STATE OF MICHIGAN
ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

320 S. Walnut Street 2nd Floor Lansing, MI 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **10**
to
Contract Number **MA190000000451**

CONTRACTOR		STATE		
	Global Shop Solutions, Inc.		Program Manager	Various	Various
	975 Evergreen Circle				
	The Woodlands TX 77380-3637				
	Ashley Taylor		Contract Administrator	Kristine Mills	DTMB
	281-466-8189			517-242-6402	
	ataylor@gssmail.com			millsk11@michigan.gov	
	VS0063103				

CONTRACT SUMMARY
Michigan State Industries Enterprise Resource Planning (ERP) Solution

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 12 Months	April 30, 2025

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	N/A

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

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒	12 Months	☐		April 30, 2026

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$1,407,484.45	$174,000.00	$1,581,484.45

DESCRIPTION
Effective 3/10/2025, the State exercises an option year and adds $174,000 in funding for MDOC use.

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

Program Managers

for

Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Madyson Hehrer	517-643-3694	taylorm13@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

STATE OF MICHIGAN
ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

320 S. Walnut Street 2nd Floor Lansing, MI 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **9**
to
Contract Number **MA190000000451**

<table>
<tr><td rowspan="7">CONTRACTOR</td><td colspan="2">GLOBAL SHOP SOLUTIONS, INC.</td></tr>
<tr><td colspan="2">975 Evergreen Circle</td></tr>
<tr><td colspan="2">The Woodlands TX 77380-3637</td></tr>
<tr><td colspan="2">Ashley Taylor</td></tr>
<tr><td colspan="2">281-466-8189</td></tr>
<tr><td colspan="2">ataylor@gssmail.com</td></tr>
<tr><td colspan="2">VS0063103</td></tr>
</table>

<table>
<tr><td rowspan="6">STATE</td><td rowspan="3">Program Manager</td><td>Various</td><td>Various</td></tr>
<tr><td></td><td></td></tr>
<tr><td></td><td></td></tr>
<tr><td rowspan="3">Contract Administrator</td><td>Jeremy Lyon</td><td>DTMB</td></tr>
<tr><td>517-230-2858</td><td></td></tr>
<tr><td>lyonj5@michigan.gov</td><td></td></tr>
</table>

CONTRACT SUMMARY

Michigan State Industries Enterprise Resource Planning (ERP) Solution

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 12 Months	April 30, 2025

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	N/A

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

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

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

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$1,407,484.45	$0.00	$1,407,484.45

DESCRIPTION

Effective 12/20/2024, this change is to request the two Meraki items in the attached SOW are added to the Global Shop Solutions contract, this is a zero cost change notice. Please see the attached SOW for further information.

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

Program Managers

for

Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Madyson Hehrer	517-643-3694	taylorm13@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

STATEMENT OF WORK - IT CHANGE NOTICE

Project Title: Brooks Correctional Meraki Network	**Period of Coverage:**
Requesting Department: MDOC	**Date**: December 16, 2024
Agency Project Manager: Madyson Hehrer	**Phone**: 517-643-3694
DTMB Project Manager:	**Phone**:

Brief description of services to be provided:

BACKGROUND:

MDOC is adding Meraki networking products to the current Global Shop contract.

PROJECT OBJECTIVE:

To implement factory automation at Brooks Correctional MSI Factory.

SCOPE OF WORK:

Vendor is providing hardware, as well as installation, implementation, and support.

TASKS:

Technical support is required to assist with the following tasks:

Installation, implementation, and support of the Meraki hardware and network infrastructure.

DELIVERABLES:

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

1. Meraki MX68 Network Security/Firewall Appliance – 12 Port – 10/100/1000Base-T – Gigabit Ethernet – 10 x RJ-45 – Desktop, Wall Mountable

2. Meraki MR36 802.11ax 1.70Gbit/s Wireless Access Point – 2.40GHz – MIMO Technology – 1 x Network (RJ-45) – Gigabit Ethernet – Desktop, Ceiling Mountable, Wall Mountable, Rail-mountable

ACCEPTANCE CRITERIA:

Hardware connectivity to the network.

PROJECT CONTROL AND REPORTS:

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

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

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

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

SPECIFIC DEPARTMENT STANDARDS:

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

PAYMENT SCHEDULE:

Payment will be made on a time and materials basis. Contractor estimates a $7,580.00 total cost. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense. Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:

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

PROJECT CONTACTS:

The designated Agency Project Manager is:

Madyson Hehrer
MDOC
MSI
GVP, 5th Floor
206 E. Michigan Ave
Lansing, MI 48933
517-643-3694
hehrerm@michigan.gov

The designated DTMB Project Manager is:

N/A

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Consultants will work at:

Brooks Correctional Facility (LRF)

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

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

No overtime will be permitted.

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 **8**

to

Contract Number **190000000451**

CONTRACTOR		STATE		
GLOBAL SHOP SOLUTIONS, INC.		Program Manager	Various	MDOC
975 Evergreen Circle				
The Woodlands, TX 77380-3637		Contract Administrator	Jarrod Barron	DTMB
Ashley Taylor			(517) 249-0406	
281-466-8189			barronj1@michigan.gov	
ataylor@gssmail.com				
VS0063103				

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2025
PAYMENT TERMS		DELIVERY TIMEFRAME	
45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 30, 2025
CURRENT VALUE	VALUE OF CHANGE NOTICE		ESTIMATED AGGREGATE CONTRACT VALUE	
$1,332,484.45	$75,000.00		$1,407,484.45	
DESCRIPTION				
Effective 1/26/2024, the parties add $75,000.00 for the services in the attached Officer Sweater Ordering System Setup statement of work and requirements. Per Contractor, agency, DTMB Central Procurement, and State Administrative Board approval on 11/28/2023. Remaining Ad Board funds after this CN: $174,999.99.				

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Madyson Hehrer	517-643-3694	taylorm13@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

Project Title: **Global Shop Solutions Officer Sweater Ordering System Setup**	**Period of Coverage:**
Requesting Department: **MDOC**	**Date:** **1/22/2024**
Agency Project Manager: **Madyson Hehrer**	**Phone:** **517-643-3694**
DTMB Project Manager:	**Phone:**

BACKGROUND:
This Statement of Work (SOW) is subject to the terms and conditions of Contract 190000000451.

PROJECT OBJECTIVE:
The Michigan Department of Corrections (MDOC) has an MS Access based application for security guards to order uniforms. The MDOC would like this program to be rebuilt in Global Shop Solutions since all of the inventory and the order entry system is already there and it streamlines the process by having all functionality under a single system. User credentials will need to be authorized via an integration with the customer's MiLogin system.

SCOPE OF WORK:
   1. **Assumption(s):**
The requirements are outlined in detail in the matrix attached to this statement of work.

Currently not all prison locations use Global Shop so this application will be solely based in the MSI location and company code.

Contractor will be given access to the original program to make sure all required screens and functionality are present in the new program.

   2. **Pre-requisite(s):**
Application access must be set up for GSS through the MiLogin environment so that Contractor will be able to authenticate via OAuth before development begins

   3. **Background:**
The current MDOC Officer Uniform software application resides on an individual PC server at each MDOC Prison Facility. The app is written in MS Access. Its only purpose is to allow MDOC Correction Officers to place approved uniform orders to MSI. It contains its own security for creating new officer login credentials using the EIN (SOM Employee Identification # & password), ability to select uniform item's, ability to order special sizing measurements, and to provide a notification function to prison warehouse staff upon receipt of uniform orders. Currently there is an initiative in MDOC to include the Officer Uniform Access App being replaced by a newer solution.
   4. **Outline:**
The MS Access program will be rewritten in GAB to be run in the GSS environment per the SOW Requirements document referenced above, this project will need to be accessible through the AWS

Cloud environment as a stand alone application. The Contractor will work closely with the MDOC Program Manager ensure all required functionality is accounted for and present.

Each of the 35 state prison locations will need a GSS USER ID to log in to the application. This GSS User ID will be cross referenced with the user's MiLogin ID to determine which user is placing the order in the GSS environment. The user will use their MiLogin credentials to access the application which will be authenticated via an OAuth integration with MiLogin.

Similar to inventory locations, employees using this application will need to be associated to their respective facility.

All uniform components are NOT ordered from the same facility. This will require that each component of the uniform is defined in what company code or location that component is ordered from. Example: Shirts are made at facility '##'. When the user goes to select a shirt, the program should be looking at the inventory for '##' company data. If this is not possible, there may be a need to be some additional coding to build a consolidated inventory (not for quantity just part and description) within the MSI company database.

PROJECT CONTROL AND REPORTS:
Once the Project Kick-Off meeting has occurred, the Contractor Project Manager will monitor project implementation progress and report on a weekly basis to the State's Project Manager the following:
- Progress to complete milestones, comparing forecasted completion dates to planned and actual completion dates
- Accomplishments during the reporting period, what was worked on and what was completed during the current reporting period
- Indicate the number of hours expended during the past week, and the cumulative total to date for the project. Also, state whether the remaining hours are sufficient to complete the project
- Tasks planned for the next reporting period
- Identify any existing issues which are impacting the project and the steps being taken to address those issues
- Identify any new risks and describe progress in mitigating high impact/high probability risks previously identified
- Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

All Contractors must submit and enter weekly timesheets into the State of Michigan's Project Portfolio Management tool, Clarity PPM, for approval and reporting. The weekly Clarity PPM timesheet will contain hours worked for assigned project tasks.

PAYMENT SCHEDULE:
Payment will be made on a time and materials basis. Contractor estimates a $75,000 total cost, but will invoice monthly at $200/hour for actual hours worked. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense. Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

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

PROJECT CONTACTS:
The designated Contractor Project Manager is:
    Ashley Taylor
    ataylor@gssmail.com

The designated Agency Program Manager is:
    Madyson Hehrer
    MDOC
    MSI
    Grandview Plaza
    206 E Michigan Avenue
    Lansing, MI 48933
    517-643-3694
    taylorm13@michigan.gov

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:
Contractor staff will work remotely.

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

EAMP – OEL Requirements

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		The System provides a Graphical User Interface (GUI) to capture all the application functionality mentioned below including but not limited to the Additional Information section of each of these requirements.		
Uniform Tracking System		**Uniform Tracking System (UTS):** Uniformed Staff are entitled to order uniforms during the month of their hire date anniversary. Currently, uniform requests are being created using UT System and each of the requests created goes through the workflow/ approval process. When approved, an email is generated by the UTS system attaching the order summary PDF. Based on the order summary received via email, the staff at Michigan State Industries (MSI)'s vendor application called Global Shop Solutions (GSS) enter GSS Sales Order & Invoice manually in its system. Currently, Corrections Officer (CO)s and MDOC Food Service staff use UTS application to order their replacement uniforms. The process to order the very first uniform, at the time hire / before first anniversary is outside the scope of this application (and the requirements below).		
Uniform Order Request		**Uniform Order Request:** This functionality includes user accepting/denying UTS Application usage Terms and Conditions, user account creation for new users, user's password reset, creating uniform order requests and submit order requests for supervisor approval/ established workflow approval path.		
1		The System displays User Agreement Terms and Conditions text specific to UTS, when the application is opened. **Additional Information:** The UTS User Agreement Terms and Conditions text to be displayed will be provided during implementation.		
2		The System captures user's response for displayed User Agreement. **Additional Information:** Following are the user response options: • I HAVE READ THE REQUIREMENTS OF THIS PROCESS AND I AM READY TO CONTINUE. • I AM NOT READY, EXIT THE APPLICATION.		
3		The System denies access to the application when response to user agreement is "I AM NOT READY, EXIT THE APPLICATION"		
4		The System allows user to access the application when response to user agreement is "I HAVE READ THE REQUIREMENTS OF THIS PROCESS AND I AM READY TO CONTINUE"		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
5		The System provides functionality to create a new UTS user account. **Additional Information:** **Create User Account** page needs following information provided to create an account: **EIN Number:** user input field, allow single value, provide employee look-up. **Employee Name:** read-only field, read from look-up / employee information source based on user entered EIN number. **Anniversary Date:** read-only field, read from look-up / employee information source based on user entered EIN number. **Who Approves Your Order:** user input field, provide list of choices read from Approver Type & PO look-up table, allow single select. Refer requirement # **Logged in User:** read-only field, display logged in user credentials.	Employee/Location Information Source Interface	
6		The System allows existing users to reset their user account password. **Additional Information:** Additional details will be provided during the implementation as needed by the new solution for the user account management.		
7		The System automatically adds an employee record in **Edit Employee Information maintenance table** upon successful creation of a user account in the system. **Additional Information:** In other words, the employee record doesn't appear in Edit Employee Information maintenance table unless and until a user account is created successfully for him/her in UTS.		
Special Sizing Order Information		**Special Sizing Order Information:** When user needs to order special size uniforms, will be navigated to Special Sizing Information page where special size measurements and quantities are entered by the user. Upon save, the special size quantities get carried to Shopping Cart page. User will be navigated to Place an Order page, where the product/commodities needed are selected from the catalog to add to shopping cart. At this point the shopping cart has quantities brought from Special Sizing Information page and product/commodity details selected on Place an Order page. The order then can be submitted on shopping cart page. Upon approval such orders generate two emails, one with order information and second email with special sizing measurements entered on Special Sizing Information page.		
8		The System captures user's preference for special sizing information. **Additional Information:** The current message text used for above requirement is "**Do you require Special Sizing Information for your order?**" with options "**Yes**", "**No**".		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
9		The System navigates user to "Special Sizing Order Information" page when user's response is "Yes" for Special Sizing question in above requirement.		
10		The System captures user input clothing type requested for the special size uniform order on "Special Sizing Order Information" page. **Additional Information:** **Clothing Type Requested:** user input field, provide three static options, allow to select one, "Officer", "Transportation", "ERT".		
11		The System makes Clothing Type a required field to ensure an option is chosen by its user.		
12		The System captures special size, quantity information needed for the uniform order on "Special Sizing Order Information" page. **Additional Information:** All below are user input fields. **Special Size Information:** **Chest Size:** **Neck Size:** **Waist Size:** **Sleeve Length:** **Hip Size:** **Rise Measurement:** **Inseam:** **Height:** **Outseam:** **Weight:** **Comment:** **Quantities Needed:** All fields below are user input, number fields. **Short Sleeve:** **Long Sleeve:** **Name Tags:** **Pairs of Pants:**		
13		The System allows User to modify information on "Special Sizing Order Information" page.		
14		The System provides Save function on "Special Sizing Order Information" page. **Additional Information:** Save function on this page is currently labelled as "My Size and Quantities Have Been Entered".		
15		The System displays a message to let user know that the quantities saved on "Special Sizing Order Information" page will be carried to Shopping Cart.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Additional Information: The current message text is "Your Quantities will be sent to your shopping cart – please remember to submit this order from there."		
16		The System navigates user to Place an Order page upon successful save on "Special Sizing Order Information" page.		
17		The System provides Cancel function on "Special Sizing Order Information" page. **Additional Information:** Cancel function on this page is currently labelled as "Do Not Need Special Sizing, Close and Directly Go to Order Page".		
18		The System navigates user to Place an Order page upon cancelling action on "Special Sizing Order Information" page.		
		Note: For rest of the steps in the Special Sizing Uniform Order process, follow Place an Order requirements to		
Place an Order		**Place an Order:** User is presented with product/commodity catalog and can add selected products to the shopping cart. This functionality is common for both special size orders and non-special size orders. The two specifics to special size orders are: 1. provide measurements. 2. Upon submitting the order system generates two separate emails one with order information, one with measurements, but with the same order number.		
19		The System provides functionality needed for its user to place an (uniform) order when user's response is "No" for Special Sizing Information in above requirement. **Additional Information:** The **Place an Order** page / screen captures following non-special size order fields- **Order Number:** auto populated, read-only field. **Username:** Logged in user credentials, auto populated, read-only field. **Note:** This system generated number has two parts. The first part is, EIN/HRMN, the second part of the number is a 4-digit serial number that is greatest number in the system + 1. For example, 464646 – 8989. **Anniversary Date:** auto populated, read-only field.		
20		The System provides a Product Catalog on **Place an Order / Order Form** page to display the list of product hyperlinks.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
21		The System displays respective sub-category products when each of the product hyperlinks in the catalog is accessed.		
Shopping Cart:		**Shopping Cart:** This functionality displays products added to the cart using Place an Order functionality. User can edit quantity, enter sleeve length, can preview the order form, and then submit the order. Before submitting the order, user is reminded /warned to check sizing chart and uniform order procedures.		
22		The System provides Shopping Cart functionality with each of the sub-category products.		
23		The System provided Shopping Cart functionality for each sub-category of the catalog products includes, ▪ displaying product description ▪ allowing the user to specify quantity and ▪ providing an option to add to shopping cart. **Additional Information:** The fields and function include, **Qty:** allow user input, number field. **Description:** read-only field, system populated field, read from the maintenance table **Add to Cart** – This function adds selected sub-category product along with entered quantity to the shopping cart.		
24		The System validates the Qty (quantity) entered by the user for each item in the order against the quantity in Maximum Order Quantity Setup.		
25		The System prevents user from entering higher quantity when enter qty > than what is specified in Maximum Order Quantity Setup maintenance table.		
26		The System allows its user to view the shopping cart. **Additional Information:** Shopping cart displays all the products added by the user to the cart along with respective quantities.		
27		The System allows its user to specify additional information when viewing the Shopping Cart. **Additional Information:** Following additional user input fields are available on view Shopping Cart page: ~~Return Status: provide static choices to choose from, allow single select.~~ **Sleeve Length:** provide static choices to choose from, allow single select. The list of choices to be provided during implementation. **Comments:** provide a long text field for user to be able to enter any additional instructions.		
28		The System allows its user to update the shopping cart and the functionality includes, ▪ remove added items,		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		▪ add more items, ▪ change quantity.		
29		The System provides functionality to preview the order on the Shopping Cart page.		
30		The System generates an Order Statement to display the same when user chooses to preview the order.		
31		The System presents an option to print the Order Statement.		
32		The System allows its user to preview the special sizing order when on the Shopping Cart page and the order has special sizing information entered. **Additional Information:** When the order is not a special sizing order, system can keep this function enabled and "**Special Sizing Order Preview"** function can display blank form.		
33		The System generates Special Sizing Order Information form with entered measurements for the order when the Special Sizing Order is previewed. **Additional Information:** A current, sample form with field details will be provided during implementation.		
34		The System allows its user to submit an order from Shopping Cart page.		
35		The System displays a warning message related to sizing kit operational procedure to capture user's decision to continue with the order submittal or review the operational procedure. **Additional Information:** The policy/procedure number and other text to be displayed will be provided during implementation.		
36		The System saves the order when user decides to continue with submitting the order.		
		The System sets order status as "Pending" after successful order submission. **Additional Information:** Order Status "Pending" means, the order has been successfully submitted and approval is pending/order is in approval log waiting for action to be taken.		
37		The System presents an option to print the Order Statement. **Additional Information:** A sample order statement to refer to for statement format and field details will be provided during implementation. **Note:** The Order Statement displays auto populated Order Date which is system date when the order was submitted.		
38		The System navigates the user back to Place an Order (Order Form) page when user decides to review the operational procedure.		
39		The System provides a link to navigate back to **Place an Order** (Order Form) page from Shopping Cart page.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
40		The System displays a warning message upon entering the Place an Order page or when navigating away from Place an Order page to alert the user about an unsubmitted order. **Additional Information:** The current warning message text displayed when there are products added in the cart, but the order was not submitted is as follows: **"You have an order that was not submitted the last time you used the program. Please review the Shopping Cart and determine the appropriate action by either adding/submitting or removing the items."**		
Order Approval Log		**Order Approval Log:** Is a list of order requests submitted, out of which approver can only see the ones submitted for his/her approval. The items are in the queue of an approver based on the workflow/ approval path setup maintenance table. Per current workflow, when the order is submitted on a date that does not fall within the anniversary moth, system automatically routes that order to the warden irrespective of the approver assigned to the employee ID.		
41		The System displays a list of uniform order requests submitted for logged in user's queue for approval. **Additional Information:** **Refer Approval Staff Setup maintenance table requirement.** The Order Approval Log table displays entries with following requestor information portion of the order: **EIN Number:** Employee ID Number **Staff Member (Last Name, First Name):** **Hire Date Anniversary:** **Order Number:** **PO Number:** System populated, read-only number. **Logged in Username:** **Approval Type:** **Final Approver Name:** **Email:** **Approval Status:**	Whatever the approval decision is the item still stays in the queue/ log, correct? Or does it have to disappear when approved?	
42		The System allows to select a single order in the Order Approval Log table to view its details.		
43		The System allows user to view order history of a staff member from Order Approval Log page.		
44		The System captures user input search criteria to search orders. **Additional Information:** Following are the search criteria fields:		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Employee ID (EIN): **Employee Full Name:** **Order Number:**		
45		The System displays complete details of an order when an Order Approval Log entry is selected. **Additional Information:** Complete order details include requestor information and product information. See the list of fields below. **Requestor Details:** **EIN Number:** Employee ID Number **Staff Member (Last Name, First Name):** **Hire Date Anniversary:** **Order Number:** **PO Number:** System populated, read-only number. **Logged in Username:** **Approval Type:** **Final Approver Name:** **Email:** **Facility:** Facility where employee belongs, system populated, read-only field. **Commodity Details:** **Quantity:** **UI:** **Description:** **Sleeve Length:**		
46		The System allows an approver to remove an item from the order/change quantity of an item/change sleeve length for an item in an order submitted for his/her approval.		
47		The Systems provides an option to Preview the Order on "Order Approval Log" page.		
48		The System allows to View Order Comments on "Order Approval Log" page.		
		The System provides approval options to act upon Order Approval Log items. **Additional Information:** Approver Action options: Approver Actions/Approve Order/Deny/Hold/ To Warden	The officers don't need to be notified/emailed about the order approval decision?	
49		The System changes the order status from "Pending" to "Approver Actions"/" Approve Order" /" Deny"/" Hold"/To Warden based on approval option chosen in above requirement.		
50		The System confirms order approval when approval option chosen by the user is "Approve Order".		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Additional Information: The message displayed currently to confirm order approval is "Select Yes to approve <NNNN> order as <Logged in Username> with Yes/No options."		
51		The System generates an email attaching the Order Statement upon successful approval (Yes) confirmation in above requirement. **Additional Information:** Outlook email contents include: Email To: MSI order entry desk Email Subject: <Name of the facility> Uniform Order, <Approver Username Order Number> Email Attachment: A sample Order Statement (Invoice) will be provided during implementation.	What happens when order is denied, on hold or approver actions?	
52		The System, for special size orders only, generates an additional (2nd) email with Special Size Order Measurements entered by the user on Special Size Information page. **Additional Information:** Outlook email contents include: Email To: MSI order entry desk Email Subject: <Name of the facility> Uniform Order, <Approver Username Order Number> Email Attachment: A sample Order Statement (Invoice) will be provided during implementation.		
Returns Module		**Returns Module:** Staff member collects MSI delivered uniforms and return uniforms to the designated person at the warehouse. The designated person who has access to Returns function on UT System will process returns.		
53		The System displays list of approved orders allowing its user to select a single order to process returns. **Additional Information:** When an order is selected its details /contents are open. **Employee Information:** This section is order header information / common information for the entire order, so listed once. All fields below are read-only. **Order Number** **EIN Number** **Employee Name** **Order Information:** This section lists all commodities/products included in the order. For each product item, fields below are populated with quantities etc., previously entered while ordering. All fields below allow user input /editable. **Quantity Ordered:**		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Commodity Number: **Description:** **Sleeve Length:** **Return: Y/N**		
54		The System generates a list of user-indicated product items from the order that need to be returned.		
55		The System presents the above list of items to capture confirmation for processing returns.		
56		The System provides Save/ Submit Returns function.		
57		The System generates MSI Distribution Center Uniform Returns form upon successful submission of returns. **Additional Information:** A current, sample form with field details will be provided during implementation.	For unsubmitted items in the cart, if you preview order does system generate a number and assign status "Unsubmitted"?	
Warehouse Receiving		**Warehouse Receiving:** When complete or partial uniform orders delivered by MSI to the warehouse at each facility, staff are notified that the order is ready for pickup. Staff member then collects the order from the warehouse and returns items if there are. An email with list of returned orders attached is sent to MSI to notify about returns. The **Warehouse Receiving** functionality provides **Staff Notification report** and **Notify MSI report** to generate respective notification output.		
58		The System captures user criteria to search approved orders. **Additional Information:** Following are the search criteria fields on **Warehouse Receiving** page: **Employee ID (EIN):** **Employee Full Name:** **Order Number:**		
59		The System displays the list of search result order(s) on **Warehouse Receiving** page. **Additional Information:** Following fields are listed for each line item (product) in the order: **Quantity:** system populated based on order information **Description:** system populated based on order information **Item Received from MSI:** Boolean (Y/N), user input field. **Received Date:** user input field. **Collected by Staff:** Boolean (Y/N), user input field. When "Yes" selected, order will be removed from Warehouse Receiving report output list/ notification.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Collected by Date: user input field. **Notify MSI (Returns/Exchanges):** Boolean (Y/N), user input field. **Notify MSI Date:** user input field. **Notice Sent:** Boolean (Y/N), system populates it when a returned order is included in "Notify MSI" report generated email, but can be modified by the user, so, user input field.		
60		The System provides **Staff Notification report** on Warehouse Receiving page using which a notification to the staff can be generated. **Additional Information:** **Purpose of the Report**: to generate output listing all orders received from MSI within entered date range.		
61		The System allows user to enter parameters to run Staff Notification Report. **Additional Information:** **Parameters:** **From Date** **To Date**		
62		The System generates report output with all the orders received from MSI, but not collected yet by the staff, and are within the date parameters entered. **Additional Information:** The report output serves as a notification to convey staff that their order, partial or complete, has arrived and ready to be picked up. The output has following information: **Employee Name, Order Date, Order Number.**		
63		The System provides **Notify MSI report** on Warehouse Receiving page using which a notification to be sent to MSI can be generated. **Additional Information:** **Purpose of the Report**: to generate output listing all returned orders (received by the warehouse from staff and) that need to be sent back to MSI.		
64		The System allows user to enter parameters to run **Notify MSI report.** **Additional Information:** **Parameters:** **From Date** **To Date**		
65		The System generates report output with all the orders retuned by the Staff that need to be sent back to MSI and are orders not marked as "Notice Sent", within the date parameters entered. **Additional Information:**		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		The report output serves as a notification to convey MSI about returned orders. The output has following information: **Employee Name, Order Date, Order Number.**		
66		The System allows its user to preview the Notify MSI report output.		
67		The System generates an email attaching Notify MSI report output PDF when user chooses to send returned orders to MSI. **Additional Information:** A sample output form with field details to be generated by the report will be provided during implementation.		
68		The System marks returned orders that have been included in the Notify MSI email notification as "**Notice Sent**".		
Supply Order Log		**Supply Order Log:** This functionality allows staff to check their processed orders, pending orders, and order returns etc. This is an individual staff member's order log. A non-approver type staff member only has access to **Place an Order** and **Supply Order Log** functionality on UT system.		
69		System provides Supply Order Log functionality where user access his/her orders irrespective of the order status. **Additional Information:** **Supply Order Log page** has following header fields and Order Log table fields: Header Fields: **EIN:** read-only, system populates EIN based on logged in user credentials. **Employee Name:** read-only, system populates employee full name based on logged in user credentials. Order Log Table fields: where all orders for above employee are categorized per order status and displayed: **Order Number:** **Order Date:** **Status:** **Approval Date:** **Approver:** **Ordered By:** system to populate logged in employee's username. **Approver:** system to populate approver's username. **Comment:** long text field with spell check feature		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
70		The System allows to view the order form when any of individual orders on the **Supply Order Log page** is clicked by the user.		
Program Setup (Table Maintenance and Administration)		**Table Maintenance: This functionality includes Search, View/Display, Sort, Edit/Update, Create/add new, Delete, and Save changes to table records.** **It also includes capturing and maintaining User credentials, Date & Time stamp captured by the System every time a table operation is saved.** **Functions listed above apply to all maintenance screens.** **Administration: This section has requirements for the functionality that a PATS Administrator (Admin) alone has the ability to/has access to.** **It includes displaying all existing table records in a grid allowing to view, to sort, add new, modify, and delete existing records.** **Functions listed above apply to all tables below.**		
71		The System provides a GUI screen for the maintenance of "Add, Edit Approver Type and Reset Purchase Order (PO) Numbers" table. **Additional Information:** The maintenance table allows user to reset the PO number series annually and add/update additional supervisor types etc. It has following fields: **Approver Type:** user input field **PO # associated with this approver:** user input field		
72		The System provides a GUI screen for the maintenance of "Add New Employees" table. **Additional Information:** The maintenance table has following fields: **EMP ID:** user input field **Employee Full Name:** user input field **Hiring Anniversary Date:** user input field **Facility ID/Work Location:** user input field	Employee, Location Information Source Interface.	
73		The System provides a GUI screen for the maintenance of "Product Catalog" table. **Additional Information:** The maintenance table has following fields: **Product ID:** user input field **Sub-Category product ID:** user input field **Sub-Category Product Description:** user input field	New Table added	
74		The System provides a GUI screen for the maintenance of "Edit Employee Information" table.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Additional Information: The maintenance table has following fields: **EIN:** system populated **Employee Name:** system populated initially, editable by the user. **Anniversary Date:** read-only field, system populated. **Current Approver:** provide dropdown with static list of choices, allow user to edit. **Note:** This maintenance table doesn't allow to add/create new record manually. System adds a new record each time a new user account is successfully created in the system. **Note:** In addition to regular maintenance functions, this table has a special feature called **"Check for Outdated Approver Information".** Above feature checks the validity of employee and approver type association. It verifies each Approver Type in Edit Employee Information table against Approver Type field in another maintenance table called, Add, Edit Approver Type and Reset Purchase Order (PO) Numbers. If any EIN in Edit Employee Information table is associated to an Approver Type that doesn't exist in Add Edit Approver Type and Reset Purchase Order (PO) Numbers table, then system suggests removing the record or change to a valid, new Approver Type for that EIN in Edit Employee Information table.		
75		The System provides a GUI screen for the maintenance of "Facility Information + Sizing and Return Info" table. **Additional Information:** The maintenance table has following fields: **Warden's Name:** user input field **Warden's Email Address:** user input field **MSI Email Address for New Orders:** user input field **MSI Email Address for Returns:** user input field **MSI Email Address for Exchanges:** user input field **Facility Name:** **Facility ID:** **Facility Contact Name:** **Facility Contact Email:** **Facility Address:** **City:** **State:** **Postal Code:** **Phone:** **Fax:** **Fiscal Year Dates** **Start Date:**		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		End Date: **The Location and Instructions for Your Facilities Sizing Kit:** provide a long text field. **Sizing Kit Sample:** read-only field, pre-populated by system, the pdf to be uploaded will be provided during implementation. The Information on How Your Staff Returns Items/Who it goes to?		
76		The System provides a GUI screen for the maintenance of "Pending Orders" table. **Additional Information:** Fields in the table: **Status:** **Order Number:** generated by UTS/order # local to UTS (it's not MSI's order number) **EIN Number:** **Anniversary Date** **Approver:** **Commodity Number:** **Description:**		
77		The System provides a GUI screen for the maintenance of "Maximum Order Quantity Setup" table. **Additional Information:** Fields in the table: **Commodity Number:** product ID/Item ID **TypeID** **Description**		
78		The System provides a GUI screen for the maintenance of "Approval Staff Setup" table. **Additional Information:** The table has following fields: **All Users:** provide a list of all user HRMN/EINs in UT application and allow user to select from the list. **Available Groups (Application Roles):** provide a list of all available approval groups. **Selected User's Group:** this field displays the available group(s) selected /assigned for the selected user. Refer two fields above, **All Users, Available Groups.** **Logged on User:** System populates the username and the EIN of the currently logged in user who is maintaining this table. Based on above selected user, assigned group, system reads following information to build the workflow approval path. Below information is read by the system from two other maintenance tables, 1. Add, Edit Approver Type and Reset Purchase Order (PO) Numbers" table 2. "Edit Employee Information" table.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Approver's EIN Approver's Name Approver Type Purchase Order Number		
79		The System allows its user to preview the workflow approval path established in Approval Staff Setup table.		
80		The System allows its user (Administrator) to reset user account's password on Approval Staff Setup table maintenance GUI page.		
81		The System generates an email to the user account holder to notify that the password has been changed. **Additional Information:** Additional details related to this functionality will be provided during implementation.		
Application Roles & Access		**Application Roles & Access**		
82		The System provides certain pre-configured user roles with access levels as follows. **Additional Information:** Following are application roles. Complete role functionality matrix will be provided during implementation. 1. **Line Staff:** 2. **Users:** access to Place an Order, Supply Order Log functions only 3. **Admins:** all the application functions 4. **Approvers /Approvals:** 5. **PrStartUp:** 6. **Warehouse:** can only process returns and run available reports on returns page		
Reports		**Reports**		
83		The System provides **Individual and Facility Ordering History Report** allowing user to view uniform ordering history during a given time. **Additional Information:** Purpose of the report**:** to output uniform ordering history of a facility within a given date range or to output an individual staff member's uniform ordering history within a date range.		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		User input parameters when running for facility history: Facility Name, From Date, To date User input parameters when running for facility history: Staff member EIN (Employee ID Number), Employee Full Name, Hire Date, Years of Service Report Output: Generates output form. A sample report form with field details will be provided during implementation. Export output: Y/N, format: CSV?		
84		The System provides **Anniversary Dates Statistics Report** allowing user to view Staffs' hire date anniversary statistics. **Additional Information:** Purpose of the report**:** to output individual staff members order history (number of orders) in each anniversary month/ non-anniversary month. User input parameters: N/A Report Output: Generates output on application screen. Field details: Location Description, Job Classification, Anniversary Month, Anniversary Dates, Total orders per classification/ Month Grand total of the orders per classification / month. Export output: Y/N, CSV? **What is "Show These Staff" functionality?**		
		Miscellaneous Requirements:		
85		The System provides links to sizing charts, sleeve length information, and other instructions on several pages of the application that aid user in the process of uniform ordering.		M

