

Contractor must develop an employee communication plan for survey invitations, reminders, and post-survey follow-up. The Contractor will work with State staff to draft those appropriate communications, both pre- and post-survey; and will recommend optimal methods for communicating findings to all employees.

Contractor will review the 2015 survey communications and adapt for the current survey process.

Example communication plan

Activity	Channel	Vehicle	Purpose	Timing
Develop a survey theme	Organizational Leader/ Communications team	Multiple	To help communicate the purpose of the survey in a memorable way	1 month prior to survey
Pre-survey notification email	Leader	Email	To communicate the Purpose of the survey	2 weeks prior to survey
In-person announcement	Managers, supervisors within the organization	Team meeting	To reinforce the importance of the survey; to answer any questions	1-2 weeks prior to survey
Additional promotions	Various	Newsletter, Intranet, YouTube, Posters, etc.	To communicate the impending launch of the survey	0-2 weeks prior to survey
Talking points for managers/supervisors	Leader/ Communications team	Email	To provide managers and supervisors a way to describe benefits of the survey	2 weeks prior to survey through survey administration
Launch email	System-generated	Email	To provide directions for completion	Day of survey launch (following email from leader)
2-3 Reminder emails	System-generated	Email	To remind employees who have not	Throughout the survey

iv. Pre-Survey Letter

Pre-survey communications will be managed by the State PTD. Contractor will send out communications as appropriate during the fielding process.

v. Post-Survey Communications Roadmap

Contractor must work with the State PTD to finalize a post-survey roadmap, outlining the sequence, timing and dates of survey reports and communications messages.

F. Demographic Data

i. Employee Demographic Data

- a. The State PTD will provide Contractor with a single consolidated State of Michigan employee list, including which department the employee works in, prior to survey launch.

Upon receiving a preliminary sample employee list of email addresses and L1/L2 assignments, Contractor will review for cleanliness of email addresses and group names in comparison to the hierarchy.

- b. Contractor must capture no more than 15-20 demographics. The list below is a sample of demographic groups
 1. Email
 2. Racial/Ethnic Group
 3. Age Range
 4. Gender
 5. Total Length of Service with the State of Michigan
 6. Highest Education Level Attained
 7. Employment Group for the State and separate for MEDC
 8. Agency Descriptors (agency and up to 6 lower hierarchical levels)
 9. Regions
 10. Primary work location
- c. Responses to demographic questions are provided by participants.
- ii. Data Aggregation/ Minimum Group Size
 - a. Contractor will not provide participant comments or responses that identify the individual who provided them to anyone at the State.
 - b. Minimum group reporting size will be 10 respondents.

G. Survey Participation, Tracking and Reporting

- i. Response Rate Tracking and Reporting

Contractor must provide the State PTD, the State of Michigan project team and Agency Champions access to on-line response rates that can be segmented based on demographic data and agency/department rollups. Responses available in the online tool will include levels L1 (department/agency) level and L2 (the level in the hierarchy just below the department/agency level).

Once the survey launches, Contractor will notify the State of any email bounce-backs that occur and give the State the opportunity to address any issues with employees' email addresses. Contractor will provide the State with access to an online real-time response rate.

Contractor will send reminder notices to those that have not completed the survey. Reminder notices will also be sent to those supervisors/managers with low participation, allowing for targeted follow-up and to encourage participation.

- ii. Help Desk Support

Contractor will provide respondent support via e-mail.

During survey execution, Contractor will provide 24/7 help desk support to all respondents via an e-mail support box. Contractor will also be available by phone and e-mail to support any needs or questions that may arise during the survey and reporting period.

Contractor will work with the State to finalize a list of 'Support Inbox Standards' which will be responses that Contractor's team can utilize when responding to inquiries we receive through the e-mail support inbox. For urgent questions received, Contractor will share with the State's team immediately

H. Quality Review

i. Template review meetings

Contractor must hold meetings with the core project team to review the survey process timeline, communication templates, and reporting templates.