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		Additional Information: What links to be added on which screen and the forms/sizing charts to be displayed when each link clicked will be provided during implementation.		
Interfaces		**Interfaces**		
86		The System interfaces (inbound only) with Employee and Location Information Source. **Additional Information:** Source of information and field details have been identified in the requirements above, complete list will be provided during implementation.		
87		The System interfaces (inbound) with MSI's GSS application to bring in commodity/product catalog details as a fixed length, flat text file. **Additional Information:** List of product catalog fields, and source system, destination field details / crosswalk will be provided during implementation for this interface.	External, Realtime Interface	O
88		The System interfaces (outbound) with MSI's GSS application to send approved/ returned orders information as a fixed length, flat text file as soon as the order is approved or returns processed. **Additional Information:** A copy of current order form, order return form, and source system, destination field details / crosswalk will be provided during implementation for this interface.	External, Realtime Interface	O
89		The System interfaces with external applications via State of Michigan's SFTP channel. **Additional Information:** Interface via SFTP is desirable because some related, foundation work has been completed, but open to any other, better interface options.	External, Realtime Interface	O
Glossary		**Glossary**		
		Anniversary Date: Also called Hire Anniversary Date or Hired Date Anniversary. Uniforms are typically ordered within employee's anniversary month.		
		Workflow: Set of business rules established to for order approval routing.		
		Order Approval Log: List of order approval requests irrespective of order status.		
		Order Status: Order status is set by the system automatically when, 1. Items added to cart but not yet submitted, the order status = Unfinished 2. submitted and waiting for approver's action, the order status = Pending 3. approved by the approver = Approved		

Unique Identifier	Process Identifier	Detailed Requirement Description	Comments	Priority (M/R/O)
		4. denied by the approver = Denied 5. When put on hold = Hold		
		MSI: Michigan State Industries (MSI) is the organization that sends the catalog, takes orders and delivers uniforms to state correction facilities.		
		GSS: Global Shop Solution (GSS) is MSI's Enterprise Resource Planning (ERP) vendor application is where uniform orders are processed, tracked, and managed in other words it is where uniform ordering process is documented by GSS staff for MSI.		
		Commodity Number: Commodity / Product number is the unique identification of MSI's uniform catalog items/products.		
		Staff: Corrections Officer (CO)s, ? (ERT) and MDOC Food Service staff		
		Product/Commodity/Item/Line Item on the Order/Sub-Product: Used interchangeably in above requirements and mean the same. Uniform and related gear on MSI catalog.		

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 **7**

to

Contract Number **190000000451**

<table>
<tr><td rowspan="7">CONTRACTOR</td><td>GLOBAL SHOP SOLUTIONS, INC.</td><td rowspan="7">STATE</td><td>Program Manager</td><td>Various</td><td>MDOC</td></tr>
<tr><td>975 Evergreen Circle</td><td></td><td></td><td></td></tr>
<tr><td>The Woodlands, TX 77380-3637</td><td rowspan="5">Contract Administrator</td><td>Jarrod Barron</td><td>DTMB</td></tr>
<tr><td>Ashley Taylor</td><td colspan="2">(517) 249-0406</td></tr>
<tr><td>281-466-8189</td><td colspan="2" rowspan="2">barronj1@michigan.gov</td></tr>
<tr><td>ataylor@gssmail.com</td></tr>
<tr><td>VS0063103</td><td></td><td></td></tr>
</table>

CONTRACT SUMMARY

MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2024

PAYMENT TERMS	DELIVERY TIMEFRAME
45	

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ PRC	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☒		☐		April 30, 2025

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$1,032,484.45	$300,000.00	$1,332,484.45

DESCRIPTION

Effective 11/28/2023, the State exercises the third of five available option years and adds $300,000.00 for ongoing services. The State Program Manager is also changed to Madyson Hehrer. Per Contractor, agency, DTMB Central Procurement, and State Administrative Board approval on 11/28/2023. Remaining Ad Board funds after this CN: $249,999.99.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Madyson Hehrer	517-643-3694	taylorm13@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

CONTRACT CHANGE NOTICE

Change Notice Number **6**

to

Contract Number **190000000451**

CONTRACTOR	GLOBAL SHOP SOLUTIONS, INC.	**STATE**	**Program Manager** Various	MDOC
	975 Evergreen Circle			
	The Woodlands, TX 77380-3637			
	Ashley Taylor		**Contract Administrator** Jarrod Barron	DTMB
	281-466-8189		(517) 249-0406	
	ataylor@gssmail.com		barronj1@michigan.gov	
	VS0063103			

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2023
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card ☐ PRC ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☒		☐		April 30, 2024
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$1,007,484.45	$25,000.00		$1,032,484.45	

DESCRIPTION
Effective 3/9/2023, the parties exercise an option year and add $25,000.00 to the Contract for MDOC/MSI use. In addition, MDOC is increasing the number of available SFDC licenses from 28 to 29. The new monthly rate is increased from $5,758 to $5,844. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, agency and DTMB Central Procurement Services approval. Remaining Ad Board funds after this CN: $5,903.99.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Deann M. Gallagher	989-584-3941	gallagherd1@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **190000000451**

CONTRACTOR		STATE		
GLOBAL SHOP SOLUTIONS, INC.		Program Manager	Various	MDOC
975 Evergreen Circle				
The Woodlands, TX 77380-3637		Contract Administrator	Katelyn LaHaye	DTMB
Ashley Taylor			(517) 388-7422	
281-466-8189			lahayek@michigan.gov	
ataylor@gssmail.com				
VS0063103				

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 30, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$938,388.45	$69,096.00	$1,007,484.45		

DESCRIPTION

Effective October 24, 2022, this Contract is hereby increased by $69,096.00 ($5,758.00 per month for periods 10/01/2023 - 09/30/2023) for GSS Managed Services Maintenance and Cloud Hosting to add:

• 7 Core Applications Licenses to the existing 33 licenses and
• 8 Shop Floor Data Collection licenses to the existing 20 licenses.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Deann M. Gallagher	989-584-3941	gallagherd1@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

CONTRACT CHANGE NOTICE

Change Notice Number **4**

to

Contract Number **190000000451**

CONTRACTOR	GLOBAL SHOP SOLUTIONS, INC.
	975 Evergreen Circle
	The Woodlands, TX 77380-3637
	Ashley Taylor
	281-466-8189
	ataylor@gssmail.com
	VS0063103

STATE Program Manager	Various	MDOC
Contract Administrator	Jarrod Barron	DTMB
	(517) 249-0406	
	barronj1@michigan.gov	

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card ☐ PRC ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☒	1 year	☐		April 30, 2023
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$788,388.45	$150,000.00		$938,388.45	
DESCRIPTION				

Effective 3/11/2022, the State exercises the first of five available option years and adds $150,000.00 to cover ongoing costs. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, agency and DTMB Central Procurement Services approval.

Internal State Note: This contract change notice utilizes funding approved by the State Administrative Board on 6/11/2019. There are $99,999.99 remaining Ad Board funds after this contract change notice.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Deann M. Gallagher	989-584-3941	gallagherd1@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

<u>CONTRACT CHANGE NOTICE</u>

Change Notice Number **3**

to

Contract Number **190000000451**

CONTRACTOR	GLOBAL SHOP SOLUTIONS, INC.	STATE	Program Manager	Christopher Kamrada	MDOC
	975 Evergreen Circle			517-335-2098	
	The Woodlands, TX 77380-3637			kamradac@michigan.gov	
	Jonathan Council		Contract Administrator	Sean Regan	DTMB
	832-610-4216			(517) 243-8459	
	jcouncil@gssmail.com			regans@michigan.gov	
	VS0063103				

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	
45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-Card ☐ PRC ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$788,388.45	$0.00	$788,388.45		

DESCRIPTION
Effective June 1, 2021, the Michigan State Industries is agreeing to pay $5,500.00 for FastTrain/LMS Access through April 30, 2027, per the below quote.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Christopher Kamrada	517-335-2098	kamradac@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

CONTRACT CHANGE NOTICE

Change Notice Number **2**

to

Contract Number **190000000451**

CONTRACTOR		STATE		
GLOBAL SHOP SOLUTIONS, INC.		Program Manager	Christopher Kamrada	MDOC
			517-335-2098	
975 Evergreen Circle			kamradac@michigan.gov	
The Woodlands, TX 77380-3637		Contract Administrator	Sean Regan	DTMB
Jonathan Council			(517) 243-8459	
832-610-4216			regans@michigan.gov	
jcouncil@gssmail.com				
VS0063103				

CONTRACT SUMMARY			
MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2022
PAYMENT TERMS		DELIVERY TIMEFRAME	

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ PRC	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 30, 2022
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
$788,388.45	$0.00	$788,388.45		

DESCRIPTION
Effective May 22, 2020, this contract is hereby amended to add EMS as a subcontractor and a pricing sheet for their services. This amendment is updating the Global Shop Solutions project manager to Kylie Hambleton and adding a new payment schedule to the contract. All other terms, conditions, specifications, and pricing remain the same. Per Contractor, agency and DTMB Procurement approval.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Christopher Kamrada	517-335-2098	kamradac@michigan.gov
DTMB	David Enslin	517-930-6332	enslind@michigan.gov

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

Project Title: **Global Shop Solutions Contract 190000000451 – Change Notice 2**	**Period of Coverage:** **N/A**
Requesting Department: **Michigan Department of Corrections**	**Date:** **5/22/2020**
Agency Program Manager: **Christopher Kamrada**	**Phone:** **517-335-2098**
DTMB Project Manager: **Paul Gustafson**	**Phone:** **517-282-5628**

Brief Description of Services to be provided by EMS:
EMS Barcode Solutions provides the following services for each site designated for Global Shop Solutions Shop Floor Automation:

- Hardware for the Global Shop Solutions Shop Floor Automation to function including, but not limited to, mobile computers, printers, scanners, and network equipment (switches, security appliances, and access points).
- Ongoing updates for all hardware supplied (to be reviewed by EMS Monthly and reported to the Program Manager).
- Software and Applications required for the successful operation of the hardware.
- A wireless network survey (post-implementation).
- Hardware configuration at Implementation/Deployment.
    - Build Test Lab at EMS
    - Setup Test Lab Onsite
    - Staff Training
    - Security Testing
    - Security Modifications (if applicable)
    - Implement Remaining Hardware
    - Phased Rollout at Other Facilities
- Support Requests and Warranties.

Brief Description of services, maintenance and support for CodeSoft:
Global Shop has installed a Network license for the Codesoft Enterprise edition software, as well as an integrated 5-printer license of the Sentinel software. Both of these barcode label software products are from a third party developer, Teklynx.
Global Shop provides all technical support for both the Codesoft and Sentinel products.
Global Shop provides on-going software updates during the initial term of this contract.

Payment Schedule:
The updated payment schedule below will replace the original payment schedule in Schedule F, Pricing.

Milestone Event	Associated Milestone Deliverable(s)	Payment	Invoice Update ($ value)
Contract Finalization	Contract Finalization, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment	$81,593.75 paid

Installation of Software	Installation of software into AWS, allowing the State access to the system, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment	$81,593.75 paid
Project Planning & Core Team Training	Initial Implementation Document (which includes on-site discover session) that is accepted by the State of Michigan. AWS needs to be setup and the State project team must have access, Global Shop Boot camp or boot camp at MSI at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Requirements and Design Validation	Validation sessions (conference room pilot), Final Requirement Validation Document, Final Design Document (system architecture), Final Implementation Document (schedule), at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Configuration of software	Final Solution and Testing Document that is accepted by the State of Michigan, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Migration	All identified master, transaction, history files are fully migrated into Global Shop software, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Testing and Acceptance	Final Test Results Report, Final Training Documentation, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Go-Live	Final Acceptance of Implementation that is accepted by the State of Michigan, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment	No Fee
Completion of Current Services	This payment is to finalize the work Global Shop has performed for the State.	$95,000.000	$95,000.00 paid
Production Support Services	Ongoing after Final Acceptance that is accepted by the State of Michigan	First three months after installation of software, payments of $2,221, then Ongoing, Monthly payments will continue at $4,821.00.	Ongoing payments
Consulting Services	Remainder of the payment will be available for future consulting services including but not limited to the implementation of advanced applications, virtual training or any time and material consulting the State approves of.	Remaining money: $68,187.50	Remaining funds to be used at MSI's discretion. Virtual training hours will be continued at the $175 per hour. Future Statement of Work's will be for consulting services.