Following these meetings, Contractor will incorporate any feedback from the State and then will require written sign-off from you.

ii. Mid-point debrief

Contractor must convene with the State PTD during the survey fielding period to review the overall project to date.

iii. Pre-delivery review

Contractor must review all final output with the State PTD. At least one week prior to presentation or delivery, Contractor will perform a thorough quality review of all hard-copy reports with the State PTD to ensure accuracy and proper content/messaging.

iv. Pre-delivery online results portal review

Contractor must review initial portal programming with the State PTD. One to two weeks prior to agency delivery, Contractor will work with the State PTD to ensure tables, functionality and general usability meets State requirements.

I. Survey Results Reporting

i. Overall Report

a. Contractor must analyze all of the survey data, summarize those findings and provide up to 100 detailed hard copy State-wide reports.

b. Contractor must provide up to 5 overall statewide reports to each agency including a Driver Matrix, i.e., correlation analysis and also include a Heat Map, and an overall Agency and Demographic Distribution Table.

c. Contractor and the State PTD will discuss optimization of report templates at kick-off meeting.

d. This report must include recommended follow-up actions and subsequent survey activities.

e. Contractor will also provide an Executive Report Booklet and brief showing streamlined results with a deeper analysis than offered in the overall report.

f. Contractor will propose a framework for the overall analysis of the effectiveness of agency Year 4 efforts, including progress on key metrics.

- g. Once the survey data collection period is complete, Contractor will conduct analyses using several statistical techniques including frequency distributions, segmentation by demographics, driver analysis, and linkage to financial and operational data.
 - 1. Frequency distributions – Contractor will take the responses to the item in the survey and compare them to data from prior years (where available) to point out shifts not only among the % favorable (agree) responses, but % neutral and % unfavorable responses.
 - 2. Employee landscape map – Contractor’s technique segments respondents into four categories (Champions, Captives, Disengaged, and Tenants) based on responses to the engagement items and likelihood of leaving the organization.
 - 3. Heat map – Contractor will highlight high and low performance scores, displaying systemic and isolated issues by demographic group for both engagement and survey results. Contractor will summarize, filter, and organize issues by key demographics onto a single page. The heat map will serve as part of the reports for the State.
 - 4. Driver matrix – The driver matrix will help see the attributes that are statistically driving overall engagement and turnover. Immediate opportunities to increase overall employee engagement and retention will emerge in the top right quadrant of the matrix.
 - 5. Proprietary analyses – Contractor will provide an Executive Report booklet which will feature a summary of key results as well as deeper analysis so leaders can easily review and understand the most important takeaways from the survey, with compelling supporting data.
 - 6. Long-term trending – Contractor will provide long-term trended results across the four years of the survey. Contractor will draw conclusions, share findings, and make recommendations based on the trajectory of the results over the course of the period from 2012 through 2016. Contractor will provide a framework for assessing the progress made by each Agency from 2015 to 2016, as well as progress since 2012.

ii. Agency Reports

Contractor must provide up to thirty (35) hard copy Agency reports to each agency, including a Heat Map (usable and readable as determined by agency), Demographic Distribution Table, and Driver Matrix. These will also be provided to the State PTD and State of Michigan Project Team electronically (see Deliverable 10.2 below).

iii. Manager Reports

Contractor must provide up to 800 manager level standardized electronic reports with appropriate comparisons across their organization.

Contractor will create an automated manager pdf report for each group within the organizational hierarchy on their specific response rate and demographic results assuming the minimum participation count of 10 completed surveys is met. Contractor will use the 2015 manager report template as an initial starting point and will make updates to the template to enhance the output.