QUOTE

EMS Barcode Solutions — Service is standard!

620 Haggard Street, Suite 602, Plano, Texas 75074
t. 972-535-5555 f. 214-291-5479

Number	EMSQ24084
Date	Mar 22, 2021
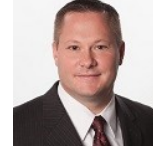
Sold To	Ship To	Your Sales Rep
Michigan State Industries - DTMB Chris Kamrada 206 E. Michigan Ave. Lansing, MI 48933 USA	**Michigan State Industries - DTMB** Chris Kamrada 206 E. Michigan Ave. Lansing, MI 48933 USA	**Eric Sutter** 972-535-5555 ext 1311 esutter@emsbarcode.com
Phone 517-241-5545 **Fax**	**Phone** 517-241-5545 **Fax**	

Here is the quote you requested.

Terms	P.O. Number	Ship Via
ACH Payment		UPS Ground

Line	Qty	Description	Unit Price	Ext. Price
1		**EMS Professional Services**		
2	60	Setup & configuration for Meraki, changing to having direct fiber into the switch at each location. This needs to be selected to setup the next location. If the setup of the Meraki gear do not change, this will not be needed again on this project.	$175.00	$10,500.00
3	40	Workstation configuration, testing & support - This is required if the next location has workstations	$175.00	$7,000.00
4	1	Second day onsite for hardware setup, configuration and training. This has been made an optional item so DTMB can decide if onsite setup and training is needed.	$2,000.00	$2,000.00
5	1	This trip can be used for: 1 day onsite for workstation setup and configuration before go live, or 1 day onsite during go live or after go live to finalize any hardware requirements and for training. This has been made an optional item so DTMB can decide if onsite setup and training is needed.	$1,500.00	$1,500.00
6	60	Mobile computer & barcode printer configuration & support	$175.00	$10,500.00
7	60	Workstation configuration, testing & support	$175.00	$10,500.00
8	216	Monthly device and system updates. 1 hour per location per month. This will cover 3-years	$175.00	$37,800.00
9		**Sub-Total**		$79,800.00
10				
11		**Meraki Wireless Gear**		
12	6	Meraki MS120-24P Ethernet Switch - 24 Ports - Manageable - 2 Layer Supported - Modular - Twisted Pair, Optical Fiber - 1U High - Rack-mountable, Desktop - Lifetime Limited Warranty	$1,999.00	$11,994.00

Line	Qty	Description	Unit Price	Ext. Price
13	6	Meraki Enterprise License And Support - MS120-24P Cloud Managed Switch - 3 Year License Validation Period	$250.00	$1,500.00
14	6	Meraki 1000Base LX10 Single-Mode - For Data Networking, Optical Network1	$400.00	$2,400.00
15	25	Meraki MR33 Cloud Managed AP	$425.00	$10,625.00
16	25	Meraki MR Enterprise Cloud Controller License, 3 Years - Meraki MR Series Access Point - Subscription License 1 Access Point - 3 Year License Validation Period	$225.00	$5,625.00
17	12	CAT 6 1000Mbps RJ45,Blue, Flat, 3m/9.84'	$9.99	$119.88
18		**Sub-Total**		$32,263.88
19				
20		**Workstations - 3 Clerks & 2 wireless laser jet printers**		
21	13	Part # EMS-WS-COMPUTER - Windows 10 Pro Mini PC, i5 8th Gen 8265U, 8 GB DDR4, 128GB SSD, (1) RJ45 Giga LAN, 802.11ac, (1) USB Type-C, (1) DP Port 4K @60Hz, (1) HDMI 2.0 Port 4K @60Hz, (2) USB 2.0, (4) USB 3.0	$449.00	$5,837.00
22	13	Part # EMS-WS-KEYBOARD-MOUSE-WIRELESS - Wireless Keyboard & Mouse Combo, Black	$45.00	$585.00
23	13	Part # EMS-WS-MONITOR-22 - ViewSonic 22" IPS Monitor , Frameless, 1920 x 1080, Integrated speakers, HDMI, Display Port, and VGA, 3-year Limited Warranty	$149.00	$1,937.00
24	13	Refurbished LS2208 1-D Barcode Scanner Kit - Kit includes Zebra LS2208 1-D barcode scanner, Stand, & USB cable, black, 1-year warranty.	$89.00	$1,157.00
25	7	HP LaserJet Pro M404 M404dw Laser Printer - Monochrome - 42 ppm Mono - 1200 x 1200 dpi Print - Automatic Duplex Print - 350 Sheets Input - Gigabit Ethernet - Wireless LAN - Apple AirPrint, Google Cloud Print, HP ePrint, HP Smart App, Mopria, Wi-Fi Direct	$349.00	$2,443.00

Line	Qty	Description	Unit Price	Ext. Price
26	1	Shipping for all equipment	$2,422.15	$2,422.15
27		**SubTotal**		$14,381.15

Certain products can have lead times up to three weeks from the day you place your order.

If you need you need your equipment by a specific date, please take note of the lead time mentioned in each of the product descriptions.

SubTotal	$126,445.03
Tax	$0.00
Shipping	$0.00
Total	**$126,445.03**

STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES

Department of Technology, Management, and Budget

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

CONTRACT CHANGE NOTICE

Change Notice Number **1**

to

Contract Number **190000000451**

CONTRACTOR	GLOBAL SHOP SOLUTIONS, INC.
	975 Evergreen Circle
	The Woodlands, TX 77380-3637
	Jonathan Council
	832-610-4216
	jcouncil@gssmail.com
	VS0063103

STATE	**Program Manager**	Christopher Kamrada	MDOC
		517-335-2098	
		kamradac@michigan.gov	
	Contract Administrator	Sean Regan	DTMB
		(517) 243-8459	
		regans@michigan.gov	

CONTRACT SUMMARY

MICHIGAN STATE INDUSTRIES ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
May 1, 2019	April 30, 2022	5 - 1 Year	April 30, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card	☐ PRC	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 30, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$499,715.00	$288,673.45	$788,388.45

DESCRIPTION

Effective May 20, 2019, the Michigan State Industries division is adding $288,673.45 for barcoding equipment and configuration to implement a full-scale Enterprise Resource Planning solution.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Procurement approval, and State Administrative Board approval on June 11, 2019.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
MDOC	Christopher Kamrada	517-335-2098	kamradac@michigan.gov
DTMB	Paul Gustafson	517-334-9703	GustafsonP@michigan.gov

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **190000000451**

between

THE STATE OF MICHIGAN

and

CONTRACTOR		STATE			
	Global Shop Solutions, Inc.		Program Manager	Christopher Kamrada	MDOC-MSI
	975 Evergreen Circle			517-335-2098	
	The Woodlands, TX 77380-3637			kamradac@michigan.gov	
	Jonathan Council		Contract Administrator	Sean Regan	DTMB
	832-610-4216			517-243-8459	
	jcouncil@gssmail.com			regans@michigan.gov	
	VS0063103				

CONTRACT SUMMARY			
DESCRIPTION: Michigan State Industries Enterprise Resource Planning (ERP) Solution			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW**
5/01/2019	4/30/2022	5, 1 Year Option	4/30/2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-card ☐ Payment Request (PRC) ☐ Other			☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			**$499,715.00**

FOR THE CONTRACTOR:

Global Sheql Solutions, Inc.
Company Name

[signature]
Authorized Agent Signature

BARRY G. KLEIN
Authorized Agent (Print or Type)

_4/30/2019_
Date

FOR THE STATE:

Sean Regan
Signature

Sean Regan, IT Category Analyst
Name & Title

DTMB
Agency

5/1/2019
Date

STATE OF MICHIGAN

Table of Contents for Contract No. 190000000451

STATE OF MICHIGAN

CONTRACT TERMS

COTS Software Contract

This COTS Software Contract (this "**Contract**") is agreed to between the State of Michigan (the "**State**") and Global Shop Solutions Inc. ("**Contractor**"), a Texas Corporation. This Contract is effective on May 01, 2019 ("**Effective Date**"), and unless earlier terminated, will expire on April 30, 2022 (the "**Term**").

This Contract may be renewed for up to five (5) additional one (1) year periods. Renewal must be by written notice from the State and will automatically extend the Term of this Contract.

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

"**Acceptance**" for Software, has the meaning set forth in **Section 12.5**. For Equipment, Acceptance has the meaning set forth in in **Section 13.3(a).**

"**Acceptance Tests**" means such tests as may be conducted in accordance with **Section 12** and the Statement of Work to determine whether the Software meets the requirements of this Contract and the Documentation.

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

"**Allegedly Infringing Materials**" has the meaning set forth in **Section 26.3(b)(ii)**.

"**API**" means all Application Programming Interfaces and associated API Documentation provided by Contractor, and as updated from time to time, to allow the Software to integrate with various State and Third Party Software.

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

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

"**Business Day**" means a day other than a Saturday, Sunday or other day on which the State is authorized or required by Law to be closed for business.

"**Business Owner**" is the individual appointed by the agency buyer to (a) act as the agency's representative in all matters relating to the Contract, and (b) co-sign off on notice of Acceptance for the Software and Equipment. The Business Owner will be identified in the Statement of Work.

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

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

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

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

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

"**Confidential Information**" has the meaning set forth in **Section 21.1.**

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

"**Contract**" has the meaning set forth in the preamble.

"**Contract Administrator**" is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve any Change Notices under this Contract. Each party's Contract Administrator will be identified in the Statement of Work.

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

"**Contractor's Bid Response**" means the Contractor's proposal submitted in response to the RFP.

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

"**Contractor's Test Package**" has the meaning set forth in **Section 11.2**.

"**Deliverables**" means the Equipment, Software, and all other documents and other materials that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Statement of Work.

"**Dispute Resolution Procedure**" has the meaning set forth in **Section 30.1**.

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

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

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

"**Equipment**" means hardware or other equipment that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Equipment in the applicable Statement of Work.

"**Fees**" means collectively, the License Fees, Implementation Fees, Support Services Fees, and the prices for other Services and Deliverables set forth in the Pricing Schedule.

"**Financial Audit Period**" has the meaning set forth in **Section 28.1**.

"**Force Majeure**" has the meaning set forth in **Section 31.1.**

"**Harmful Code**" means any: (a) virus, trojan horse, worm, backdoor or other software or hardware devices the effect of which is to permit unauthorized access to, or to disable, erase, or otherwise harm, any computer, systems or software; or (b) time bomb, drop dead device, or other software or hardware device designed to disable a computer program automatically with the passage of time or under the positive control of any Person, or otherwise prevent, restrict or impede the State's or any Authorized User's use of such software.

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

"**Implementation Fees**" has the meaning set forth in **Section 17.2**.

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

"**Integration Testing**" has the meaning set forth in **Section 12.1(c)**.

"**Intellectual Property Rights**" means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the associated goodwill; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable Law in any jurisdiction throughout the world.

"**Key Personnel**" means any Contractor Personnel identified as key personnel in the Statement of Work.

"**Law**" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree or other requirement or rule of any federal, state, local or foreign government or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.

"**License Agreement**" has the meaning set forth in **Section 3.**

"**License Fee**" has the meaning set forth in **Section 17.1**.

"**Loss or Losses**" means all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

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

"**Milestone**" means an event or task described in the Implementation Plan under the Statement of Work that must be completed by the corresponding Milestone Date.

"**Milestone Date**" means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under the Statement of Work.

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

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

"**Open-Source Components**" means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License, or other obligation, restriction or license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

"**Open-Source License**" has the meaning set forth in **Section 4.**

"**Operating Environment**" means, collectively, the platform, environment and conditions on, in or under which the Software is intended to be installed and operate, as set forth in the Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software and system architecture and configuration.

"**Permitted Subcontractor**" has the meaning set forth in **Section 9.4**.

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

"**Pricing**" means any and all fees, rates and prices payable under this Contract, including pursuant to any Schedule or Exhibit hereto.

"**Pricing Schedule**" means the schedule attached as **Schedule F**, setting forth the License Fees, Implementation Fees, Support Services Fees, and any other fees, rates and prices payable under this Contract.

"**Project Manager**" is the individual appointed by each party to (a) monitor and coordinate the day-to-day activities of this Contract, and (b) for the State, to co-sign off on its notice of Acceptance for the Software and Equipment. Each party's Project Manager will be identified in the Statement of Work.

"**Representatives**" means a party's employees, officers, directors, partners, shareholders, agents, attorneys, successors and permitted assigns.

"**RFP**" means the State's request for proposal designed to solicit responses for Services under this Contract.

"**Services**" means any of the services Contractor is required to or otherwise does provide under this Contract, the Statement of Work, or the Service Level Agreement.

"**Service Level Agreement**" means the service level agreement attached as **Schedule B** to this Contract, setting forth Contractor's obligations with respect to the hosting, management and operation of the Software.

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

"**Software**" means Contractor's software set forth in the Statement of Work, and any Maintenance Releases or New Versions provided to the State and any Configurations made by or for the State pursuant to this Contract, and all copies of the foregoing permitted under this Contract and the License Agreement.

"**Source Code**" means the human readable source code of the Software to which it relates, in the programming language in which the Software was written, together with all related flow charts

and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, build, operate, support, maintain and develop modifications, upgrades, updates, adaptations, enhancements, new versions and other derivative works and improvements of, and to develop computer programs compatible with, the Software.

"**Specifications**" means, for the Software, the specifications collectively set forth in the Business Requirements Specification, Technical Specification, Documentation, RFP or Contractor's Bid Response, if any, for such Software, or elsewhere in the Statement of Work.

"**State**" means the State of Michigan.

"**State Data**" has the meaning set forth in **Section 20.1**.

"**State Materials**" means all materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract.

"**State Resources**" has the meaning set forth in **Section 10.1**.

"**Statement of Work**" means the Statement of Work attached as **Schedule A**, to this Contract.

"**Stop Work Order**" has the meaning set forth in **Section 24**.

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

"**Support Services Commencement Date**" means, with respect to the Software, the date on which the Warranty Period for the Software expires or such other date as may be set forth in the Statement of Work.

"**Support Services Fees**" has the meaning set forth in **Section 17.3**.

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

"**Term**" has the meaning set forth in the preamble.

"**Test Data**" has the meaning set forth in **Section 11.2**.

"**Test Estimates**" has the meaning set forth in **Section 11.2**.

"**Testing Period**" has the meaning set forth in **Section 12.1(b)**.

"**Third Party**" means any Person other than the State or Contractor.

"**Transition Period**" has the meaning set forth in **Section 23.3**

"**Transition Responsibilities**" has the meaning set forth in **Section 23.3**.

"**Unauthorized Removal**" has the meaning set forth in **Section 9.3(b)**.

"**Unauthorized Removal Credit**" has the meaning set forth in **Section 9.3(c)**.

"**User Data**" means all data, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, processed, generated or output by any device, system or network by or on behalf of the State, including any and all works, inventions, data, analyses and other information and materials resulting from any use of the Software by or on behalf of the State under this Contract, except that User Data does not include the Software or data, information or content, including any GUI, audio, visual or digital or other display or output, that is generated automatically upon executing the Software without additional user input.

"**Warranty Period**" means the ninety (90) calendar-day period commencing on the date of the State's Acceptance of the Software and Equipment, unless otherwise provided in the Statement of Work.

"**Work Product**" means all State-specific deliverables that Contractor is required to, or otherwise does, provide to the State under this Contract including but not limited to computer scripts, macros, user interfaces, reports, project management documents, forms, templates, and other State-specific documents and related materials together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

2. Statement of Work. Contractor shall provide the Services and Deliverables pursuant to the Statement of Work entered into under this Contract. The terms and conditions of this Contract will apply at all times to the Statement of Work. The State shall have the right to terminate the Statement of Work, in whole or in part, as set forth in **Section 23**. Contractor acknowledges that time is of the essence with respect to Contractor's obligations under the Statement of Work and agrees that prompt and timely performance of all such obligations in accordance with this Contract and the Statement of Work (including the Implementation Plan and all Milestone Dates) is strictly required.

2.1   Statement of Work Requirements. The Statement of Work will include the following:

(a)   names and contact information for Contractor's Contract Administrator, Project Manager and Key Personnel;

(b)   names and contact information for the State's Contract Administrator, Project Manager and Business Owner;

(c)   a detailed description of the Services and Deliverables to be provided under this Contract, including any training obligations of Contractor;

(d)   a detailed description of the Software to be provided under this Contract, including the:

(i)   version and release number of the Software;

(ii)   Business Requirements Specification;

(iii)   Technical Specification; and

(iv)   a description of the Documentation to be provided;

(e)   the project management methodology (PMM) agreed to by the parties to implement the Software

(f)   an Implementation Plan following the PMM, including all Milestones, the corresponding Milestone Dates and the parties' respective responsibilities under the Implementation Plan;

(g)   the due dates for payment of Fees and any invoicing requirements, including any Milestones on which any such Fees are conditioned, and such other information as the parties deem necessary;

(h)   disclosure of all Open-Source Components (each identified on a separate exhibit to the Statement of Work), in each case accompanied by such related documents as may be required by this Contract;

(i)   description of all liquidated damages associated with this Contract; and

(j)   a detailed description of all State Resources required to complete the Implementation Plan.

2.2   Change Control Process. The State may at any time request in writing (each, a "**Change Request**") changes to the Statement of Work, including changes to the Services, Deliverables and Implementation Plan (each, a "**Change**"). Upon the State's submission of a Change Request, the parties will evaluate and implement all Changes in accordance with this **Section 2.2**.

(a)   As soon as reasonably practicable, and in any case within twenty (20) Business Days following receipt of a Change Request, Contractor will provide the State with a written proposal for implementing the requested Change ("**Change Proposal**"), setting forth:

(i) a written description of the proposed Changes to any Services or Deliverables;

(ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any additional or modified Services or Deliverables; and (B) the effect of such Changes, if any, on completing any other Services under the Statement of Work;

(iii) any additional State Resources Contractor deems necessary to carry out such Changes; and

(iv) any increase or decrease in Fees resulting from the proposed Changes, which increase or decrease will reflect only the increase or decrease in time and expenses Contractor requires to carry out the Change.

(b) Within thirty (30) Business Days following the State's receipt of a Change Proposal, the State will by written notice to Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, Contractor must modify and re-deliver the Change Proposal reflecting such modifications, or notify the State of any disagreement, in which event the parties will negotiate in good faith to resolve their disagreement. Upon the State's approval of the Change Proposal or the parties' agreement on all proposed modifications, as the case may be, the parties will execute a written agreement to the Change Proposal ("**Change Notice**"), which Change Notice will be signed by the State's Contract Administrator and will constitute an amendment to the Statement of Work to which it relates; and

(c) If the parties fail to enter into a Change Notice within fifteen (15) Business Days following the State's response to a Change Proposal, the State may, in its discretion:

(i) require Contractor to perform the Services under the Statement of Work without the Change;

(ii) require Contractor to continue to negotiate a Change Notice;

(iii) initiate a Dispute Resolution Procedure; or

(iv) notwithstanding any provision to the contrary in the Statement of Work, terminate this Contract under **Section 23**.

(d) No Change will be effective until the parties have executed a Change Notice. Except as the State may request in its Change Request or otherwise in writing, Contractor must continue to perform its obligations in accordance with the Statement of Work pending negotiation and execution of a Change Notice. Contractor will use its best efforts to limit any delays or Fee increases from any Change to those necessary to perform the Change in accordance with the applicable Change Notice. Each party is responsible for its own costs and expenses of

preparing, evaluating, negotiating, and otherwise processing any Change Request, Change Proposal, and Change Notice.

(e)   The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Services as described in this Contract are considered part of the Services and, thus, will not be considered a Change. This includes the delivery of all Deliverables in accordance with their respective Specifications, and the diagnosis and correction of Non-Conformities discovered in Deliverables prior to their Acceptance by the State or, subsequent to their Acceptance by the State, as necessary for Contractor to fulfill its associated warranty requirements and its Support Services under this Contract.

(f)   Contractor may, on its own initiative and at its own expense, prepare and submit its own Change Request to the State. However, the State will be under no obligation to approve or otherwise respond to a Change Request initiated by Contractor.

3.   Software License. Contractor hereby grants to the State and its Authorized Users the right and license to use the Software and Documentation in accordance with the terms and conditions of this Contract and the License Agreement set forth in **Schedule E** (the "**License Agreement**").

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

5.   Software and Implementation.

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

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

6.   Hosting. Contractor will maintain the Availability Requirement and the Support Service Level Requirement set forth in the Service Level Agreement attached as **Schedule B** to this Contract.

7.   Support Services

7.1　Support Services for Externally Hosted Software. Contractor shall provide the State with the Support Services described in the Service Level Agreement attached as **Schedule B** to this Contract. Such Support Services shall be provided:

(a)　Free of charge during the Warranty Period, it being acknowledged and agreed that the License Fee includes full consideration for such Services during such period.

(b)　Thereafter, for so long as the State elects to receive Support Services for the Software, in consideration of the State's payment of Support Services Fees in accordance with **Section 17** and the rates set forth in the Pricing Schedule.

7.2　Support Services for Equipment. Contractor shall provide the State with maintenance and support services for the Equipment as described in the Statement of Work attached as **Schedule A** to this Contract. Contractor will provide manufacturer's warranties regarding all Equipment or as otherwise provided for in the Contract.

8. **Data Privacy and Information Security**.

8.1　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) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all Contractor Representatives 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, standards, and procedures ("**PSP**"), of which the publicly available PSPs are located at: https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html.

8.2　To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see https://www.michigan.gov/documents/dtmb/1340.00.01_Acceptable_Use_of_Information_Technology_Standard_458958_7.pdf. All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

8.3　Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. During the providing of Services, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State,

Contractor agrees to complete, within forty-five (45) calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

8.4   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.

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

8.6   Security Requirements for Externally Hosted Software. Contractor shall comply with the security requirements set forth in **Schedule C** to this Contract.

9.   Performance of Services. Contractor will provide all Services and Deliverables in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and Specifications set forth in this Contract and the Statement of Work.

9.1   Contractor Personnel.

(a)   Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b)   Prior to any Contractor Personnel performing any Services, Contractor will:

(i)   ensure that such Contractor Personnel have the legal right to work in the United States;

(ii)   upon request, require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract; and

(iii)   upon request, perform background checks on all Contractor Personnel prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks on Contractor Personnel. Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint

background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018.

(c)   Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.

(d)   The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

9.2   <u>Contractor's Project Manager</u>. Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor's Project Manager, who will be considered Key Personnel of Contractor. Contractor's Project Manager will be identified in the Statement of Work.