- iv. Executive Presentations
 - a. Contractor must present results at the executive level and facilitate discussion of the statewide and agency survey report and metrics, including the relationship of the survey responses to various demographics, organizational units, and geography and subsequent decision-making for the State executive groups and individual agency executive staffs.
 - b. Contractor will provide additional analyses to clarify issues relative to the State of Michigan (State) as a whole and the individual agency.
 - c. Contractor will provide context via benchmarking data and best practices and highlight the strengths and opportunities for improvement uncovered in the analysis. Discuss concerns and agree on priority items for making the highest-impact improvements.
 - d. Presentations must be provided in-person to the following groups:
 - 1. Directors meeting
 - 2. Executive steering committee
 - 3. Agency officers/champions
- v. Online Reporting Tool
 - a. Contractor must provide online reporting and analysis capabilities to the management of the State for additional analysis/breakdowns of the data by select organizational units. Contractor will provide preformatted reports for easy export, printing and viewing.
 - b. Protection of our guarantee of anonymity is the responsibility of the Contractor and must be further supported by precluding the breakdown and analysis of group data comprised of less than ten (10) respondents.
 - c. Online access of demographics and data will be provided for up to 825 users for a minimum of 18 months following the administration of the survey.
 - d. The tool will allow for the automation, tracking and updating of agency action plans, action planning activities and provide the identification and documentation of best practices over time.
 - e. Contractor must also host 4 training webcasts, which will be recorded for replay.

The State will have access to START for an unlimited number of managers and leaders for the duration of our contract. Managers will have access to their specific survey results and action planning resources, while the core survey team and Survey Champions will have access to tracking manager action planning.

vi. Raw Survey Results Data

Contractor must provide raw survey results data to the State PTD upon request. This data will be provided with no identifiable demographic data. Contractor will provide response data at every point on the response scale i.e., if a 5-point scale is used providing the data responses at each point on the scale.

vii. Analytics Report

Contractor must provide the State PTD a statistical analysis report including descriptive statistics, correlations, regression and factor analysis at the item and demographic level. Contractor will also provide reports for reliability per survey theme using Cronbach's Alpha; Factor analysis; Histograms for every survey item; Frequency tables for each survey item, for each level on the 5-point Likert scale

viii. Electronic Reports

In addition to hard copy reports all reports will be available in an electronic format.

J. Post-Survey Activities

i. Follow-up Strategy

- a. Contractor must provide consultation to the Good Government team regarding statewide strategy/planning for employee survey follow-up. Contractor must recommend strategy and approach to address major issues and items.
- b. Contractor must provide linkage analysis between survey data and Agency scorecard metrics for reporting and follow-up activities.
- c. Contractor must recommend follow-up actions and subsequent survey activities. Based on the results and comparisons with findings from other similar organizations, the contractor will recommend a series of interventions designed to positively impact employee engagement. Given the expected lag between intervention and impact, the contractor will recommend an appropriate schedule for follow-up administration, either in whole or in part.
- d. Results interpretation guides – Documents with infographics and instructions to guide managers in properly interpreting and analyzing data to begin translating results into plans for action.
- e. Leading practice libraries – Repositories of leading practice actions for managers to leverage in creating action plans to address various themes from the results of the survey.

ii. Lessons Learned

The Contractor must conduct a lessons learned session with stakeholders and identify how the survey roll out can be changed to be more efficient and effective.

2. Training

The Contractor must provide the training indicated below.

- i. Reporting Tool Training
 - a. Contractor must administer training associated with using the online reporting tool for accessing demographic and survey data, tracking and updating of agency action plans, action planning activities and tracking best practices over time.
 - b. This training must minimally include the hosting of 4 training webcasts and accommodate up to 35 individuals per session.
 - ii. Action Plan Training
 - a. Contractor must propose, design and administer staff training on action planning as needed to address identified issues most effectively resolved via training.
 - b. This needs to include a minimum of 4 action plan training webcasts for Officers/Champions and Managers and must be able to accommodate up to 500 online attendees per session.
 - c. A recording of the training sessions and materials used will also be made available to all managers.
 - iii. Training Material
- Contractor must provide documentation and training material.

3. Contract Activities That Will Include IT Related Services

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

All services and products provided must comply with all applicable State IT policies and standards.

All software and hardware items provided by the Contractor must run on and be compatible with the DTMB Standard IT Environment. Additionally, the State must be able to maintain software and other items produced as the result of the Contract.

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

Enterprise IT Policies, Standards and Procedures (PSP):

http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html

The State's security environment includes:

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

DTMB requires that its single - login security environment be used for all new client-server software development. Where software is being converted from an existing package, or a client-server application is being purchased, the security mechanism must be approved in writing by the State's Program Manager and DTMB Office of Enterprise Security.

Look and Feel Standard

All software items provided by the Contractor must be ADA compliant and adhere to the Look and Feel Standards www.michigan.gov/somlookandfeelstandards.

ADA Compliance

Contractor shall comply with and adhere to the Accessibility Standards of Section 508 of the Rehabilitation Act of 1973, including any more specific requirements set forth in an applicable Statement of Work. See DTMB Policy at http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621.

SUITE:

Includes standards for project management, systems engineering, and associated forms and templates – must be followed: <http://www.michigan.gov/suite>

IV. ACCEPTANCE

1. Final Acceptance

The Contractor must deliver to the State of Michigan the Deliverables set forth in this contract in the format specified in the Deliverables section. When final completion of deliverables has been achieved, the contractor may invoice for final payment.

V. STAFFING

1. Contractor Representative

The Contractor must appoint a Project Manager specifically assigned to the State of Michigan in support of this contract.

Contractor's Project Manager: Talia Rozensher.

This Project Manager will provide status to the State PTD on a daily, weekly or as needed basis.

The Contractor must notify the Contract Administrator at least 14 calendar days before removing or assigning a new Project Manager.

2. Customer Support

- a. The Contractor must provide personnel to readily handle questions or of handling concurrent users per the administration schedule in Sections III.1.A and B and provide for tracking of response rates during each administration period.

3. Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday, 7:00 a.m. to 6:00 p.m. EST, and possible night and weekend hours depending on the requirements of the project.

4. Key Personnel

- a. The Contractor must appoint individuals who will be directly responsible for the day-to-day operations of the Contract (“Key Personnel”). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquires within 24 hours.
- b. Contractor must provide a project team, a designated project manager, and a management structure (See Section 5. Organizational Chart) to work with the State personnel to deliver to deliver these results. The Contractor’s project team will include all the necessary personnel to complete the deliverables described in this Contract.

Contractor’s Project Manager:

Talia Rozensher

Contractor’s Project Team:

Name	Role	Location	Functions
Todd Hoffman	Engagement Partner	Houston, TX	<ul style="list-style-type: none"> • Engagement oversight of project quality overall, timelines and budget • Ensure that our services fully meet your expectations • As the partner responsible for all State of Michigan projects, Todd will also identify linkages between the Engagement Survey and other activities with the State of Michigan as appropriate
Robert Tate	Project Director	San Jose, CA	<ul style="list-style-type: none"> • Engagement oversight of project quality overall • Lead project architect covering overall program approach, survey design, reporting and analysis
Talia Rozensher	Project Manager	New York, NY	<ul style="list-style-type: none"> • Project oversight and subject matter expertise relating to the design and strategy of communications, questionnaire, and deliverables • Manage the execution and deliverables of the project
JoiAnda Bruce	Project Specialist	McLean, VA	<ul style="list-style-type: none"> • Create and deploy the Web survey and online reporting • Support day-to-day project coordination