(a)   Contractor's Project Manager must:

(i)   have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;

(ii)   be responsible for overall management and supervision of Contractor's performance under this Contract; and

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

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

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

(i)   the State requests in writing the removal of Contractor's Project Manager;

(ii)   the State consents in writing to any removal requested by Contractor in writing;

(iii)   Contractor's Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.

(d)   Contractor will promptly replace its Project Manager on the occurrence of any event set forth in **Section 9.2(c)**. Such replacement will be subject to the State's prior written approval.

9.3   Contractor's Key Personnel.

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

(b)   Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 23.1**.

(c)   It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 23.1**, Contractor will issue to the State an amount equal to $10,000 per individual (each, an "**Unauthorized Removal Credit**").

(d)   Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection (c)** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal,

which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

9.4   Subcontractors. Contractor will not, without the prior written approval of the State, which consent may be given or withheld in the State's sole discretion, engage any Third Party to perform Services. The State's approval of any such Third Party (each approved Third Party, a "**Permitted Subcontractor**") does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:

(a)   be responsible and liable for the acts and omissions of each such Permitted Subcontractor (including such Permitted Subcontractor's employees who, to the extent providing Services or Deliverables, shall be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees;

(b)   name the State a third party beneficiary under Contractor's Contract with each Permitted Subcontractor with respect to the Services;

(c)   be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits; and

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

10. State Obligations.

10.1 State Resources and Access. The State is responsible for providing the State Materials and such other resources as may be specified in the Statement of Work (collectively, "**State Resources**").

10.2 State Project Manager. Throughout the Term of this Contract, the State will maintain a State employee to serve as the State's Project Manager under this Contract. The State's Project Manager will be identified in the Statement of Work. The State's Project Manager will be available as set forth in the Statement of Work.

11. Software Pre-Delivery Testing.

11.1 Testing By Contractor. Before delivering and installing the Software, Contractor must:

(a)   test the Software to confirm that it is fully operable, meets all applicable Specifications and will function in accordance with the Specifications and Documentation when properly installed in the Operating Environment;

(b)   scan the Software using industry standard scanning software and definitions to confirm it is free of Harmful Code; and

(c)   remedy any Non-Conformity or Harmful Code identified and retest and rescan the Software.

11.2 Test Data and Estimates. Unless otherwise specified in the Statement of Work, Contractor shall provide to the State all test data and testing scripts used by Contractor for its pre-delivery testing ("**Test Data**"), together with the results Contractor expects to be achieved by processing the Test Data using the Software ("**Test Estimates**," and together with Test Data, "**Contractor's Test Package**").

12. Software Acceptance Testing.

12.1 Acceptance Testing.

(a)   Unless otherwise specified in the Statement of Work, upon installation of the Software, Acceptance Tests will be conducted as set forth in this **Section 12** to ensure the Software conforms to the requirements of this Contract, including the applicable Specifications and Documentation. The State may, but is not obligated, to perform its own pretest on the Software utilizing Contractor's Test Package. If the State does perform a pretest, and Contractor's Test Package does not successfully pass the Test Data or Test Estimate scripts as described by Contractor, the State, at its discretion, is not obligated to move into the formal Acceptance Tests set forth in this Section. The State may elect to send Contractor's Test Package back to Contractor to correct any problems encountered with the Test Data or Test Estimates.

(b)   All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in the Statement of Work, commence on the Business Day following installation of the Software and be conducted diligently for up to thirty (30) Business Days, or such other period as may be set forth in the Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in the Statement of Work or, if the Statement of Work does not specify, the State, provided that:

(i)   for Acceptance Tests conducted by the State, if requested by the State, Contractor will make suitable Contractor Personnel available to observe or participate in such Acceptance Tests; and

(ii)   for Acceptance Tests conducted by Contractor, the State has the right to observe or participate in all or any part of such Acceptance Tests.

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

(c)   Upon delivery and installation of any API or Configuration to the Software under the Statement of Work, additional Acceptance Tests will be performed on the modified Software as a whole to ensure full operability, integration, and compatibility among all elements of the Software ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in **Section 12.1**, **Section 12.3**, and **Section 12.4**.

(d)   The State may suspend Acceptance Tests and the corresponding Testing Period by written notice to Contractor if the State discovers a material Non-Conformity in the tested Software or part or feature of the Software. In such event, Contractor will immediately, and in any case within ten (10) Business Days, correct such Non-Conformity, whereupon the Acceptance Tests and Testing Period will resume for the balance of the Testing Period.

12.2 Notices of Completion, Non-Conformities, and Acceptance. Within fifteen (15) Business Days following the completion of any Acceptance Tests, including any Integration Testing, the party responsible for conducting the tests will prepare and provide to the other party written notice of the completion of the tests. Such notice must include a report describing in reasonable detail the tests conducted and the results of such tests, including any uncorrected Non-Conformity in the tested Software.

(a)   If such notice is provided by either party and identifies any Non-Conformities, the parties' rights, remedies, and obligations will be as set forth in **Section 12.3** and **Section 12.4**.

(b)   If such notice is provided by the State, is signed by the State's Business Owner and Project Manager, and identifies no Non-Conformities, such notice constitutes the State's Acceptance of such Software.

(c)   If such notice is provided by Contractor and identifies no Non-Conformities, the State will have thirty (30) Business Days to use the Software in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that the Software contains no Non-Conformities, on the completion of which the State will, as appropriate:

(i)   notify Contractor in writing of Non-Conformities the State has observed in the Software and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Section 12.3** and **Section 12.4**; or

(ii)   provide Contractor with a written notice of its Acceptance of such Software, which must be signed by the State's Business Owner and Project Manager.

12.3 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Contractor, at Contractor's sole cost and expense, will remedy all such Non-Conformities and re-deliver the Software, in accordance with the requirements set forth in the Statement of Work. Redelivery will occur as promptly as commercially possible and, in any case, within thirty (30) Business Days following, as applicable, Contractor's:

(a)   completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Contractor; or

(b)   receipt of the State's notice under **Section 12.1(a)** or **Section 12.2(c)(i)**, identifying any Non-Conformities.

12.4 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in the Software after a second or subsequent delivery of the Software, or Contractor fails to re-deliver the Software on a timely basis, the State may, in its sole discretion, by written notice to Contractor:

(a)   continue the process set forth in this **Section 12**;

(b)   accept the Software as a nonconforming deliverable, in which case the Fees for such Software will be reduced equitably to reflect the value of the Software as received relative to the value of the Software had it conformed; or

(c)   deem the failure to be a non-curable material breach of this Contract and the Statement of Work and terminate this Contract for cause in accordance with **Section 23.1**.

12.5 Acceptance. Acceptance ("**Acceptance**") of the Software (subject, where applicable, to the State's right to Integration Testing) will occur on the date that is the earliest of the State's delivery of a notice accepting the Software under **Section 12.2(b)**, or **Section 12.2(c)(ii)**.

13. Equipment Delivery, Installation and Acceptance.

13.1 Delivery Procedure for Equipment. Contractor shall deliver all Equipment by the delivery date and according to the delivery instructions specified within the Statement of Work, FOB destination, with such destination being the "ship to" address as specified by the State. Contractor shall bear all risk of loss of or damage to the Equipment until Acceptance of the Equipment by the State and shall arrange and pay for all transportation and insurance sufficient to fully protect the Equipment while in transit. Each shipment shall include a packing slip indicating the State's order number, a description of the Equipment shipped, and the quantity shipped. If any loss to, or damage of, the Equipment occurs prior to Acceptance of the Equipment by the State, Contractor shall immediately provide replacement Equipment. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. Title shall pass upon Acceptance of the Equipment. Contractor shall make available all appropriate or related user Documentation at the time of delivery. Equipment delivered without the appropriate and required Documentation shall be considered "shipped short" until the applicable Documentation has been received.

13.2 Equipment Installation. Unless otherwise specified in the applicable Statement of Work, Contractor shall provide the initial installation of all Equipment at no additional charge, and such installation shall include: unpacking, removal of all shipping and packing materials from the premises, positioning, connecting to internal utility services, and related necessary services to

allow for testing and Acceptance of the Equipment by the State. All Equipment installations shall comply with building and facilities standards established by the State. If the State installs the Equipment, Contractor shall provide all reasonably necessary assistance at no additional cost. Equipment will be installed on or prior to the applicable Milestone Date in accordance with the Statement of Work and Implementation Plan.

13.3 Equipment Acceptance. All Equipment is subject to inspection and testing by the State in accordance with the applicable Statement of Work. Unless otherwise specified in the applicable Statement of Work, all Equipment is subject to the acceptance procedures set forth below:

(a) All Equipment is subject to inspection and testing by the State within 30 calendar days of installation as set forth in **Section 13.2**. The Equipment must be accepted in writing by the State's Program Manager ("**Acceptance**"). If the State finds deficiencies in the Equipment, it may: (1) demand performance at no additional cost, in the form a written notice to cure; or (2) reject the deficient Equipment without performing any further inspections, and terminate the Contract, in whole or in part, in accordance with **Section 23.1**, Termination for Cause.

(b) Within 10 Business Days from the date of Contractor's receipt of a notice to cure, or such other period as may be agreed upon in writing, Contractor must cure, at no additional cost, the noted deficiencies and deliver acceptable Equipment to the State. Upon installation of the replacement equipment, Contractor will notify the State in writing that the installation is complete, at which time the State will be entitled to re-inspect the Equipment and the acceptance testing period will start again .

(c) If Contractor is unable or refuses to correct the noted deficiencies within the time response standards set forth in subsection (b) above, the State may: (1) terminate the Contract, in whole or in part, in accordance with **Section 23.1**, Termination for Cause.; or (2) cancel the order for the Equipment in whole or in part, and a third party identified by the State may provide the Equipment and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

(d) If the State rejects the Equipment, Contractor must remove the Equipment from the premises within 10 Business Days after notification of rejection. The risk of loss of rejected or non-conforming Equipment remains with Contractor. Rejected Equipment not removed by Contractor within the 10 Business Days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Equipment.

13.4 Documentation. Contractor must provide to the State all end-user documentation for the Equipment. The documentation, at a minimum, must include all the documentation available to consumers from the manufacturer of the Equipment about the technical specifications of the Equipment, installation requirements, and operating instructions, as well as details about the software programs with which the Equipment functions, if any.

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

15. Maintenance Releases; New Versions

    15.1 Maintenance Releases. Provided that the State is current on its Support Services Fees, during the Term, Contractor shall provide the State, at no additional charge, with all Maintenance Releases, each of which will constitute Software and be subject to the terms and conditions of this Contract. Contractor is to notify the State at least 30 days in advance of new releases.

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

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

16. Source Code Escrow

    16.1 Escrow Contract. The parties may enter into a separate intellectual property escrow agreement. Such escrow agreement will govern all aspects of Source Code escrow and release.

17. Fees

    17.1 License Fee. In consideration of, and as payment in full for, the rights and license to use the Software and Documentation as provided in this Contract and the License Agreement, the State shall pay to Contractor the license fees (the "**License Fee**") set forth on the Pricing Schedule, subject to and in accordance with the terms and conditions of this Contract and the License Agreement, including the applicable timetable and other provisions of the Statement of Work and this **Section 17**.

    17.2 Implementation Fees. In consideration of, and as payment in full for, Contractor's provision of implementation services as provided in this Contract and the Statement of Work, the State shall pay to Contractor the implementation fees (the "**Implementation Fees**") set forth on

the Pricing Schedule, subject to and in accordance with the terms and conditions of this Contract, including the applicable timetable and other provisions of the Statement of Work and this **Section 17**.

17.3 Support Service Fees. In consideration of Contractor providing the Support Services as required under the Service Level Agreement, the State shall pay to Contractor the Support Services fees (the "**Support Service Fees**") set forth in the Pricing Schedule, subject to and in accordance with the terms and conditions of this Contract, including the applicable provisions of the Service Level Agreement and this **Section 17**.

17.4 Firm Pricing/Fee Changes. All Pricing set forth in this Contract is firm and will not be increased, except as otherwise expressly provided in this **Section 17.4**.

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

18. Invoices and Payment.

18.1 Invoices. Contractor will invoice the State for Fees in accordance with the requirements set forth in the Statement of Work, including any requirements that condition the rendering of invoices and the payment of Fees upon the successful completion of Milestones. Each separate invoice must:

(a)   clearly identify the Contract and purchase order number to which it relates, in such manner as is required by the State;

(b)   list each Fee item separately;

(c)   include sufficient detail for each line item to enable the State to satisfy its accounting and charge-back requirements;

(d)   for Fees determined on a time and materials basis, report details regarding the number of hours performed during the billing period, the skill or labor category for such Contractor Personnel and the applicable hourly billing rates;

(e)   include such other information as may be required by the State as set forth in the Statement of Work; and

(f)   Itemized invoices must be submitted to MDOCAP@michigan.gov. Questions and concerns can also be email to this address.

18.2 Payment. Invoices are due and payable by the State, in accordance with the State's standard payment procedures as specified in 1984 Public Act no. 279, MCL 17.51, *et seq.*, within forty-five (45) calendar days after receipt, provided the State determines that the invoice was

properly rendered. The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at http://www.michigan.gov/SIGMAVSS to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

18.3 Taxes. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services or Deliverables purchased under this Contract are for the State's exclusive use.

18.4 Payment Disputes. The State may withhold from payment any and all payments and amounts the State disputes in good faith, pending resolution of such dispute, provided that the State:

(a) timely renders all payments and amounts that are not in dispute;

(b) notifies Contractor of the dispute prior to the due date for payment, specifying in such notice:

(i) the amount in dispute; and

(ii) the reason for the dispute set out in sufficient detail to facilitate investigation by Contractor and resolution by the parties;

(c) works with Contractor in good faith to resolve the dispute promptly; and

(d) promptly pays any amount determined to be payable by resolution of the dispute.

Contractor shall not withhold any Services or fail to perform any obligation hereunder by reason of the State's good faith withholding of any payment or amount in accordance with this **Section 18.4** or any dispute arising therefrom.

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

19. Intellectual Property Rights

19.1 Ownership Rights in Software

(a) Subject to the rights and licenses granted by Contractor in this Contract and the License Agreement, and the provisions of **Section 19.1(b)**:

(i) Contractor reserves and retains its entire right, title and interest in and to all Intellectual Property Rights arising out of or relating to the Software; and

(ii) none of the State or Authorized Users acquire any ownership of Intellectual Property Rights in or to the Software or Documentation as a result of this Contract.

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

19.2 <u>Rights in Open-Source Components</u>. Ownership of all Intellectual Property Rights in Open-Source Components shall remain with the respective owners thereof, subject to the State's rights under the applicable Open-Source Licenses.

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

(a) Contractor will create all API and Work Product as work made for hire as defined in Section 101 of the Copyright Act of 1976; and

(b) to the extent any API, Work Product, or Intellectual Property Rights do not qualify as, or otherwise fails to be, work made for hire, Contractor hereby:

(i) assigns, transfers, and otherwise conveys to the State, irrevocably and in perpetuity, throughout the universe, all right, title, and interest in and to such API or Work Product, including all Intellectual Property Rights; and

(ii) irrevocably waives any and all claims Contractor may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of *droit moral* with respect to the API or Work Product.

20. State Data.

20.1 <u>Ownership</u>. The State's data ("**State Data**"), which will be treated by Contractor as Confidential Information, includes: (a) User Data; and (b) any other data collected, used, processed, stored, or generated by the State in connection with the Services, including but not limited to (i) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and (ii) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest

in the same is reserved by the State. This **Section** 20.1 survives termination or expiration of this Contract.

20.2 <u>Contractor Use of State Data</u>. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, the 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 20.2** survives termination or expiration of this Contract.

20.3 <u>Loss or Compromise of Data</u>. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described

above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. The parties agree that any damages relating to a breach of this **Section 20.3** are to be considered direct damages and not consequential damages. This **Section 20.3** survives termination or expiration of this Contract.

20.4 Discovery. Contractor shall immediately notify the State upon receipt of any requests which in any way might reasonably require access to State Data or the State's use of the Hosted Services. Contractor shall notify the State Project Manager by the fastest means available and also in writing. In no event shall Contractor provide such notification more than twenty-four (24) hours after Contractor receives the request. Contractor shall not respond to subpoenas, service of process, FOIA requests, and other legal requests related to the State without first notifying the State and obtaining the State's prior approval of Contractor's proposed responses. Contractor agrees to provide its completed responses to the State with adequate time for State review, revision and approval.

21. Confidential Information. Each party acknowledges that it may be exposed to or acquire communication or data of the other party that is confidential in nature and is not intended to be disclosed to third parties. This **Section 21** survives termination or expiration of this Contract.

21.1 Meaning of Confidential Information. The term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; or, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was or is: (a) in the possession of the State and subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). Notwithstanding the above, in all cases and for all matters, State Data is deemed to be Confidential Information.

21.2 <u>Obligation of Confidentiality</u>. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to the Contractor's subcontractor is permissible where: (a) the subcontractor is a Permitted Subcontractor; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and (c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this **Section 21.2**.

21.3 <u>Cooperation to Prevent Disclosure of Confidential Information</u>. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

21.4 <u>Remedies for Breach of Obligation of Confidentiality</u>. 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 the Statement of Work.

21.5 <u>Surrender of Confidential Information upon Termination</u>. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within five (5) Business Days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control. If Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and certify the same in writing within five (5) Business Days from the date of termination to the other party.

22. ADA Compliance. The State is required to comply with the Americans with Disabilities Act of 1990 (ADA), and has adopted a formal policy regarding accessibility requirements for websites and software applications. Contractor's Service Software must comply, where relevant, with level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0.

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

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

(a)   The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (i) endangers the value, integrity, or security of State Systems, State Data, or the State's facilities or personnel; (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; or (iii) breaches any of its material duties or obligations under this Contract. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

(b)   If the State terminates this Contract under this **Section 23.1**, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of this Contract, the termination will be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in **Section 23.2**.

(c)   The State will only pay for amounts due to Contractor for Services accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination, including any prepaid Support Services Fees. Further, Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Services from other sources.

23.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance immediately, or (b) continue to perform in accordance with **Section 23.3**. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities to the extent the funds are available.

23.3 Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days; the "**Transition Period**"), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to: (a) continuing to perform

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

23.4 Survival. This **Section 23** survives termination or expiration of this Contract.

24. Stop Work Order. The State may, at any time, order the Services of Contractor fully or partially stopped for its own convenience for up to ninety (90) calendar days at no additional cost to the State. The State will provide Contractor a written notice detailing such suspension (a "**Stop Work Order**"). Contractor must comply with the Stop Work Order upon receipt. Within 90 days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate this Contract. The State will not pay for any Services, Contractor's lost profits, or any additional compensation during a stop work period.

25. Contractor Representations and Warranties.

25.1 Authority. Contractor represents and warrants to the State that:

(a)   It is duly organized, validly existing, and in good standing as a corporation or other entity as represented under this Contract under the laws and regulations of its jurisdiction of incorporation, organization, or chartering;

(b)   It has the full right, power, and authority to enter into this Contract, to grant the rights and licenses granted under this Contract, to convey title or ownership rights, and to perform its contractual obligations;

(c)   The execution of this Contract by its Representative has been duly authorized by all necessary organizational action;

(d)   When executed and delivered by Contractor, this Contract will constitute the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms; and

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

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

(a)   The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Bidder to

the RFP; and no attempt was made by Contractor to induce any other Person to submit or not submit a proposal for the purpose of restricting competition;

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

(c)   Contractor is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract; and

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

25.3 <u>Software Representations and Warranties</u>. Contractor further represents and warrants to the State that:

(a)   it is the legal and beneficial owner of the entire right, title and interest in and to the Software, including all Intellectual Property Rights relating thereto;

(b)   it has, and throughout the license term, will retain the unconditional and irrevocable right, power and authority to grant and perform the license hereunder;

(c)   the Software, and the State's use thereof, is and throughout the license term will be free and clear of all encumbrances, liens and security interests of any kind;

(d)   neither its grant of the license, nor its performance under this Contract does or to its knowledge will at any time:

(i)   conflict with or violate any applicable Law;

(ii)   require the consent, approval or authorization of any governmental or regulatory authority or other third party; or

(iii)   require the provision of any payment or other consideration to any third party;

(e)   when used by the State or any Authorized User in accordance with this Contract and the Documentation, the Software or Documentation as delivered or installed by Contractor does not or will not:

(i) infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of any third party; or

(ii) fail to comply with any applicable Law;

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

(i) Harmful Code; or

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

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

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

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

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

25.4 <u>Equipment Representations and Warranties</u>. Contractor further represents and warrants to the State that:

(a) all Equipment is delivered free from any security interest, lien, or encumbrance and will continue in that respect;

(b) the Equipment will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party;

(c) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Equipment; and

(d)   the Equipment is merchantable and fit for the specific purposes identified in the Contract.

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

26. Indemnification

26.1 General Indemnification. Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any Intellectual Property Right or other right of any Third Party; and (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

26.2 Indemnification Procedure. The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. Any litigation activity on behalf of the State or any of its subdivisions, under this **Section 26**, 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.

26.3 Infringement Remedies.

(a)   The remedies set forth in this **Section 26.3** are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

(b)   If any Software or any component thereof, other than State Materials, is found to be infringing or if any use of any Software or any component thereof is enjoined, threatened to be

enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

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

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

(c) If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Contractor will:

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

(ii) in any case, at its sole cost and expense, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to six (6) months to allow the State to replace the affected features of the Software without disruption.

(d) If Contractor directs the State to cease using any Software under **subsection (c)**, the State may terminate this Contract for cause under **Section 23.1**.

(e) Contractor will have no liability for any claim of infringement arising solely from:

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

(ii) modification of the Software by the State without the prior knowledge and approval of Contractor;

unless the claim arose against the Software independently of any of the above specified actions.

27. Damages Disclaimers and Limitations.

27.1 The State's Disclaimer of Damages. THE STATE WILL NOT BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR

SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

27.2 <u>The State's Limitation of Liability</u>. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.

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

28.1 <u>Right of Audit</u>. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to this Contract through the Term of this Contract and for four (4) years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved.

28.2 <u>Right of Inspection</u>. Within ten (10) calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of this Contract must be paid or refunded within forty-five (45) calendar days.

28.3 <u>Application</u>. This **Section 28** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

29. Insurance

29.1 <u>Required Coverage</u>.

(a) **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.

Insurance Type	Additional Requirements

Commercial General Liability Insurance	
Minimal Limits: $1,000,000 Each Occurrence Limit $1,000,000 Personal & Advertising Injury Limit $2,000,000 General Aggregate Limit $2,000,000 Products/Completed Operations Deductible Maximum: $50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Umbrella or Excess Liability Insurance	
Minimal Limits: $5,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds.
Automobile Liability Insurance	
Minimal Limits: $1,000,000 Per Occurrence	
Workers' Compensation Insurance	
Minimal Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimal Limits: $500,000 Each Accident $500,000 Each Employee by Disease $500,000 Aggregate Disease.	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimal Limits:	Contractor must have their policy: (1) endorsed to add "the State of Michigan,

$1,000,000 Each Occurrence $1,000,000 Annual Aggregate	its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> $2,000,000 Each Occurrence $2,000,000 Annual Aggregate <u>Deductible Maximum:</u> $50,000 Per Loss	

(b)   If Contractor's policy contains limits higher than the minimum limits, the State is entitled to coverage to the extent of the higher limits. The minimum limits are not intended, and may not be construed to limit any liability or indemnity of Contractor to any indemnified party or other persons.