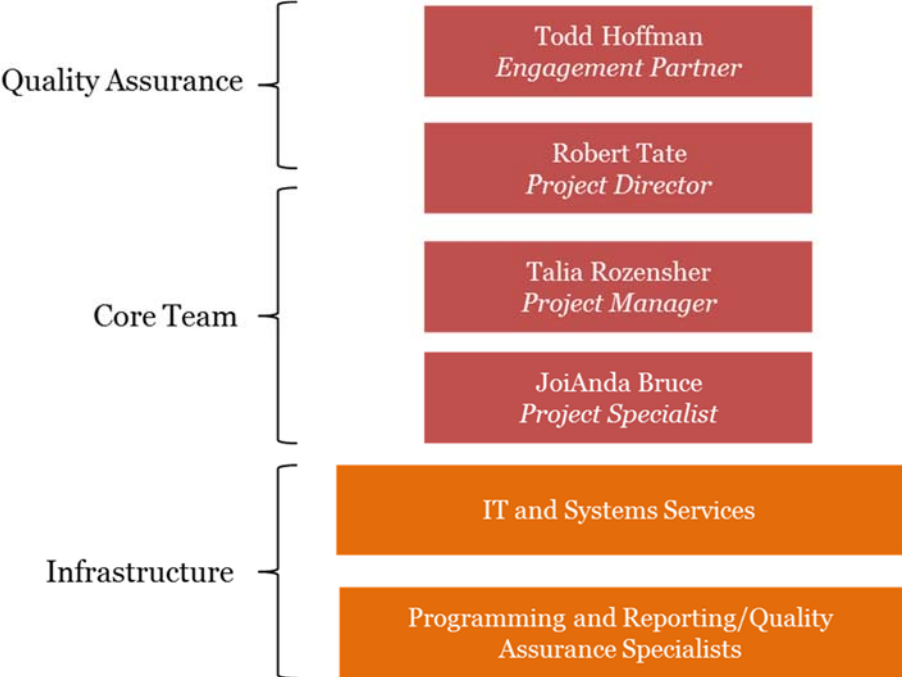
- c. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the

individual to the State’s Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.

- d. 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 Termination for Cause in the Standard Terms

5. Organizational Chart

The Contractor’s Organizational Chart:



6. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- a. 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.
- b. The relationship of the subcontractor to the Contractor.
- c. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
- d. A complete description of the Contract Activities that will be performed or provided by the subcontractor.
- e. The price of the subcontractor's work.

7. Security/Confidentiality

The Contractor will be subject to the agency security procedures, background checks, security forms, Non-Disclosure Agreements, etc. (also see Section III.3 and Standard Contract Terms, Sections 31 through 33).

The Contractor must: (a) ensure the security of State facilities, and (b) perform background checks,

VI. PROJECT MANAGEMENT

1. Project Plan

- a. Contractor must identify and develop a project work plan and how it will be managed. The project plan should identify items such as the required contact personnel; the date the project plan must be submitted to the State; project management process; project breakdown identifying sub-projects, tasks, and resources required; expected frequency and mechanisms for updates/progress reviews; process for addressing issues/changes; and individuals responsible for receiving/reacting to the requested information.
- b. The Contractor will carry out this project under the direction and control of the State PTD. Within 30 calendar days of the Effective Date, the Contractor must submit a project plan to the State PTD for final approval. The plan must include: (a) the Contractor's organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.
- c. The Contractor must clearly identify their requirements for online survey completion and work with the State to align their requirements with those of the State's to insure an efficient administration.

2. Meetings

- a. Contractor must schedule status calls for 60 minutes on a weekly basis, or as needed. The project managers from both teams will be in communication with

what decisions need to be made prior to the status call by each team, using an issue and decision log maintained by Contractor. Contractor will provide an agenda prior to each scheduled status call and will provide a summary of meeting notes afterwards.

- b. Additional ad-hoc calls/meetings may take place on an as needed basis.
- c. These meetings will be facilitated by the Contractor's Project Manager.

3. Reporting

- a. The Contractor must submit, to the State PTD or designated State Personnel, the Reports Described in Section III.1.I. Survey Results Reporting, In addition, the Contractor must also deliver to the State PTD the following written reports:
 - i. Project Team List,
 - ii. Employee Survey Project Plan,
 - iii. Employee Survey Key Milestones,
 - iv. Decisions Agreed To,
 - v. Open Decisions Tracker,
 - vi. Weekly Status Update and
 - vii. Support Inbox Standards.

These reports should be updated on a weekly basis as necessary.

VII. ORDERING

1. Authorizing Document

The appropriate authorizing document for the Contract will be a State Purchase Order

VIII. INVOICE AND PAYMENT

1. Invoice Requirements

Each Contractor invoice must show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to validate that the amounts invoiced comply with the terms of the Contract. All invoices submitted to the State must include: (a) date; (b) purchase order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

2. Payment Methods

The State will make payment for Contract Activities after completion and acceptance of deliverables.