(c)   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 work; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the contract of work; and (c) if coverage is canceled or 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.

(d)   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. Failure to maintain the required insurance does not limit this waiver.

29.2 <u>Non-waiver</u>. This **Section 29** 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).

30. Dispute Resolution.

30.1 Unless otherwise specified in the Statement of Work, the parties will endeavor to resolve any Contract dispute in accordance with **Section 30** (the "**Dispute Resolution Procedure**"). The initiating party will reduce its description of the dispute to writing (including all supporting documentation) and deliver it to the responding party's Project Manager. The responding party's Project Manager must respond in writing within five (5) Business Days. The initiating party has five (5) Business Days to review the response. If after such review resolution cannot be reached, both parties will have an additional five (5) Business Days to negotiate in good faith to resolve the dispute. If the dispute cannot be resolved within a total of fifteen (15) Business Days, the parties must submit the dispute to the parties' Contract Administrators. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

30.2 Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' Contract Administrators, and either Contract Administrator concludes that resolution is unlikely, or fails to respond within fifteen (15) Business Days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This **Section 30** does not limit the State's right to terminate this Contract.

30.3 **Extended Purchasing Program.**

(a)   Extended Purchasing. This Contract is extended to MiDEAL members and other states(including governmental subdivisions). A current list of MiDEAL members is available at www.michigan.gov/mideal. MiDEAL members and other states (including governmental subdivisions) may enter into separately negotiated contracts with Contractor, and the State will have no liability to either party.

(b)   Administrative Fee and Reporting. Contractor must pay an administrative fee of 1% to the State on all payments made to Contractor under any extended purchasing contract entered into by Contractor and MiDEAL members and other states (including governmental subdivisions). Administrative fee payments must be made by check payable to the State of Michigan and mailed

31. 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 sent electronically to MiDeal@michigan.gov. The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.**General Provisions**

31.1 <u>Force Majeure.</u>

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

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

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

31.3 <u>Relationship of the Parties</u>. The relationship between the parties is that of independent contractors. Nothing contained in this Contract is to be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party has authority to contract for or bind the other party in any manner whatsoever.

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

31.5 <u>Notices</u>. All notices, requests, consents, claims, demands, waivers and other communications under this Contract must be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this **Section 31.5**):

If to Contractor: 975 Evergreen Circle, The Woodlands, TX 77380-3637

                       Email: bklein@gssmail.com

                       Attention: Barry Klein

If to State: 525 W. Allegan St, Lansing MI 48933

                       Email: regans@michigan.gov

                       Attention: Sean Regan, Contract Administrator

Notices sent in accordance with this **Section 31.5** will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail (with confirmation of transmission), if sent during normal business hours of the recipient, and on the next Business Day, if sent after normal business hours of the recipient; or (d) on the fifth (5th) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

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

31.7 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. The State has the right to terminate this Contract in its entirety or any Services or the Statement of Work, pursuant to **Section 23.1**, if Contractor delegates or otherwise transfers any of its obligations or performance hereunder, whether voluntarily, involuntarily, by operation of law or otherwise, and no such delegation or other transfer will relieve Contractor of any of such obligations or performance. For purposes of the preceding sentence, and without limiting its generality, any merger, consolidation or reorganization involving Contractor (regardless of whether Contractor is a surviving or disappearing entity) will be deemed to be a transfer of rights, obligations, or performance under this Contract for which the State's prior written consent is required. Any purported assignment, delegation, or transfer in violation of this **Section 31.7** is void.

31.8 No Third-party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract.

31.9 Amendment and Modification; Waiver. No amendment to or modification of this Contract is effective unless it is in writing, identified as an amendment to this Contract and signed by both parties Contract Administrator. Further, certain amendments to this Contract may require

State Administrative Board Approval. No waiver by any party of any of the provisions of this Contract will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Contract, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Contract will operate or be construed as a waiver. Nor will any single or partial exercise of any right, remedy, power or privilege under this Contract preclude the exercise of any other right, remedy, power or privilege.

31.10   Severability. If any term or provision of this Contract is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto will negotiate in good faith to modify this Contract so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

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

31.12   Equitable Relief. Each party to this Contract acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Contract may give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto is, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy. Each party to this Contract agrees that such party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this **Section 31.12**.

31.13   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. 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.

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

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

Schedule A	Statement of Work
Schedule B	Service Level Agreement
Schedule C	Data Security Requirements
Schedule D	Disaster Recovery Plan
Schedule E	License Agreement
Schedule F	Pricing

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

31.17   Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to "intellectual property," and all Software and Deliverables are and will be deemed to be "embodiments" of "intellectual property," for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the "**Code**"). If Contractor or its estate becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar Laws with respect to all Software and other Deliverables. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate shall become subject to any bankruptcy or similar proceeding:

(a)   all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor's rejection of this Contract; and

(b)   the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Software or other Deliverables, and the same, if not already in the State's possession, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

31.18   <u>Compliance with Laws</u>. Contractor and its Representatives must comply with all Laws in connection with this Contract.

31.19   <u>Non-Exclusivity</u>. Nothing contained in this Contract is intended nor is to 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 Services from other sources.

31.20   <u>Entire Agreement</u>. This Contract, together with all Schedules, Exhibits, and the Statement of Work constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Contract, the Schedules, Exhibits, and the Statement of Work, the following order of precedence governs: (a) first, this Contract, excluding its Exhibits and Schedules, and the Statement of Work; and (b) second, the Statement of Work as of the Effective Date; and (c) third, the Exhibits and Schedules to this Contract as of the Effective Date. NO TERMS ON CONTRACTORS INVOICES, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, OR DOCUMENTATION HEREUNDER WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

Schedule A
Statement of Work

1. BACKGROUND

Michigan State Industries (MSI) is a Department of Corrections division which provides inmate workers with real-life employment experiences so that they are better equipped upon parole to obtain and retain employment in the community. Employment Experience is one of the prime factors in successful reintegration and vastly reduces the likelihood of recidivism. MSI operates 12 facilities along with a central office and manufactures hundreds of products. MSI sells goods to the following markets: State and Federal government agencies and their subsidiaries, Cities, Counties and Local Municipalities, and Non-Profits (501c3).

MSI is required to comply with all Generally Accepted Accounting Principles (GAAP) while operating in a quasi-government accounting environment, thus necessitating the utilization of an industry-wide ERP system to do all appropriate accounting for all factories and central administration.

2. CONTRACT TERM

The contract overall term is expected to be 3 years with 5, 1-year options.

3. SPECIFIC STANDARDS

IT Policies, Standards and Procedures (PSP)

Contractor has been advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards. All services and products provided as a result of this RFP must comply with all applicable State IT policies and standards. Contractor is required to review all applicable links provided below and state compliance in their response.

IT Policies, Standards and Procedures (PSP). The State has methods, policies, standards and procedures that have been developed over the years. Contractor will provide solutions that conform to State IT policies and standards, as agreed upon in the Contract.

Public IT Policies, Standards and Procedures (PSP):
https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html

Secure Web Application Policy and Standards

Contractor is required to provide Solution that meets the States Secure application development standards also outlined in the controlled PSP's specifically if the solution has web components.

Secure application Development Life Cycle (SADLC)

Contractor is required to meet the States Secure Application Development Life Cycle requirements that includes:

Security Accreditation

Contractor is required to complete the State Security Accreditation process for the solution. Any COTS or custom developed solutions must also complete the State Security Accreditation process.

Application Scanning
Externally hosted solutions

Contractor is required to allow the State to scan the application code or a deployed version or to provide the State a vulnerabilities assessment using a State approved application scanning tool. The scans must be completed and provided to the State on a regular basis or at least for each major release.

For COTS or vendor owned applications, the contractor must provide resources for analysis, remediation and validation of vulnerabilities required by the State Secure Web Application Policy and Standards.

Types of scanning and remediation may include the following types of scans and activities

- Dynamic Scanning for vulnerabilities, analysis, remediation and validation
- Static Scanning for vulnerabilities, analysis, remediation and validation
- Third Party and/or Open Source Scanning for vulnerabilities, analysis, remediation and validation

Infrastructure Scanning

Externally hosted solutions
Hosting Contractors must scan the infrastructure at least every 30 days and provide the assessment to the State in and format that can be uploaded by the State and used to track the remediation

Acceptable Use Policy
To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see
https://www.michigan.gov/documents/dtmb/1340.00.01_Acceptable_Use_of_Information_Technology_Standard_458958_7.pdfl
All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

Look and Feel Standard
All software items provided by the Contractor must adhere to the State of Michigan Application/Site standards which can be found at www.michigan.gov/standards. This is for public applications, which will not apply to this Contract.

Mobile Responsiveness
The Contractor's Solution does utilize responsive design practices to ensure the application is accessible via a mobile device. Contractors must provide a list of all mobile devices that are compatible with the Solution.

ADA Compliance
The State is required to comply with the Americans with Disabilities Act of 1990 (ADA), and has adopted a formal policy regarding accessibility requirements for websites and software applications. The State is requiring that Contractor's Solution, where relevant, to level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0. Contractor may consider, where relevant, the W3C's Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) for non-web software and content. The State may require that the Contractor complete a Voluntary Product Accessibility Template for WCAG 2.0 (WCAG 2.0 VPAT) or other comparable document for the Solution.
http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621

4. USER TYPE AND CAPACITY

Type of User	Access Type	Number of Users	Number of Concurrent Users
State Employees	Read Only	50	15
State Employees	Write Access	40	8
State Employees	Admin Access	10	2

Inmates	Shop Floor Data Collection	600	20

Global Shop Solutions has the experience of supporting other similar Correction Industries with sizes ranging from 20 to 100 concurrent users. Also, Global Shop Solutions supports customers of approximately 200 concurrent users. This system is fully capable of scaling as MSI grows and utilizes the system more.

5. ACCESS CONTROL AND AUDIT
Contractor's solution does support State standard federated single sign on for end user access. The Solution must support multi-factor authentication for privileged/administrative access.

Contractor's solution can support Identity Federation/Single Sign-on (SSO) capabilities using SAML or comparable mechanisms. The Contractor must already have this configured and running.

Based on user security and system setup, users can remote in and manage users and data. A complete audit log is kept. The audit log will user and time stamp any and all changes made.

6. DATA RETENTION
All State Data must be maintained throughout the term of the Contract and for any transition period necessary to securely transfer the data from Contractor to the State.

Global Shop does not have a limit on the length of time data can be stored within the system. Also, data of any range can be exported out at any time.

7. SECURITY
Externally Hosted
The Solution will be storing sensitive data.

Contractor states that with the current Cloud Setup for State Deployments, these security options are maintained:

1. Solution must be hosted at a FedRAMP authorized service provider.
2. Must be encrypted in transit and at rest using AES 256 bit or higher encryption modules.
3. Must be encrypted in transit and at rest using currently certified encryption modules in accordance with FIPS PUB 140-2 (as amended), *Security Requirements for Cryptographic Modules.*
4. Must support NIST compliant multi-factor authentication.
5. Must remain compliant with FISMA and the NIST Special Publication 800.53 (most recent version) MODERATE controls using minimum control values as established in the applicable PSP when published. High controls without published values must meet all applicable federal and SOM requirements

Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all Contractor personnel comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, of which the public ones are available at https://www.michigan.gov/dtmb/0,5552,7-358-82547_56579_56755---,00.html

8. END-USER OPERATING ENVIRONMENT

The State environment is X86 VMware, IBM Power VM and Oracle VM, with supporting enterprise storage monitoring and management.

The software must run under commonly used web browsers. All software items provided by the Contractor must adhere to the State of Michigan Application/Site standards which can be found at www.michigan.gov/standards.
The State has methods, policies, standards and procedures that have been developed over the years. Contractor will provide solutions that conform to State IT policies and standards, as agreed upon in the Contract.

Contractor must support the current and future State standard environment at no additional cost to the State.

Due to the system being launched through a Cloud set up, the mentioned environment will not interfere with the setup of the system. Again, future environments will be supported through the standard Cloud deployment. Any changes and updates are formally communicated through the appropriate contacts in writing. If any plugins are necessary, Global Shop will be able to manage these. Also, changes will be communicated through your designated Global Shop Account Representative and proper implementation members

9. SOFTWARE

Contractor's end-user license agreements that will be required by the State to access the Solution are included in **Schedule E**.

10. SOLUTION REQUIREMENTS
Contractor detailed any configuration changes that will be made to the Solution in order to meet the specifications set forth in Attachment A to the Statement of Work.

Configuration is referred to as a change to the Solution that must be completed by the Contractor prior to Go-Live but allows an IT or non-IT end user to maintain or modify thereafter (i.e. no source code or structural data model modifications occurring).
All configuration changes made during the term of the contract must be forward-compatible with future releases and be fully supported by the awarded Contractor without additional costs.

Global Shop Solutions completes all customizations/configurations through a utility created called the Global Application Builder. Using this utility guarantees forward compatibility.

11. INTEGRATION
The State may evaluate opportunities for integration at a later date. Pricing will be added via a change notice during contract term.

Global Shop Solutions utilizes the Global Application Builder that is also available for customers. This system gives Global Shop the ability to integrate with virtually any system using a standard database. Global Shop has integrated with state Accounting systems, CAD software, Nesting Software, Web Portals, and multiple other systems.

Post implementation of the Contractor's solution, MDOC may work towards data integration between the awarded solution, MDOC and the Statewide Integrated Governmental Management Applications (SIGMA). Pricing will be added via a change notice during contract term.

Through the Global Application builder, either Global Shop or users have the ability to integrate with multiple different systems. The system has the ability to export in all common formats.

System integration will support the following method(s):

- Web Services
- Simple Object Access Protocol (SOAP)
- Open Database Connectivity (ODBC)
- File Transfer Protocol (FTPS)

The solution must be able to export data to the following external source(s):

- Microsoft Office 2003
- Microsoft Office 2010
- Microsoft Office 365
- Adobe
- And any future versions of Microsoft Office

The ability to export data in the following output formats must be available:

- XML
- Text file
- Image files (.jpg, .gif, .bmp)
- Audio files (.mp3, .wav, .wma)
- Word-processing files (.dot, .doc, .dotx, .docx, .rtf)
- Email files (.msg)
- PDF files (.pdf)
- Spreadsheet files (.xls, .xlsx)
- Comma Separated Values (.csv)
- Text files (.txt)
- XML Format files (.xml)
- MPG, WMV, MP4, AVI, FLV

The ability to make use of the following external services must be available:

- State of Michigan Data Exchange Gateway (DEG)
- "Single Sign On" initiative (MI Login)

12. MIGRATION

The system has a Data Conversion Mapper Utility that assists with the data migration procedure. Templates to make the process easier are provided. Global Shop will aid with the process and the State will take ownership over the process. The definition of a successful migration (which will include master file, transactional file, history file, etc..) is to be completely off the legacy system for all factories, implement WIP to achieve GAAP compliance with bar code data collection and paperless shop floor reporting in Bellamy Creek with inmate access to Global Shop.

13. TESTING SERVICES AND ACCEPTANCE

Contractor and MDOC shall develop a comprehensive User Acceptance Testing (UAT) test plan to comprise of the following (See Schedule C Data Security Requirements):

1. UAT test scripts shall include test scenarios encompassing all functional requirements that meet industry standard for acceptable UAT. The scripts are required to be approved by MDOC.

2. Contractor shall provide UAT test environment to test functionality or a pre-production equipment deployment for test purposes.

3. Contractor shall support UAT pre-test training if needed by MDOC and will provide access to MDOC personnel at a time choosing to conduct UAT.

4. System Testing
   a) Full system testing including regression testing of previously implemented phases.
   b) Testing scripts.
   c) Test Plan.
   d) Test Type Approach & Report.
   e) Test Case.
   f) Structured walkthroughs are required for each project deliverable.
   g) Signoffs are required for each phase via Stage Exit Approval.

5. UAT Testing
   a) Full user acceptance testing.
   b) UAT testing scripts that provide continuity of testing detail across test periods.
   c) Requirements traceability matrix showing relationship of test cases to requirements.
   d) Transition plan.
   e) Documentation identifying the fulfillment of each software requirement.
   f) Structured walkthroughs are required for each project deliverable.
   g) Signoffs are required for each phase via Stage Exit Approval.

6. Both parties will be responsible for user acceptance testing of the proposed Solution. The Contractor's Solution will not be considered accepted until all user acceptance testing is completed and the results have been confirmed by the State.

7. If UAT is deemed not acceptable by the State of Michigan, all rework will be a shared responsibility by the Contractor and State. If rework is deemed responsible of the contractor, there will be no additional cost to the State. If rework due to software related issues, Contractor will be responsible for rework without consuming additional consulting time.

8. The State and Contractor agree that migration was deemed successful.

14. TRAINING SERVICES

The Contractor must provide administration and end-user training for implementation, go-live support, and transition to customer self-sufficiency.
The Contractor must provide a training plan for go-live support and transition to self-support, including options and details such as:
- the number of dedicated personnel,
- staff location,
- hours available and

- duration of go-live support.

Training is conducted by:
- GSS University – Classroom training conducted at Global Shop Solutions Head Quarters in The Woodlands, TX
    a. Global Shop to provide "boot camp" training at MSI facility on an agreed upon date
- Certifications are available upon completion of the Boot Camp class.
- In person and on site at MSI facilities with project process champions and end users
- Live virtual training using WebEx or Citrix GoTo Meeting
  Recorded FastTrain ™ videos available during implementation and post implementation

Live Friday Features ™ webinars hosted by GSS CEO. When being hosted by GSS, they are of no additional cost to the State.
- Power Up Your ERP ™ traveling presentations by GSS
- Advanced User Training – in depth group training sessions held at GSS headquarters
- On-site training and consulting is documented using GSS PDT (process documentation and training) software. Proprietary recording software built into Global Shop Solutions ERP that records the process in detail including screens, field clicks and notes specific to a menu and process.
- All leads and team members on the project team have a background in manufacturing, manufacturing accounting, correctional industries or a combination of both. This background is the foundation GSS build on when developing trainers and consultants.

Contractor must provide details on, and examples of, clearly written instructions and documentation to enable State administrators and end-users to successfully operate the Solution without needing to bring in additional Contractor support. Training modules should also include introductory training for functionality for new modules including but not limited to advanced manufacturing planning (which includes Material Resource Planning, Capacity Requirements Planning, forecasting, Supply Chain Management and Master Production Schedule Planning).

15. HOSTING
Contractor must maintain and operate a backup and disaster recovery plan to achieve a Recovery Point Objective (RPO) of 24 hours, and a Recovery Time Objective (RTO) of 24 hours.

16. SUPPORT AND OPERATIONS
Support Hours
The State requires the Contractor to provide Support Hours as 7:00 a.m. to 3:00 p.m. Central, Monday thru Friday. Global Shop provides 24/7, 365 days of online support.

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

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

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

18. TRANSITION SERVICES

Upon termination or expiration of the agreement, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the agreement to continue without interruption or adverse effect, and to facilitate the orderly transfer of the services to the State or its designees. Such transition assistance may include but is not limited to: (a) continuing to perform the services at the established rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable services 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 (in a format specified by the State) to the State all data stored in the solution; and (d) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

Contractor to provide a detailed transition-in and transition-out plan, at the request of the State, including any roles or responsibilities expected of the State. The plan must adequately demonstrate the steps to migrate between Contractor's solution and internal or third-party solutions. Time for these services will be billed at consulting rates established in this Contract

19. PRODUCTS AND SERVICES

Contractor must describe additional Solution functionality, products/hardware or services that the State specifications do not address but are necessary to implement and support this solution.

Barcoding will be needed for implementation of these features along with all needed infrastructure and professional services for shop floor data collection (Wi-Fi, access points, etc…). Below is a list of recommended hardware and model numbers:
- Barcode Basic Scanner LI2208
- Mobile Computer Barcode Scanner MC92N0
- Basic Barcode Printer Zebra GX42
- Midrange Thermal Printer ZT230
- Industrial Printer MX640
- Portable Barcode Printer Zebra QLN420

If the pricing of barcoding equipment under this contract does not align to equipment prices on the open market, the State reserves the option to purchase the equivalent equipment from other sources.

Contract price includes integration of shop floor data collection.

20. CONTRACTOR KEY PERSONNEL

Contractor resources and responsibilities required for the successful implementation and ongoing support of the Solution.

Lead Subject Matter Expert. Contractor must identify the individual appointed by it to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

Contractor
Name: Jan Ortiz
Address: 975 Evergreen Circle The Woodlands, TX 77380
Phone:
Email: jortiz@gssmail.com

Lead Trainer. Contractor must identify the individual appointed by it to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

Contractor
Name: Martin Thomas **Address: 975 Evergreen Circle The** **Woodlands, TX 77380** **Phone:** **Email: mthomas@gssmail.com**

Contractor Project Manager. Contractor must identify the Contractor Project Manager who will serve as the primary contact with regard to services who will have the authority to act on behalf of the Contractor in matters pertaining to the implementation services.

Contractor
Name: Jill Long **Address: 975 Evergreen Circle The** **Woodlands, TX 77380** **Phone:** **Email: jlong@gssmail.com**

Please list contact information for the following titles: These are not defined as key personnel
- Security Officer: Chris Pinaire- cpinnaire@gssmail.com
- Contract Administrator: Barry Klein- bklein@gssmail.com
- Service Manager- George Thuo- gthuo@gssmail.com
- Escalation Resource: Nick Knight - nknight@gssmail.com

21. STATE RESOURCES/ RESPONSIBILITIES
The State will provide the following resources as part of the implementation and ongoing support of the Solution.

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

State Project Manager. The State Project Manager will serve as the primary contact with regard to implementation Services who will have the authority to act on behalf of the State in approving Deliverables, and day to day activities.

Agency Program Owner. The Agency Business Owner will serve as the primary contact for the business area with regard to business advisement who will have the authority to act on behalf of the State in matters pertaining to the business Specifications.

State Technical Lead. The State Technical Lead will serve as the primary contact with regard to technical advisement.

Contract Monitor/Manager. The MDOC has developed a contract monitoring unit known as the Procurement, Monitoring, and Compliance Division (PMCD). This unit has oversight for the Department's contracts and ensures that the Contractor is delivering services according to the contract requirements. The Contract Monitor or designee will serve as the lead for all contract related issues, and will lead in facilitating kickoff meetings, determining service level agreements, overseeing the transition timeline and working with the MDOC program staff to ensure the contractual requirements are being met. A contract monitor will be assigned to monitor the

Contract(s), and as part of his or her role they will conduct regular monitoring of all Contract related activities.

22. MEETINGS
The Contractor must attend the following meetings at no additional cost to the State.

At the start of the engagement, the MDOC's Procurement, Monitoring, and Contract Compliance Division will facilitate a project kick-off meeting to review the approach to accomplishing the project, schedule tasks and identify related timing, and identify any risks or issues related to the planned approach. From project kick-off until final acceptance and go-live, Contractor Project Manager must facilitate meetings every two weeks (or more if determined necessary by the parties) to provide updates on implementation progress. Following go-live, Contractor must facilitate monthly meetings (or more or less if determined necessary by the parties) to ensure ongoing support success. This service past go-live will require on-going Project Management fees. The monthly meetings can be held with the Account Representative, at no additional cost.

23. PROJECT REPORTS
Once the Project Kick-Off meeting has occurred, the Contractor Project Manager will monitor project implementation progress and report on a bi-weekly basis to the State's Project Manager the following:
- Progress to complete milestones, comparing forecasted completion dates to planned and actual completion dates
- Accomplishments during the reporting period
- Tasks planned for the next reporting period
- Identify any existing issues which are impacting the project and the steps being taken to address those issues
- Identify any new risks and describe progress in mitigating high impact/high probability risks previously identified

Full implementation plan with milestones, tasks and any other pertinent implementation information is created and provided through "Smart Sheets".

24. MILESTONES AND DELIVERABLES
The State's proposed milestone schedule and associated deliverables are set forth below. The Milestone is eligible for payment after the State's review and the (Program Manager and PMCD Administrator's written acceptance.

Milestone Event	Associated Milestone Deliverable(s)	Schedule
Project Planning	Initial Implementation Document that is accepted by the State of Michigan. AWS needs to be setup and the State project team must have access.	Contract Execution + 30 calendar days
Core Implementation Training	Boot camp at Woodlands or boot camp at MSI	Execution + 30 calendar days
Requirements and Design Validation	Validation sessions (conference room pilot), Final Requirement Validation Document, Final Design Document (system architecture), Final Implementation Document (schedule),	Execution + 90 calendar days
Migration	All identified master, transaction, history files are fully migrated into Global Shop software	Execution + 120 calendar days

Configuration of software	Final Solution and Testing Document that is accepted by the State of Michigan	Execution + 180 calendar days
Testing and Acceptance	Final Test Results Report, Final Training Documentation, Final Acceptance of Implementation that is accepted by the State of Michigan	Execution+210calendar days
Production Support Services	Ongoing after Final Acceptance that is accepted by the State of Michigan	Ongoing

Implementation Plan
Contractor to provide a base line implementation plan within 15 days of contract finalization including but not limited to:
- Contractor's responsibilities
- State Responsibilities
- State Resources
- Steps and Timeframes (Timeframes need to be realistic and achievable based on your resources)
- Escalation Process and Tracking
- Methodology
    o Ex: As is, GAAP analysis, Conference Room Pilot, Go, No Go
- User Acceptance Testing
- Education and Training
- The State prefers a cutover of all locations at one time
- The State reserves the right to prioritize the current software functionality during implementation before implementing other features.

The State will review and approve the proposed implementation plan within 10 days of receiving the documentation. MDOC understands the scope of the initial, baseline implementation plan will change as the project moves forward.

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

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

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

SUITE Documentation
The State has approved of Global Shop's proposed Project Management methodology, which is an equivalent methodology to the SUITE documentation.

SUITE's primary goal is the delivery of on-time, on-budget, quality systems that meet customer expectations. SUITE is based on industry best practices, including those identified in the Project Management Institute's PMBoK and the Capability Maturity Model Integration for Development. It was designed and implemented to standardize methodologies, processes, procedures, training, and tools for project management and systems development lifecycle management. It offers

guidance for efficient, effective improvement across multiple process disciplines in the organization, improvements to best practices incorporated from earlier models, and a common, integrated vision of improvement for all project and system related elements.

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

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

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

See Schedule F for more detail on pricing.

Travel and Expenses
The State does not pay for overtime or travel expenses. Each day of Onsite Consulting shall be defined as 8 hours of working time, this time excludes a lunch period.

26. VENDOR HANDBOOK
The Contractor will require all its employees working inside a MDOC correctional facility, to read and sign the MDOC Vendor Handbook upon award of Contract. The purpose of the MDOC Vendor Handbook is to provide the Contractor with general information regarding basic requirements of working within the MDOC, provide notice of work rules and consequences of rule violations. The awarded Contractor must provide copies of each signed Employee Acknowledgement to the MDOC Program Manager, at the completion of the employee's orientation.

27. PREA - Prison Rape Elimination Act of 2003 (PREA), 42 U.S.C. § 15601

1. The Contractor and the Contractor Personnel shall comply with the Final Rule implementing PREA, all applicable PREA standards and the agency's policies. The Contractor and Contractor Personnel shall make itself familiar with and at all times shall observe and comply with all PREA regulations that in any manner affect the performance under this Contract. Failure to comply with the PREA standards and related polices of the MDOC will be considered a breach of contract and may result in termination of the contract.

2. Contract Personnel who may have contact with prisoners must complete PREA training Program A - Correctional Facilities Administration (CFA) Security Regulations prior to entrance in any MDOC Facility. Upon completion, Contractor Personnel shall submit a signed memorandum to the Contract Administrator documenting completion of the training and date of completion.

3. As is deemed necessary, the MDOC Contract Monitor or Program Manager will provide the Contractor with current copies of all PREA documents via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor must comply with all documentation provided. The Program Manager will

provide updated editions of the PREA Manual to the Contractor, throughout the contract term. The State reserves the right to require new signed Acknowledgements.

28. FACILITY SECURITY

The Contractor will be subject to the following security procedures:

1. All Contractor staff working on the Contract must undergo a security and background check, to include at a minimum ICHAT http://apps.michigan.gov/ichat/home.aspx, to be performed by the Contractor at its expense.

2. Due to Contractor staff having access to work with offenders (prisoners, parolees, probationers), the Contractor and subcontractor must complete the Law Enforcement Information Network (LEIN) Information Form providing the necessary information for those employees working under the Contract that provide direct services, handle or may have access to offender records, or provide supervisory services to staff performing any of the previously identified functions. The LEINs must be conducted to ensure staff working under the Contract have no outstanding warrants, no active personal protection orders for domestic violence, are not currently on probation or parole, or otherwise under the jurisdiction of any federal, State, county or local criminal justice agency, for a minimum of two years. The LEIN Information Form must be sent to the MDOC Program Manager prior to staff working with MDOC offenders and yearly following approval.

   In Addition, if an employee of the Contractor or subcontractor has a conviction for any of the following, they may not be permitted to enter any MDOC facility which houses prisoners:

   a. Engaging in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility or other institution (as defined in 42 U.S.C. 1997);
   b. Been convicted of engaging in, attempting to engage in or conspiracy to engage in sexual activity facilitated by force, overt or implied threats of force or coercion, or if the victim did not consent or was unable to consent or refuse; or
   c. Been civilly or administratively adjudicated to have engaged in the activity described in Number 2 above.

3. The awarded Contractor's and subcontractor's staff may be required to complete and submit an RI-8 Fingerprint Card for Finger Print Checks to the State-MDOC.

4. The Contractor must anticipate delays when visiting any facility due to issues within that facility.

5. All vehicles entering a State-MDOC correctional facility must be inspected before entry of the secure perimeter.

6. The State-MDOC reserves the right to deny access to any facility to any Contractor(s)/ subcontractor(s) staff members who fails to comply with any applicable State, Federal or local law, ordinance or regulation or whose presence may compromise the security of the facility, its members or staff.

7. All drug, alcohol, tobacco products, cellular devices, smart watches, ipads, computers, weapons, fireworks and explosives are prohibited at all correctional facilities.

8. Contractor(s) that come into the Administration Building of a correctional facility will need to secure their cellular devices and personal tobacco products in their locked vehicle prior

to entrance. If the Contractor arrives with such products, the Contractor will be requested to return them to their locked/secured motor vehicle.

9. The State-MDOC may require the Contractor's personnel to wear State-MDOC issued identification badges.

10. The Contractor's staff may be required to enter State-MDOC facilities. Global Shop employees that will be required to enter State Facilities will offer multiple forms of identification including ID badge and DL. Discussion on background checks will be had with Project Manager to ensure the requirements are obtained.

29. ADDITONAL INFORMATION

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

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

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

"**Availability**" has the meaning set forth in **Section 4(a)**.

"**Availability Requirement**" has the meaning set forth in **Section 4(a)**.

"**Available**" has the meaning set forth in **Section 4(a)**.

"**Contractor Service Manager**" has the meaning set forth in **Section 3.1**.

"**Corrective Action Plan**" has the meaning set forth in **Section 5.5**.

"**Critical Service Error**" has the meaning set forth in **Section 5.4(a)**.

"**Exceptions**" has the meaning set forth in **Section 4.2**.

"**Force Majeure Event**" has the meaning set forth in **Section 6.1**.

"**High Service Error**" has the meaning set forth in **Section 5.4(a)**.

"**Hosted Services**" has the meaning set forth in **Section 2.1(a)**.

"**Low Service Error**" has the meaning set forth in **Section 5.4(a)**.

"**Medium Service Error**" has the meaning set forth in **Section 5.4(a)**.

"**Resolve**" has the meaning set forth in **Section 5.4(b)**.

"**Scheduled Downtime**" has the meaning set forth in **Section 4.3**.

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

"**Service Availability Credits**" has the meaning set forth in **Section 4.6(a)**.

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

"**Service Level Credits**" has the meaning set forth in **Section 1.1**.

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

"**Service Period**" has the meaning set forth in **Section 4(a)**.

"**Software**" has the meaning set forth in the Contract.

"**Software Support Services**" has the meaning set forth in **Section 5**.

"**State Service Manager**" has the meaning set forth in **Section 3.2**.

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

"**Support Request**" has the meaning set forth in **Section 5.4(a)**.

"**Support Service Level Requirements**" has the meaning set forth in **Section 5.4**.

"**Term**" has the meaning set forth in the Contract.

2. Services.

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

(a)   the hosting, management and operation of the Software and other services for remote electronic access and use by the State and its Authorized Users ("**Hosted Services**");

(b)   the Software Support Services set forth in **Section 5** of this Schedule;

3. Personnel

3.1   Contractor Personnel for the Hosted Services. Contractor will appoint a Contractor employee to serve as a primary contact with respect to the Services who will have the authority to act on behalf of Contractor in matters pertaining to the receipt and processing of Support Requests and the Software Support Services (the "**Contractor Service Manager**"). The Contractor Service Manager will be considered Key Personnel under the Contract.

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

4. Service Availability and Service Availability Credits.

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

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

(a)   failures of the State's or its Authorized Users' internet connectivity;

(b)   Scheduled Downtime as set forth in **Section 4.3**.

4.3   Scheduled Downtime. Contractor must notify the State at least forty-eight (48) hours in advance of all scheduled outages of the Hosted Services in whole or in part ("**Scheduled Downtime**"). All such scheduled outages will: (a) last no longer than five (5) hours; (b) be scheduled between the hours of 11:00 p.m. and 4:00 a.m., Eastern Time; and (c) occur no more frequently than once per week; provided that Contractor may request the State to approve extensions of Scheduled Downtime above five (5) hours, and such approval by the State may not be unreasonably withheld or delayed.

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

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

4.6   Remedies for Service Availability Failures.

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

Availability	Credit of Fees
≥99.98%	None
<99.98% but ≥99.0%	15%
<99.0% but ≥95.0%	50%
<95.0%	100%

(b)   Any Service Availability Credits due under this **Section 4.6** will be applied in accordance with payment terms of the Contract.

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

(d)   For any Service Level Agreement, extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State. Payments made directly to the State shall be completed within 10 days upon demand.

5.   Support and Maintenance Services. Contractor will provide Hosted Service maintenance and support services (collectively, "**Software Support Services**") in accordance with the provisions of this **Section 5**.

5.1   Support Service Responsibilities. Contractor will:

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

(b)   provide unlimited telephone support 7:00 a.m. to 3:00 p.m. Central, Monday thru Friday, except for nationally observed holidays.

(c)   provide unlimited online support 24 hours a day, seven days a week;

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

(e)   respond to and Resolve Support Requests as specified in this **Section 5**.

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

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

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

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

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

(ii)   if Contractor's facility check in accordance with clause (i) above confirms a Hosted Service outage in whole or in part: (A) notifying the State in writing pursuant to the procedures set forth herein that an outage has occurred, providing such details as may be available,

including a Contractor trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and caused by the outage until they are Resolved as Critical Service Errors in accordance with the Support Request Classification set forth in **Section 5.4**, or, if determined to be an internet provider problem, open a trouble ticket with the internet provider; and

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

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

(a) all updates, bug fixes, enhancements, Maintenance Releases, New Versions and other improvements to the Hosted Services, including the Software, that Contractor provides at no additional charge to its other similarly situated customers; provided that Contractor shall consult with the State and is required to receive State approval prior to modifying or upgrading Hosted Services, including Maintenance Releases and New Versions of Software; and

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

5.4 <u>Support Service Level Requirements</u>. Contractor will correct all Service Errors and respond to and Resolve all Support Requests in accordance with the required times and other terms and conditions set forth in this **Section 5.4** ("**Support Service Level Requirements**"), and the Contract.

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

Support Request Classification	Description: Any Service Error Comprising or Causing any of the Following Events or Effects
Critical Service Error	• Issue affecting entire system or single critical production function; • System down or operating in materially degraded state; • Data integrity at risk;

	• Widespread access interruptions.
High Service Error	• Primary component failure that materially impairs its performance including software issues which prevent shipping, issuing material, WIP or generating the Open ; or • Data entry or access is materially impaired on a limited basis.
Medium Service Error	• Hosted Service is operating with minor issues that can be addressed with an acceptable (as determined by the State) temporary work around.
Low Service Error	• Request for assistance, information, or services that are routine in nature.

Response and Resolution Time Service Levels. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (i) responded to, in the case of response time and (ii) Resolved such Support Request, in the case of Resolution time. "Resolve" (including "Resolved", "Resolution" and correlative capitalized terms) means that, as to any Service Error, Contractor has provided the State the corresponding Service Error correction and the State has confirmed such correction and its acceptance thereof. Contractor will respond to and Resolve all Service Errors within the following times based on the severity of the Service Error: Response and Resolution times will be measured based upon the current, standard support hours which are 7:00 AM to 3:00 PM Central Standard Time (CST) or 8:00 AM to 4:00 PM Eastern Standard Time (EST). Critical and High-level Service Errors may be placed outside of standard support hours 24/7 via telephone only. The Contractor will respond to and attempt to resolve all Critical and High-level Service calls placed outside of standard support hours. The Contractor will continue to work to resolve any Critical or High-level Service issues placed during standard support hours which remain unresolved past 3:00 PM CST or 4:00 PM EST. Critical Service Level Errors that are reported within the standard support hours must be resolved within three hours even if that extends beyond the standard support hours. Failure to rectify the Critical Service Error within three hours after being reported during standard support hours may result in an assessment of credits. For High-level Service Errors, the countable hours for resolution time are the standard support hours of 7:00 AM – 3:00 PM CST or 8:00 AM – 4:00 PM EST.

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

			Corresponding Response Time)	**Corresponding Required Resolution Time)**
Critical Service Error	One (1) hour	Three (3) hours	Three percent (3%) of the Fees for the month in which the initial Service Level Failure begins and three percent (3%) of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the required response time.	Three percent (3%) of the Fees for the month in which the initial Service Level Failure begins and three percent (3%) of such monthly Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-Resolved and incremental 3% will be added on for each one-hour increment without resolution.
High Service Error	Two (2) hours	Six (6) hours	Two percent (2%) of the Fees for the month in which the initial Service Level Failure begins and two percent (2%) of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to within the	Two percent (2%) of the Fees for the month in which the initial Service Level Failure begins and two percent (2%) of such monthly Fees for the first additional hour or portion thereof that the corresponding Service Error remains un-

			required response time.	Resolved and incremental 2% will be added on for each one-hour increment without resolution.
Medium Service Error	Three (3) hours	Two (2) Business Days	N/A	N/A
Low Service Error	Three (3) hours	Five (5) Business Days	N/A	N/A

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

5.5   Support Service Level Credits. Failure to achieve any of the Support Service Level Requirements for Critical and High Service Errors will constitute a Service Level Failure for which Contractor will issue to the State the corresponding service credits set forth in **Section 5.4(b)** ("**Service Level Credits**") in accordance with payment terms set forth in the Contract.

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

5.7   Additional Remedies for Service Level Failures. Contractor's repeated failure to meet the Support Service Level Requirements for any Critical Service Errors or High Service Errors, or any combination of such Errors, within the applicable Resolution time will constitute a material breach under the Contract. Without limiting the State's right to receive Service Level Credits, the State may terminate the Contract for cause in accordance with terms of the Contract.

5.8   For any Service Level Agreement, extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State. Payments made directly to the State shall be completed within 10 days upon demand.

6.   Force Majeure.

6.1   Force Majeure Events. Subject to **Section 6.3**, neither party will be liable or responsible to the other party, or be deemed to have defaulted under or breached the Contract, for any failure or delay in fulfilling or performing any term hereof, when and to the extent such failure or delay is caused by: acts of God, flood, fire or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of the Contract, national or regional emergency, or any passage of law or governmental order, rule, regulation or direction, or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a "**Force Majeure Event**"), in each case provided that: (a) such event is outside the reasonable control of the affected party; (b) the affected party gives prompt written notice to the other party, stating the period of time the occurrence is expected to continue; (c) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

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

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

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

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

(ii)   the delay or failure of any Contractor Personnel to perform any obligation of Contractor hereunder unless such delay or failure to perform is itself by reason of a Force Majeure Event.

(b)   no Force Majeure Event modifies or excuses Contractor's obligations under **Sections 19** (State Data), **20** (Confidentiality), or **27** (Indemnification) of the Contract, **Section 7.** (Disaster Recovery and Backup) of this Schedule, the Availability Requirement defined in this Schedule, or any security requirements under the Contract, the Statement of Work, or applicable Schedule.

7.   Disaster Recovery and Backup. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will:

(a)   maintain and operate a backup and disaster recovery plan to achieve a Recovery Point Objective (RPO) of 24 hours, and a Recovery Time Objective (RTO) of 24 hours (the "**DR Plan**"), and implement such DR Plan in the event of any unplanned interruption of the Hosted Services. Contractor's current DR Plan, revision history, and any reports or summaries relating to past testing of or pursuant to the DR Plan are attached as **Schedule D**. Contractor will actively test, review and update the DR Plan on at least an annual basis using industry best practices as guidance. Contractor will provide the State with copies of all such updates to the Plan within fifteen (15) days of its adoption by Contractor. All updates to the DR Plan are subject to the requirements of this **Section 7**;

(b)   provide the State with copies of all reports resulting from any testing of or pursuant to the DR Plan promptly after Contractor's receipt or preparation. If Contractor fails to reinstate all material Hosted Services within the periods of time set forth in the DR Plan, the State may, in addition to any other remedies available under this Contract, in its sole discretion, immediately terminate this Contract as a non-curable default; and

(c)   maintain any additional backup requirements set forth in the Statement of Work.

SCHEDULE C
Data Security Requirements

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

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

"**Contractor Systems**" has the meaning set forth in Section 5 of this Schedule.

"**FISMA**" means The Federal Information Security Management Act of 2002 (44 U.S.C. ch. 35, subch. III § 3541 et seq.).

"**Hosted Services**" means the hosting, management and operation of the computing hardware, ancillary equipment, Software, firmware, data, other services (including support services), and related resources for remote electronic access and use by the State and its Authorized Users, including any services and facilities related to disaster recovery obligations.

"**NIST**" means the National Institute of Standards and Technology.

"**PSP**" means the State's IT Policies, Standards and Procedures.

2.   Contractor will appoint a Contractor employee to respond to the State's inquiries regarding the security of the Contractor Systems who has sufficient knowledge of the security of the Contractor Systems and the authority to act on behalf of Contractor in matters pertaining thereto ("**Contractor Security Officer**"). The Contractor Security Officer will be considered Key Personnel under the Contract.

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

3.1   maintain FedRAMP authorization for the Hosted Services throughout the Term, and in the event Contractor fails to maintain FedRAMP certification during the Term, the State reserves the right, at its sole election to: a) move the Software to the provider of its choosing at the sole cost and expense of the Contractor, including but not limited to, administrative costs and transition costs; or b) elect to terminate the Contract for cause;

3.2   ensure that the Software is securely hosted, supported, administered, and accessed in a data center that resides in the continental United States, and minimally meets Uptime Institute Tier 3 standards (www.uptimeinstitute.com), or its equivalent;

3.3   maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State's Confidential Information that comply with the requirements of the State's data security policies as set forth in the Contract, and must, at a minimum, remain compliant with FISMA and NIST Special Publication 800.53 (most recent version) MOD Controls using minimum control values as established in the applicable SOM PSP's;

3.4   provide technical and organizational safeguards against accidental, unlawful or unauthorized access to or use, destruction, loss, alteration, disclosure, transfer, commingling or processing of such information that ensure a level of security appropriate to the risks presented by the processing of the State's Confidential Information and the nature of such Confidential Information, consistent with best industry practice and standards;

3.5   take all reasonable measures to:

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

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

3.6   ensure that State Data is encrypted in transit and at rest using AES 256bit or higher encryption; Must be encrypted in transit and at rest using currently certified encryption modules in accordance with FIPS PUB 140-2 (as amended), *Security Requirements for Cryptographic Modules.*

3.7   ensure the Hosted Services support Identity Federation/Single Sign-on (SSO) capabilities using OKTA or comparable mechanisms;

3.8   ensure the Hosted Services have multi-factor authentication for privileged/administrative access; and

3.9   assist the State with its security accreditation process through the development, completion and ongoing updating of a system security plan using the State's automated governance, risk and compliance (GRC) platform, and implement any required safeguards or remediate any security vulnerabilities as identified by the results of the State's security accreditation process.

4.   **Unauthorized Access**. Contractor may not access, and shall not permit any access to, State systems, in whole or in part, whether through Contractor's Systems or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this Section 4. All State-authorized connectivity or attempted connectivity to State systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to Contractor from time to time.

5.   **Contractor Systems**. Contractor will be solely responsible for the information technology infrastructure, including all computers, software, databases, electronic systems (including database management systems) and networks used by or for Contractor in connection with the Services ("**Contractor Systems**") and shall prevent unauthorized access to State systems through the Contractor Systems.

6.   **Security Audits**. During the Term, Contractor will:

6.1   maintain complete and accurate records relating to its data protection practices, IT security controls, and the security logs of any of the State's Confidential Information, including any backup, disaster recovery or other policies, practices or procedures relating to the State's Confidential Information and any other information relevant to its compliance with this Schedule;

6.2   upon the State's request, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least five (5) Business Days prior notice of any such audit; (ii) undertakes such audit no more than once per calendar year, except for good cause shown; and (iii) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations and that complies with the terms and conditions of all data confidentiality, ownership, privacy, security and restricted use provisions of the Contract. The State may, but is not obligated to, perform such security audits, which shall, at the State's option and request, include penetration and security tests, of any and all Contractor Systems and their housing facilities and operating environments; and

6.3   if requested by the State, provide a copy or a review of the Contractor's FedRAMP System Security Plan. The System Security Plan will be recognized as Contractor's Confidential Information.