Miscellaneous

- IX.** Contractor will perform the Services in accordance with the Standards for Consulting Services established by the American Institute of Certified Public Accountants. Accordingly, Contractor will not provide an audit or attest opinion or other form of assurance, and will not verify or audit any information provided to it. Contractor will not provide legal or advocacy services of any kind.

- X.** Contractor may retain its working papers, and such copies of the Deliverables to the extent necessary to evidence the Services and comply with its document retention policies or in accordance with applicable laws, rules, regulations, or Standards for Consulting Services established by the American Institute of Certified Public Accountants; additionally, Contractor may retain encrypted data backups maintained in confidentiality at a bonded 3rd party for up to one year, in accordance with the requirements of this Contractor.

STATE OF MICHIGAN

Contract No. 071B6600102
Employee Engagement Survey - Statewide

**EXHIBIT B
RESERVED.**

STATE OF MICHIGAN

Contract No. 071B6600102
Employee Engagement Survey - Statewide

EXHIBIT C PRICING

1. The Contractor must provide a fixed-price deliverable for the Contract Activities.
2. Price must include all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).

PRICING TABLE						
Work and Deliverables (as described in Exhibit A, Section III)	Yearly Estimated Hours to Complete (Itemize by Year 1 and Year 2)		Hourly Rate	Yearly Total (Itemize by Year 1 and Year 2)		Contract Total
	Year 1	Year 2*		Year 1	Year 2*	
Pre-Survey Activities						
C. Survey Design	45	36	\$ 250.00	\$ 11,250.00	\$ 9,000.00	\$ 20,250.00
D. Segmentation/Survey Coverage	Included in Survey Design					
E. Testing and Communication	50	40	\$ 250.00	\$ 12,500.00	\$ 10,000.00	\$ 22,500.00
F. Demographic Data	95	80	\$ 165.00	\$ 15,675.00	\$ 13,200.00	\$ 28,875.00
H. Quality Review	Included in Project Management					
TOTAL FOR PRE-SURVEY ACTIVITIES:	190	156		\$ 39,425.00	\$ 32,200.00	\$ 71,625.00
Survey Administration						
A. Survey in General	Included in various line items in this table					
B. Survey Scope	175	150	\$ 165.00	\$ 28,875.00	\$ 24,750.00	\$ 53,625.00
G. Survey Participation, Tracking and Reporting	80	80	\$ 165.00	\$ 13,200.00	\$ 13,200.00	\$ 26,400.00
TOTAL FOR SURVEY ADMINISTRATION:	255	230		\$ 42,075.00	\$ 37,950.00	\$ 80,025.00
Post Survey Activities						
I. Survey Results Reporting	400	300	\$ 165.00	\$ 66,000.00	\$ 49,500.00	\$ 115,500.00
J. Post Survey Activities	150	150	\$ 250.00	\$ 37,500.00	\$ 37,500.00	\$ 75,000.00
2. Training	Included in Post Survey Activities					
TOTAL FOR POST SURVEY ACTIVITIES:	550	450		\$ 103,500.00	\$ 87,000.00	\$ 190,500.00
Additional Activities (as described in Exhibit A)						
VI. Project Management						

1. Project Plan	350	300	\$ 250.00	\$ 87,500.00	\$ 75,000.00	\$ 162,500.00
2. Meetings	Included in Project Plan					
Access to PwC's Saratoga Human Capital Effectiveness Report	No charge (\$14,500 value)					
TOTAL FOR ADDITIONAL ACTIVITIES:	350	300		\$ 87,500.00	\$ 75,000.00	\$ 162,500.00
GRAND TOTAL:				\$ 272,500.00	\$ 232,150.00	\$ 504,650.00

*Year two fees are estimates based on minimal changes to questions, reporting and overall process. Heavier discounts can be applied, should there be no changes to questions, reporting and overall process.

Year 1 Discount	\$ 12,262.00
Year 2 Discount	\$ 10,446.00
Total Discount	\$ 22,708.00

New Grand Total	\$ 481,942.00
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