7.   **Nonexclusive Remedy for Security Breach**. Any failure of the Services to meet the requirements of this Schedule with respect to the security of any State Data or other Confidential Information of the State, including any related backup, disaster recovery or other policies, practices or procedures, is a material breach of the Contract for which the State, at its option, may terminate the Contract immediately upon written notice to

Contractor without any notice or cure period, and Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

8.   **PCI Compliance**.

8.1   Contractors that process, transmit, store or affect the security of credit/debit cardholder data, must adhere to the Payment Card Industry Data Security Standard (PCI DSS). The Contractor is responsible for the security of cardholder data in its possession. The data may only be used to assist the State or for other uses specifically authorized by law.

8.2   The Contractor must notify the State's Contract Administrator (within 48 hours of discovery) of any breaches in security where cardholder data has been compromised.   In that event, the Contractor must provide full cooperation to the card associations (e.g. Visa, MasterCard, and Discover) and state acquirer representative(s), or a PCI approved third party, to conduct a thorough security review. The Contractor must provide, at the request of the State, the results of such third party security review. The review must validate compliance with the PCI Data Security Standard for protecting cardholder data. At the State's sole discretion, the State may perform its own security review, either by itself or through a PCI approved third party.

8.3   The Contractor is responsible for all costs incurred as the result of the breach. Costs may include, but are not limited to, fines/fees for non-compliance, card reissuance, credit monitoring, and any costs associated with a card association, PCI approved third party, or State initiated security review.

8.4   Without limiting Contractor's obligations of indemnification as further described in this Contract, Contractor must indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the breach.

8.5   The Contractor must dispose of cardholder data when it is no longer needed in compliance with PCI DSS policy. The Contractor must continue to treat cardholder data as confidential upon contract termination.

8.6   The Contractor must provide the State's Contract Administrator with an annual Attestation of Compliance (AOC) or a Report on Compliance (ROC) showing the contractor is in compliance with the PCI Data Security Standard. The Contractor must notify the State's Contract Administrator of all failures to comply with the PCI Data Security Standard.

8.7   **CEPAS Electronic Receipt Processing Standard**. All electronic commerce applications that allow for electronic receipt of credit or debit card and electronic check transactions must be processed via the State's Centralized Electronic Payment Authorization System (CEPAS). To minimize the risk to the State, full credit/debit card numbers, sensitive authentication data, and full bank account information must never be stored on state-owned IT resources

SCHEDULE D
Disaster Recovery Plan

Even the most robust systems need to be backed up in order to be restored in the event of failure. GSS Cloud environments are automatically backed up each night during a period of low system use. Additionally, a cross-region backup occurs every second nightly backup across multiple geographically diverse regions in the US for Disaster Recovery purposes. This ensures business continuity in the event of catastrophic disasters that effect a large region. The retention policy for environment backups are 30 days. Additionally, more granular ERP data snapshots are taken during the day to provide granular file recovery should a specific file need to be restored without restoring the entire environment.

SCHEDULE E
Global Shop Solutions, Inc. Software License Agreement

For purposes of this Schedule, all initial capitalized terms in this Schedule that are not defined in this Schedule shall have the respective meanings given to them in the Contract.

This license agreement ("Agreement") is between Contractor ("Global Shop") and _____
_____the State_____ ("Customer") for the Global Shop Solutions™ software ("Software Product"), which includes computer software in object code and executable form only, all upgrades and supplements thereto supplied by Global Shop during the Contract Term, all permitted copies (including production, development and testing) of the foregoing, and associated media ("Software"), and associated printed materials and "online" or electronic documentation ("Software Documentation"). By executing this Contract which includes this Agreement, Customer agrees to be bound by the terms of this Agreement.

1. Subject to the terms and conditions of this Agreement, Global Shop grants to Customer a non-exclusive and non-transferable (except to other State departments, agencies or bureaus pursuant to executive orders or legislative action) perpetual license for the Software.

2. **THIS PARAGRAPH CONTAINS ADDITIONAL TERMS APPLICABLE ONLY TO CUSTOMERS RUNNING THE SOFTWARE ON PREMISE AND NOT IN A GLOBAL SHOP HOSTED ENVIRONMENT.**

    A. Customer may use one copy of the Software Product on each of Customer's central processing units or network file servers (each, a "Server") and to use one copy of the Software Product on each of the Customer's computers, workstations, or other electronic devices for which the Software Product was designed (each, a "Client Device").

    B. The Software Product is "in use" on a computer when it is loaded into the temporary memory (i.e., random-access memory or RAM) or installed into the permanent memory (e.g., hard disk, CD-ROM disc, or other storage device) of that Server or Client Device.

    C. Customer may use the Software Product on a Client Device or on a Server within a multi-user or networked environment for connecting, directly or indirectly, in any event to not more than the maximum number of specified concurrent users.

    D. Customer may make, use and install as many additional copies of the Software Product on the number of Client Devices as required, but only so long as the specified number of concurrent users is not exceeded.

    E. For purposes of backup or archival use only, this license authorizes Customer to make one copy of the Software with respect to the CPU or server at the specified site address, and one copy of the Software for Client Devices.

3. Global Shop may terminate the Agreement in the event Customer breaches any material obligations under this Agreement.

4. The Software Product is protected by United States copyright laws and international treaty provisions. Customer acknowledges and agrees that Global Shop exclusively owns and retains all right, title and interest in and to the Software Product, including all copyrights, patents, trade secret rights, trademarks and other intellectual property rights therein. Customer further acknowledges and agrees that the Software Product contains proprietary and confidential information which constitutes a valuable trade secret of Global Shop. Except as provided by law, Customer may not disclose or make available to third parties other than Customer's employees who require access to perform their tasks the Software Product or any portion thereof without Global Shop's prior written consent. Customer agrees that any copies of the Software and Software Documentation will contain the same proprietary notices that appear on and in the Software and Software Documentation.

5. **LIMITED WARRANTY**

    A. LIMITED WARRANTY. In addition to the warranties contained in Section 25.3 of the Contract, Global Shop warrants that (i) each Software Product will perform substantially in accordance with the accompanying Software Documentation for a period of one (1) year after the date of receipt.

    B. CUSTOMER REMEDIES. Global Shop's entire liability, and Customer's exclusive remedy for breach of the warranty that the Software Product will perform in accordance with the Software Documentation, shall be, at Global Shop's option, either (i) return of the price paid including prepaid maintenance and support fees, if any, or (ii) repair or replacement of the Software Product that does not meet Global Shop's Limited Warranty and that is returned to Global Shop. Any replacement Software

Product will be warranted for the remainder of the original warranty period or thirty (30) days, whichever is longer.

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

C.   LIMITATION OF LIABILITY. To the maximum extent permitted by applicable law, in no event shall Global Shop be liable for any special, incidental, indirect or consequential damages whatsoever (including without limitation, damages for loss of business profits, business interruption, and loss of business information,) arising out of or relating to this Software Product license, even if Global Shop has been advised of the possibility of such damages. In any case, Global Shop's entire liability under any provision of this Software Product license shall be limited to the amount actually paid by customer for all the Software Products licensed under this Contract including prepaid maintenance and support fees. This paragraph shall not apply to the following: 1) Global Shop's indemnification obligations under Section 26 of the Contract; and 2) Global Shop's data loss obligations under Section 20.3 of the Contract

6.   The application of the United Nations Convention of Contracts for the International Sale of Goods is expressly excluded.

A. CORE SYSTEM

ITEM	QTY	FEE	TOTAL
Global Shop Solutions ERP System includes:	25 Licenses	$4,500	$112,500
Additional Concurrent User Licenses	5 Licenses	$3,000	$15,000
Additional Concurrent User Licenses	3 Licenses	$0	$0
Advanced Planning And Scheduling			
Financial Management			
Material Management			
Sales Solutions			
Shop Management			
Document Control			
Messaging System			
Total Core System	33 Licenses		$127,500

B. SHOP FLOOR DATA COLLECTION

ITEM	QTY	FEE	TOTAL
Shop Floor Data Collection Licenses	15 Licenses	$1,000	$15,000

Additional Shop Floor Data Collection Licenses	5 Licenses	$750	$3,750

Total Shop Floor Data Collection	20 Licenses		$18,750

C. ADVANCED APPLICATIONS

ITEM	QTY	FEE	TOTAL	INCLUDED
CRM	1	$0	$0	Included
Mobile CRM	1	$0	$0	Included
Preventative Maintenance	1	$0	$0	Included
Project Management	1	$0	$0	Included
Quality Control	1	$0	$0	Included
Process Documentation/Training (PDT)	1	$0	$0	Included
Nesting Interface[1]	1	$0	$0	Included
Product Configurator	1	$0	$0	Included
CAD Interface[2]	1	$0	$0	Included
Business Intelligence	1	$0	$0	Included
Version Management System (VMS)	1	$0	$0	Included
TrueView Data Display	1	$0	$0	Included
Payroll	1	$0	$0	Included

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Bill of Materials (BOM) Compare	1	$0	$0	Included
GS-Mobile/Codesoft(Optional)	1	$5,000	$5,000	$5,000
Total Advanced Applications				**$5,000**

1 - Nesting interface may require additional custom programming
2 - Standard CAD interface is included in the sale. Mapping and testing not included. Additional requirements are quoted on an as needed basis.

D. IMPLEMENTATION

ITEM	QTY	FEE	TOTAL
Senior Training & On-Site Consulting	50 days	$2,100/day	$105,000
Software Installation	1	$0	Included
Project Management	1	$20,000	$20,000
FastTRAIN	1	$7,000	$7,000
One-on-One Virtual Training	75/hrs	$175hr	$13,125
Global Shop University	Unlimited	$0	Included
Global Shop Boot Camp (Held at MSI facilities)	5 days	$1,500/day	Optional
Total Implementation			**$145,125**

1 - Includes per diem expenses.
2 - Global Shop Solutions will assign your company a dedicated Project Manager to oversee the implementation through "Go Live". A Project Manager will work with your core implementation team to successfully implement Global Shop's ERP System. This service includes web and phone support throughout the implementation, as well as regularly scheduled conference calls to ensure your implementation is continually progressing towards "Go Live". Customer will also receive a detailed Customized Implementation Plan outlining the milestones throughout the implementation process.
3 - FastTRAIN is an online repository of ERP software training videos customers can access at will with a subscription.
4 - Any On-Site and One-on-One Training above the 50 days and 75 hours will be billed at $2,100/day and $175/hour.
5 – Ongoing rate of Senior Training & On-Site Consulting will continue at the above rate beyond the 50 days of consulting.
6 – One-on-One Virtual Training will continue at the above rate beyond the 75 hours and go-live.

E. MISCELLANEOUS

ITEM	QTY	FEE	TOTAL
Cloud Quick Start	1	$20,000	$20,000
Global Application Builder	1	$10,000	$10,000
Customization	TBD	$200/hr	TBD
Total Miscellaneous			$30,000

F. MAINTENANCE / HOSTING

ITEM	QTY
GSS Maintenance / Updates	Included
Cloud Hosting	Included

TOTALS

ITEM	LICENSES	FEE	TOTAL
A. Total Core Applications Pricing	33 Licenses		$127,500
B. Total Shop Floor Data Collection Pricing	20 Licenses		$18,750
C. Total Advanced Applications Pricing			$5,000
D. Total Implementation			$145,125
E. Total Miscellaneous			$30,000

F. Maintenance/Hosting	Included
Total Initial Investment	**$326,375**
Total Monthly	**$4,821/mo.**
Annual Cost Years 1-3	**$57,852/yr.**
Annual Cost Years 4, 5, 6, 7, & -8 (if option years are exercised)	**$57,852/yr.**

Bar Coding (Optional)

ITEM	Recommended Model #	TOTAL
Basic Barcode Scanner	Symbol LI2208	$225
Mobile Computer Barcode Scanner	Motorola MC92N0	$3,095
Basic Barcode Printer	Zebra GX42	$550
Midrange Thermal Printer	ZT230	$2,070
Industrial Printer	MX640	$3,995
Portable Barcode Printer	Zebra QLN420	$900

Payment Schedule

Milestone Event	Associated Milestone Deliverable(s)	Payment
Contract Finalization	Contract Finalization, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment
Installation of Software	Installation of software into AWS, allowing the State access to the system, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment

Project Planning & Core Team Training	Initial Implementation Document (which includes on-site discover session) that is accepted by the State of Michigan. AWS needs to be setup and the State project team must have access, Global Shop Boot camp or boot camp at MSI at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment
Requirements and Design Validation	Validation sessions (conference room pilot), Final Requirement Validation Document, Final Design Document (system architecture), Final Implementation Document (schedule), at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment
Configuration of software	Final Solution and Testing Document that is accepted by the State of Michigan, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment
Migration	All identified master, transaction, history files are fully migrated into Global Shop software, at the State's discretion of approval, the % of pay will be released.	0% of Total Initial Investment
Testing and Acceptance	Final Test Results Report, Final Training Documentation, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment
Go-Live	Final Acceptance of Implementation that is accepted by the State of Michigan, at the State's discretion of approval, the % of pay will be released.	25% of Total Initial Investment
Production Support Services	Ongoing after Final Acceptance that is accepted by the State of Michigan	First three months after installation of software, payments of $2,221, then Ongoing, Monthly payments, as outlined in the "Total" pricing table

All payments must be approved by the Program Manager and Procurement Monitoring and Compliance Division Administrator, before payment is authorized or released.
This was a fixed-price proposal

A	B	C					D
Business Specification Number	**Business Specification**	**Current Capability**	**Requires Configuration**	**Requires Customization**	**Future Enhancement**	**Not Available**	**Bidder to explain how they will deliver the business Specification. Explain the details of any configuration/customization and the impacted risk that may be caused if configured or customized to meet the business specification.**
REQUIRED	**Administration**						
1.0	The System must have the ability to archive any data (remove from the operational view) after 1 fiscal year. The archived data should be retrievable by an end user for as-needed reporting with the same performance as operational data.	Y					Global Shop will maintain as much historic information as needed. All data is reportable.
2.0	The system must allow an authorized system administrator to review, logically delete, and purge content according to retention policies.	Y					Based on user security settings, a user has the ability to manage the data as needed.
3.0	The system must allow an authorized system administrator to create and manage user roles and system access.

Security Level Access Examples: | Y | | | | | There is a full user and group security utility within the system. User with the proper authorization will be able manage user roles and system access throughout the entire system. |

System Administrator (access to all and ability to generate individual user access) **Executive** (all access except to be able to generate individual records and make changes in accounting transactions, ability to process orders and shipments) **Marketing** (access to customer database, order history data, current orders and sales commission data) **Sales Order Entry** (ability to enter orders, review individual accounts, process invoices and review invoices, shippers, packing slips and enter new customers as needed) **Accountant** (access to all accounting data) **Accounts Receivable** (ability to review sales and all accounting data by customer, customer contact data and add additional customer contact data, including purchase order numbers, as needed) **Accounts Payable and Cash Receipts** (different person) – receives notifications when materials are received to ensure proper entry into accounting system and notification of MDOC Finance to process payment in SIGMA. Receives and records all payments processed into MSI ERP system.	

		Industries Supervisors –ability to review prisoner payroll for their cost center, run outstanding order reports, enter requisitions including notation if paid via P-card, record receivers, process/print shippers and bills of lading and review inventory levels of all materials, work-in-process and finished goods for the specified cost center(s). **Industries Production Leaders** – ability to move raw materials into work in process inventory, and move work in process inventory to finished goods, process and or produce shippers and bills of lading, enter prisoner payroll, print prisoner payroll report for submission to Correctional Facility, process and review outstanding order report. **Purchaser -** ability enter and change purchase orders and view receivers and payments. Ability to update the vendor file.							
4.0		The system security will allow the ability to configure the application to identify and track incomplete and or missing operational and financial transactions.	Y						The system can be configured to alert and notify users of due/late transactions. This will be user configured as needed.
5.0		The system will track the date/time and reviewer/approver for all transactions	Y						A full workflow utility is a standard part of the system. This system allows for require steps to be signed off of when completing specific

		that require review and approval and updates, changes and deletions to data.						transactions. Also, there is a full audit trail that is kept with every transaction within the system.
6.0	The system will notify specified users of missing (based on established schedules) reviews and approvals via e-mail.	Y					Within the Workflow utility, you can set up time to complete and schedules to notify other users if tasks are not completed.
OPTIONAL	**Administration**						
1.0	The system will provide the administrator with the ability to setup user prompts (e.g., set additional required fields, display customized help/instructions, etc.).	Y					Notifications can be setup to send based off of different triggers within the system.
REQUIRED	**Analytics**						
1.0	The system must generate multi-year reports modeled at a factory level and roll up to an entity level	Y					Reports can be multiple years and location, and can be individually run or consolidated
2.0	The system will allow the user to export any report in the following file formats: a. Microsoft Excel b. Microsoft Word c. Portable Document File	Y					The system has the ability to export to these file formats as a standard.
3.0	The system will provide the ability to schedule standard reports or batches of standard reports for delayed execution.	Y					Through the systems Task Scheduler, reports can be automatically run and delivered as needed.

	4.0	The system will contain its own ad-hoc report writing functionality:	Y					Crystal Reports is the standard report writer that is provided with Global Shop. This system gives you the ability to create any ad-hoc reports as needed.
	5.0	The ad-hoc report writer will integrate with all application modules contained within the system.	Y					Crystal Reports is completely integrated with the entire system.
	6.0	The ad-hoc report writer will include point and click selection of data fields for reporting in a graphical user interface (GUI).	Y					Crystal Reports provides the ability to display the information in a graphical format.
	7.0	The ad-hoc report writer will allow the user to reuse previously defined specifications, and rerun reports with newly updated data. The ad-hoc report writer will allow users to save report definitions for future use.	Y					All standard or previously created reports can be modified and used to create alternate options
	8.0	The ad-hoc report writer will provide the ability to display and print a report at both the summary and detail levels.	Y					The report writer gives you the ability to display the info in any format needed.
	9.0	The ad-hoc report writer will have the ability to access G/L account balances and budget information for current period or year-to-date.	Y					The report writer is completely integrated with the entire system, including the G/L.

10.0	The ad-hoc report writer will provide the ability to modify existing predefined system reports and save them as a custom report. The system will prohibit the user from directly or permanently modifying the original pre-defined system report.	Y					All standard or previously created reports can be modified and used to create alternate options
11.0	The ad-hoc report writer will support the use of 'Wild Card' characters during search and retrieval operations. The use of 'Wild Card' characters will support range searches and "like" string-based searches on individual fields.	Y					Crystal supports "wild card" fields.
12.0	The ad-hoc report writer will provide the ability to sort reports contained in the library by report title, date created, date modified or report author.	Y					There is a full repository of reports that can be searched and sorted to be able to locate the report needed.
13.0	The ad-hoc report writer will contain on-line "help" screens and instructions at every point of operation.	Y					Within Crystal Reports, there is a standard Help Menu that can be accessed at any time.
14.0	The system will provide an open and closed cost estimates report for both standard and non-standard product including analysis of estimates that are converted into sales orders and those that are not converted.	Y					This is a standard report within the system

15.0	The system will provide an open and closed production orders report.	Y					This is a standard report and dashboard
16.0	The system will provide a production schedule report.	Y					There are standard reports, dashboards, and a robust scheduling system.
17.0	The system will provide a material requirements planning report.	Y					This is a standard report in the system
18.0	The system will provide manufacturing variance reports.	Y					This is a standard report in the system
19.0	The system will provide a bill of materials report – containing assembly, components, routings/resources and both standard and last cost. Including a fully indented Bill of Material that can be rolled up into a summary form.	Y					This is a standard report in the system
20.0	The system will provide a report where the components for a Bill of Material are used and or component availability based on an entered quantity.	Y					This is a standard report in the system
21.0	The system will provide an inventory item status report for each item or group of items, set for each category (e.g., On Hand, Committed, On Order, etc.).	Y					This is a standard report in the system

22.0	The system will provide a cost variance report which will calculate cost to sales, revenue, margins, etc. The user will have the capability to select by data range, period or fiscal year for one or more inventory numbers.	Y					This is a standard report in the system

23.0	The system will provide reports supporting inventory management:
	  a. Physical inventory count sheets
	  b. Cycle count sheets
		Y					This is a standard report in the system

24.0	The system will provide an Inventory Transaction History Report. This includes a listing of all transactions against individual or multiple inventory numbers and locations.	Y					This is a standard report in the system
25.0	The system will provide a Material Usage Report by business unit and location displaying materials consumed with the ability to drill down into the corresponding details.	Y					This is a standard report in the system
26.0	The system will provide an Inventory Movement Report by date range and periods that provides choices of locations, areas, bins with quantities.	Y					This is a standard report in the system

27.0	The system will provide an inventory transfer report, listing all transfers by business unit, location, inventory number(s), date range, period, year shipped from information, shipped to information with quantity and value information.	Y					This is a standard report in the system
28.0	The system will provide an inventory adjustment report by inventory number, location, business unit, and date range which lists adjustments and all related information recorded in the transaction..	Y					This is a standard report in the system
29.0	The system will provide an inventory valuation report that displays all actions associated with an inventory item or group (e.g., purchases/sales, adjustments, returns, values, etc.).	Y					This is a standard report in the system
30.0	The system will provide a gross profit analysis report.	Y					This is a standard report in the system
31.0	The system will provide allotted and serialized inventory items report by inventory item, groups or date ranges.	Y					This is a standard report in the system

32.0	The system will provide a detailed history report for an item by inventory number, location, business unit, product line, sales category, etc.	Y					This is a standard report in the system
33.0	The system will provide a customer statement in single or batch mode including corresponding customer sales orders (by invoice date).	Y					This is a standard report in the system
34.0	The system will provide invoices in single or batch mode.	Y					This is a standard report in the system
35.0	The system will provide sales orders in single or batch mode.	Y					Sales orders can be provided at a single or batch level through reporting and different dashboards
36.0	The system will provide customer credit memos in single or batch mode.	Y					This is a standard report in the system
37.0	The system will provide picking slips.	Y					The system has the ability to provide a material picking list
38.0	The system will provide an open invoices report, with at least the following information: a. Invoice Date b. Due Date c. Pay Date d. Balance e. Invoice Number	Y					This is a standard report in the system

	f. Customer Name g. Customer Number						
39.0	The system will provide an accounts receivable report by period and fiscal year.	Y					This is a standard report in the system
40.0	The system will provide a Sales Analysis Report by period or fiscal year.	Y					This is a standard report in the system
41.0	The system will provide the ability to print a customer invoice from history.	Y					This is a standard option in the system
42.0	The system will provide an Aged Trial Balance Report.	Y					This is a standard report in the system
43.0	The system will provide a monthly sales report by sales representative and/or sales category.	Y					This is a standard report in the system
44.0	The system will provide a report that displays which products are profitable (winners) and those that are not profitable based on sales category, production order, product line or inventory item.	Y					This is a standard report in the system
45.0	The system will provide an open sales orders summary report.	Y					This is a standard report in the system

46.0	The system will provide a report with vendor account numbers and vendor names, which include total paid for a selected vendor.	Y					This is a standard report in the system
47.0	The system will provide an open vendor invoices report.	Y					This is a standard report in the system
48.0	The system will provide an aged accounts payable report, which ages the amounts due to each vendor over several periods (e.g. 30 days, 60 days, etc.).	Y					This is a standard report in the system
49.0	The system will provide both an open and closed purchase orders reports. The report will allow the user to filter the report by location.	Y					This is a standard report in the system

50.0	The system will provide standard Federal Government Comprehensive Accounting Financial Report (CAFR). These reports will either be included as a standard report or will be created in the report writing tool prior to implementation. These reports are required by the State of Michigan:
	  a. CAFR Year End Financial Statement
	  b. CAFR Cash Flow Statement
	  c. CAFR Statements of Net Assets
	  d. Statement of Changes in Financial
			Y				There are standard reports within the system that should cover the majority of this information. Some configuration to ensure everything required is on the report, may be needed

	Position e. Balance Sheet (individual business unit and global consolidated)						
51.0	The system will provide income statements by subsidiary unit (by location and by business unit). These subsidiary totals will roll up into a consolidated income statement for budget, forecast and actual.	Y					All financial statements give the ability to view the info in the format needed. All statements are built in Crystal Report that give the ability to modify as needed.
52.0	The system will provide an actual financial statement with ratio analysis. (Consolidated and subsidiary).	Y					All reports have the ability to view report as needed.
53.0	The system will provide a general ledger trial balance summary report.	Y					This is a standard report in the system
54.0	The system will provide a general ledger trial balance 13 period consolidated detail and summarized report.	Y					This is a standard report in the system
55.0	The system will provide a GL chart of accounts listing.	Y					A completed Chart of Accounts is standard in the system
56.0	The system will provide consolidated detail report of all GL transaction at business unit level (e.g., A/P invoices, materials management inventory issues and manual journal entry postings).	Y					This is a standard report in the system

57.0	The system will provide the ability to display all reports by detail or summary level.	Y					This is a standard report in the system
58.0	The financial reports included in the system will be capable of drilling down to the details that they are comprised of. This includes individual accounts, transactions within those accounts.	Y					This is a standard report in the system
59.0	The system will provide a transaction register audit trail of all acquisitions, transfers, changes, and retirements during a user defined time period by asset type, business unit or purchase amount.	Y					This is a standard report in the system
60.0	The system will provide a fixed assets detail and summary maintained by business unit, GL/account, responsible person, property type, location, and their associated cost or replacement value, and accumulated depreciation.	Y					This is a standard report in the system
61.0	The system will provide a schedule of the current year's depreciation associated with each asset.	Y					This is a standard report in the system

62.0	The system will provide a gain or loss on disposal of assets report.	Y					This is a standard report in the system
63.0	The system will provide a depreciation register with options for year to date and total accumulated (GL Code).	Y					All reports can be viewed in the window required. This includes Year to Date.
64.0	The system will provide a schedule of additions.		Y				A report would have to be configured to provide a schedule of additions
65.0	The system will provide a schedule of disposals.	Y					This is a standard report in the system
66.0	The system will provide an assets transferred report.			Y			This process would have to be a custom utility
67.0	The system will provide pre-inventory worksheets for assets.	Y					There is a standard Fixed Asset Worksheet in the system
OPTIONAL	**Analytics**						
1.0	The system must generate sales "commission" reports by sales staff member	Y					This is a standard report in the system
2.0	The ad-hoc report writer will output mailing lists to a variety of standard label types.	Y					The ad-hoc report writer will provide the ability to select any info that is in the system to a report needed.

3.0	The ad-hoc report writer will provide the ability to select records based on the values of multiple specified data fields.	Y					The ad-hoc report writer gives you the ability select the information you want to view to create any report required.
4.0	The ad-hoc report writer will provide the ability to select multiple values for any selected field.	Y					This is the standard approach to be able to create an ad-hoc report from the templates that are provided. Based on the users security settings they will be able to select from the fields they want to run a report for.
5.0	The ad-hoc report writer will display table relationships in a graphical manner.	Y					There is a table relationship through the database expert option in the report writer
6.0	The system will provide a quality performance report that displays variances and associated causes/reasons.	Y					This is a standard report in the system
7.0	The system will provide a report that provides any changes made to a select (range) of Bills of Materials.	Y					This is a standard report in the system
8.0	The system will provide a cost variance report that compares quoted versus actual production cost for standard and non-standard products.	Y					This is a standard report in the system
9.0	The system will have capability for generating a report with the total and/or detailed offender labor hours and pay amount by a variety of user		Y				This report can be easily configured through Crystal Reports.

	defined criteria, such as for a period of time, a business unit, location, etc.						
10.0	The system will have the capability for generating a report with employee information/data grouped by various user defined parameters (i.e. locations, business unit, work code/assignment, etc)	Y					There are standard employee reports, as well the ad hoc report writer gives you the ability to select the info needed for a report.
11.0	The system will provide an inventory trend analysis report by date range, period or fiscal year. This includes summary and detail views and displays the quantity, value and analysis of the transaction (e.g., cost versus sold, margins, average cost, items sold in a period of time).	Y					There are standard reports and dashboards in the system that will provide this information.
12.0	The system will provide an inventory location analysis that will provide information (e.g., quantities and accounting information, etc.) by locations. The user will have the ability to select and display information by an item.	Y					Full inventory reports are available within the system. Also, the ability to modify them to show any additional info is standard within the system.
13.0	The system will provide a material requisition report by date range, period, year, business unit, inventory number, requestor, etc.	Y					This is a standard report in the system

14.0	The system will provide a vendor information report displaying products purchased from a vendor for both inventory and noninventory items. The user will have the ability to select by date range, period, year and inventory numbers	Y					There are standard reports and dashboards in the system that will provide this information.
15.0	The system will provide an open sales quotes report which will be cross referenced to production estimates.	Y					This is a standard report in the system
16.0	The system will provide an open sales order report which will be cross referenced to production orders and purchase orders.	Y					This is a standard report in the system
17.0	The system will provide sales quotes in single and batch mode.	Y					The system provides the ability to view quotes either individually or batch mode within a dashboard.
18.0	The system will provide sales order acknowledgements in single and batch mode.	Y					This is a standard report in the system
19.0	The system will provide an open purchase orders report cross-referencing sales orders.	Y					There are standard reports and dashboards in the system that will provide this information.

20.0	The system will provide purchase order accrual reports for month end journal entries for items received but not paid.	Y					There are standard reports and dashboards in the system that will provide this information.
21.0	The system will provide a Payments History Report by vendor, invoice range and displayed as detail or summary within a specified date range.	Y					This is a standard report in the system
22.0	The system will provide a vendor activity report by vendor, invoice number or date range and displayed as detail or summary.	Y					This is a standard report in the system
23.0	The system will provide a vendor analysis report for a specified fiscal year. The system will provide a vendor detail history report by vendor, invoice number, date, item location, GL account or date range.	Y					This is a standard report in the system
24.0	The system will produce bar-coded tags or labels for fixed asset identification.	Y					The system provides full barcoding capabilities through the Codesoft(Included) utility
25.0	The system will provide a related assets report which will display both parent and child relationships and split funded relationships.			Y			There are standard Groups that can be created for Fixed Assets, but the ability to display parent and child relationships is not a standard option.

REQUIRED	Customer Relationship Management						
1.0	The system will provide a view of inventory quantities on hand from within the Customer Relations Module.	Y					Access to the Supply and Demand utility is accessible from within the CRM
2.0	The system will provide a means for users to create and track new issues.	Y					There is Service Request utility that can be used to create and track issues
OPTIONAL	Customer Relationship Management						
1.0	The system will provide a means to convert a sales quote into a sales order.	Y					This is a standard flow within Global Shop
2.0	The system will provide a method to alter a base product configuration with multiple options for each of the different components (e.g., fabric choices, wood finishes, and chair arm options).	Y					A standard rules based configurator is part of the system. This gives you the ability to select from pre-defined options.
3.0	The system will provide a means to track activities and statuses associated with the bid process: a. Win/Loss Status b. Reason for Loss (e.g., Price, Lead Time, Customer Specifications, Loss of Funding, Quality) c. User defined fields	Y					When closing out a quote, you have the ability to update the status and select from a library of reason codes the users can create.
4.0	The system will provide methods to notify and trigger activities based on		Y				Messaging is a standard utility in the system. Minor configuration is required to setup messages to be notified on specific triggers.

	user definable parameters: a. Completed Activities b. Bid Status c. Elapsed Time Duration						
5.0	The system will provide a means for individuals to assign activities to other users. The system will provide a means for users to assign scheduled tasks to other users.	Y					This is setup through the standard workflow utility.
6.0	The system will provide a means to integrate and utilize personal calendars and company calendars into the Customer Relations Management process.	Y					There is a standard calendar utility built in the system which is integrated with the CRM system
REQUIRED	**Financials**						
1.0	The system must be able to provide financial statements compliant with GAAP by Cost Center and/or entity	Y					The financial system supports standard GAAP requirements. Statements can be setup by Cost Center and/or Entity
2.0	The system must have a configurable chart of accounts that can be modeled at a factory level and roll up to a global level without dependency on coding reduction methods.	Y					The is a standard option in the system

			Y					The system supports up to 15 characters
	3.0	The system must have a chart of accounts with at least 6 number of characters for nomenclature	Y					The system supports up to 15 characters
	4.0	The system must be a double-entry accounting system, including documentation of each transaction audit trail and internal controls.	Y					When posting transactions, a final "poster" screen is required before transactions will be applied to the G/L. User security can be set around these transactions. Also, a complete audit trail is kept.
	5.0	The system must be a cost accounting system for both job and order processing, including but not limited to processing of all overhead expenditures in accordance with GAAP.	Y					Cost Accounting is standard for both job and order process.
	6.0	The system must be able to calculate depreciation by various methods and useful life	Y					There are currently eight standard depreciation methods within the system that can be utilized for calculations
	7.0	The system must be able to generate balance sheet, income statements, statement of changes in financial position and cash position statements by cost center and by MSI overall	Y					Standard Income and Balance Sheets with full drill down capabilities are standard in the system.
	8.0	The system must have the ability to process payments to vendors based on receiver and invoice matching processes, including with forced closure of remaining balances.	Y					For cash receipts there is a standard three way match for processing the payments

9.0	The system must be able to value inventory by various methods including average cost, FIFO/LIFO, etc.; variance reports by factory for Raw Materials, Work In Process and Finished Goods must be available	Y					These are standard options in the system.
10.0	The system must be able to produce aging reports by date range	Y					Standard reports and dashboards give this capability
11.0	The system must be able to produce invoices that are able to be edited and emailed	Y					All invoices are able to be edited through crystal reports
12.0	The system must allow the closing of outstanding purchase orders	Y					Based on security settings, a user has this capability
13.0	The system shall provide a user with the means to convert a prospect into an accounts receivable customer.	Y					Based on security settings, a user has this capability. This can either be done manually, or the option can be set that once a sales order is created for a prospect, the system will prompt to convert them from a prospect to a customer.
14.0	The system will allow application of payments to either a general ledger account number or to a specific invoice.	Y					This is standard within the system
15.0	The system shall display accounts receivable information by the following means: a. By Customer in both detail and	Y					The system has the capability to view AR info in the required format

	summary forms.
	  b. By Invoice in detail with the ability to drill to line item detail.
	  c. By detail history with the ability to drill to the lowest level of detail.
	  d. By summary history with the ability to view by customer or fiscal year.
	  e. By aged Trial Balance with the ability to view by customer or date ranges.
	  f. By history, with the ability to search by customer, ship-to name, customer PO number, Invoice Number, inventory number, product description, sales order, and location.						

16.0	The system shall provide a view of open invoices that are included in the system:
	  a. Open Invoices by customer
	  b. Aged trial balance by customer including name, and aged by invoice date and due date
		Y					This is a standard report within the system. Also, there is a standard dashboard that shows this info.

17.0	The system shall provide a method for year-end activities to clear out the master file.	Y					Full Year/Month end is a standard part of the system
18.0	The system shall provide a means to not display paid-in-full invoices.	Y					This is the standard way to view invoice reports
19.0	The system will provide the ability to store standard discount payment terms	Y					Standard payment terms can be set up at either a company or customer level

	associated with individual vendors. This will allow the user to apply standard discount payment terms for a particular vendor without entering on each individual invoice.						
20.0	The account payable system shall be supported by a vendor master file that contains pertinent data for each vendor (e.g., vendor history, bill to information, payment information, terms and numerous user defined fields).	Y					There is a full vendor master within the system that supports all the required info/fields.
21.0	The system will provide the ability to drill down to the details associated with a payment (e.g., purchase order number, line item detail associated with a specific purchase order).	Y					Reports and Dashboards are drill down.
22.0	The system will contain the following detail for each vendor purchase order: a. Invoice number b. Invoice date c. Invoice amount d. Payment amount (Invoices Only) e. Balance due f. Due date g. Check number h. Check date i. Check amount j. Discount amount	Y					This is all standard info on the purchase order. If any additional info is required, it can be added as needed.

	k. Discount date l. Sales Order Number and line item number m. Purchase Order Number n. User Defined Fields o. Production Order Number (Allow for Multiples).						
23.0	The system will provide the user the ability select specific invoices for payment.	Y					This is a standard part of the system
24.0	The system will provide the capability to optionally pay multiple selected invoices for one vendor.	Y					This is a standard option in the system
25.0	The system will provide the capability of voiding payments which will create the appropriate journal entry in the current period.	Y					Based on user security, this capability is available.
26.0	The system will retain an indefinite amount of vendor history information that will be user configurable.	Y					There is no restriction on the amount of history that can be kept.
27.0	The system will provide the ability to inquire on the status of a particular invoice and all open invoices associated with a selected vendor.	Y					The system gives the ability to search any invoice and all open invoices.

28.0	The system will provide a means to inquire by paid invoices for a vendor.	Y					You have the ability to search and review all prior invoices that have been paid and closed.
29.0	The system shall close out the payment voucher upon check writing to indicate it has been paid.	Y					This is a standard option in the system
30.0	The system will support more than one address for a selected vendor including multiple payment addresses.			Y			The standard system supports one Payment Address per vendor.
31.0	The system will maintain on-line master file information on each asset, including fields that can be identified as optional or required: a. Asset ID b. Tag Number c. Asset Description d. Asset Extended Description e. Location f. Business Unit g. Building h. Floor/Shop Designation i. Acquisition Date j. Original Cost k. Current Value l. Status (active, disposed, idle, etc.) m. Previous Asset Number n. Document Reference Number (e.g., car number) o. Minimum of 10 User-Defined Data			Y			Some of this info will required additional fields to be added

		Fields
		  p. Acquisition Method (Purchase, Donated, etc.)
		  q. Depreciation Life-To-Date
		  r. Depreciation Year-To Date
		  s. Purchase Order Number
		  t. Vendor Name and ID Number
		  u. Multiple Description Lines (Brand, Model and Manufacturer of Asset)
		  v. Serial Number
		  w. License Number
		  x. Replacement Cost
		  y. Group/Asset Classification Number
		  z. Quantity
		  aa. Unit Cost
		  bb. Asset Life
		  cc. Disposal Value
		  dd. Disposal Date
		  ee. Transfer Date
		 ff. Previous Location
		  gg. Warranty Information
		  hh. Condition						

32.0	The system will provide detail tracking and monthly calculation of depreciation for fixed assets.	Y						A full Fixed Asset Master is available to provide this information.
33.0	The system will provide the ability to view fixed asset information with an "As Of" or "From —Through" date. This will provide the user with the ability to		Y					Through the ad-hoc report, this view can be easily configured

	recreate summary and detail level information "As Of" a point in time or in a specified date range that may be in a prior accounting period.						
34.0	The system will allow users to look up fixed assets by any of the fixed assets fields (e.g., Asset Number, Asset Description, Manufacturer, Location (All Levels), Acquisition Date (By date or range of dates)).		Y				All fields can be searched and reported as needed
35.0	The system will allow users to export/import information to and from common spreadsheet applications (e.g. MS Excel).	Y					This is a standard option from dashboards, reports, and screens
36.0	The system will support bar coded asset tags and portable bar code readers for performing physical inventories or fixed assets.		Y				Through Codesoft, asset tags can be configured as needed
37.0	The system will support tag numbers that are different from the asset number. The system will be required to correlate the tag number with its corresponding asset number.			Y			This would have to be an additional user field added to the Assets Screen. This is would be a minor adjustment.
38.0	The system will have the option to transfer fixed assets information from			Y			This would have to be a customized option to bring this info in automatically.

	the Purchasing/Accounts Payable Module into the fixed assets master file. The following items will transfer from the Purchasing/Accounts Payable Module into fixed assets: a. Asset ID (An option to manually assign this number) b. Location c. Business Unit d. Acquisition Date e. Original Cost f. Purchase Order Number g. Vendor Name and ID Number h. Quantity i. Unit Cost						
39.0	The system will include a classification scheme to code fixed assets according to type (i.e., desks, cars, etc.).	Y					There is a Class option when creating new assets.
40.0	The system will maintain on-line history of asset transactions including the following: a. Transaction Type b. Transaction Date c. ID Number Changes d. Location Changes e. Account Number Changes f. Status Change g. Change to key field in auxiliary system	Y					A full history of all changes made will be maintained to be accessed when needed.

	h. Valuation change i. Date of last depreciation change.						
41.0	The system will retain fully depreciated assets in the fixed asset master file for asset control purposes prior to disposition.	Y					This is a standard process within the fixed asset utilities
42.0	The system will identify and flag fully depreciated assets.	Y					When creating a Depreciating Asset, if a life is set, the system can be set to flag when the life is up, or based on the depreciation rates.
43.0	The system will have the ability to reconcile fixed assets during year end processing. This includes processing new additions and retirements (e.g., disposals, additions, transfer in, transfer out, beginning balance, ending balance, GL reconciliation, total depreciation).	Y					This is a standard option in the system
44.0	The system will provide the user with the ability to drill down into a specific account detail from the Chart of Accounts level (e.g., click on a major account to drill down to view the original transactions and associated sub-sections).	Y					The system has a drill down G/L Transaction Detail report.
45.0	The system will provide the capability for checks and balances prior to manual	Y					There are standard reports and dashboards that provide this ability.

		posting (e.g., exceptions reports, transaction details, etc).					
	46.0	The system will not allow posted journal entries to be edited.	Y					This is the standard option for all posted journal entries.
	47.0	The system shall provide the ability of the system to configure security settings in such a way that a group can be created to review the general ledger without posting rights.	Y					Through the system security options, users can be defined within a specific group. The group security settings can be set to prevent posting.
	48.0	The system shall provide multi-segmented chart of accounts which will support multiple types (e.g., business units, locations, etc.).	Y					This is a standard option in the system.
	49.0	The system will provide the user with the ability to drill down from the trial balance.	Y					The G/L transaction details give full drill down capabilities.
	50.0	The system shall allow the entry of next period transactions without having to close-out the previous month/year.	Y					The system fully supports the ability to complete and entry of the next period without closing the current period.
	51.0	The system shall provide authorized users the ability to re-open closed periods.	Y					Based on the user security settings

52.0	The system shall maintain detail account history of year-to-date and each monthly period for an indefinite period of time.	Y					This information is maintained as a standard option within the system.
53.0	The system will provide a means to create manual journal entries.	Y					The system is fully capable of creating manual journal entries in the General Ledger
54.0	The system will provide a warning if a user creates a transaction to a prior or future period.		Y				An alert can be configured to launch if the user tries to create a transaction outside of the current period
55.0	The system will support general ledger journal entries with multiple debit and credit components.	Y					All G/L entries support both multiple debits and credits
56.0	The system will provide the ability to maintain the general account master file. The system will allow authorized (based on role based security) staff the right to add, change or delete the following general account elements: a. Account Number b. Account Description	Y					Based on the user security settings, the user has the ability to make changes required in the account master.
57.0	The system shall provide a means for authorized users to enter and edit journal types.	Y					Based on the user security settings, the user has the ability to make changes required for journal entries

58.0	The system shall maintain a general ledger transaction file which contains the following information for each transaction:
	  a. GL Account Number
	  b. Source (with the ability drill down to transactional data (transaction number), corresponding sales, purchasing, manufacturing information, etc.)
	  c. Date
	  d. Amount
	  e. Transaction Description
	  f. Transaction Type (Debit or Credit).
		Y						This is a standard option in the system

59.0	The system shall have the ability to process at least 13 periods per year, allowing two or more periods to be open simultaneously, across two different fiscal years.	Y						This is a standard option in the system
60.0	The system shall provide a means to systematically reduce the balances of revenue and expense accounts to zero at year-end.	Y						This is a standard option in the system
OPTIONAL	**Financials**							
1.0	The system shall provide a fully integrated system with finance, budgeting and forecasting related functions.	Y						The financial system is a standard part of the completely integrated system. This includes budgeting and forecasting.

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2.0	The system shall provide an input for budgeting which will include revision and reporting for all accounts, including income expenses, assets (capital budgeting), liabilities and statistics.	Y					The system provides the ability to input and maintain budgets.
3.0	The system will provide budgeting tools that allow for user defined (e.g., Mid-Year, Quarterly) forecasts (e.g., Product Line, Sales Category, Location or Business Unit, Inventory Number).		Y				These reports will need to be configured to include all of the information required.
4.0	The system will provide financial analysis tools for budgets, forecasts and actuals. These tools will represent the available information in real-time without additional processing.	Y					This is a standard option in the system
5.0	The system will provide the ability to upload budgets from external sources (e.g., MS Excel) into the system.	Y					Through the data conversion mapper, budgets can be uploaded into the system.
6.0	The system will have the ability to perform a cash flow based on budget and actual.	Y					There are standard reports and dashboards that can produce this info.
7.0	The system shall provide the capability to project budgets and statistics using variable factor:	Y					This is a standard option in the system

		a. Trend reports based on historical, actual and budget data to aid managers in developing budgets.
		  b. "What if" forecasting based on user defined percentage increases or decreases to the different components of the budget.
		  c. Budgeting and forecasting based on variance data.
		  d. User-orientated modeling and forecasting techniques for revenues, expenses and statistics.
		  e. Calculate proposed budget amounts based upon actual, budgeted or entered expenses, revenues or statistics by account by business unit.					

	8.0	The system shall provide a means to budget on a monthly, quarterly or annual basis.			Y		The only current option to create budgets is based on an annual basis.
	9.0	The system will provide general budget preparation worksheets with revenue and expense information from the previous year.	Y				There are reports with all of the previous budget information needed to prepare the new budget.
	10.0	The system shall provide the ability to enter budget figures on an annual basis with the option of allocation to monthly periods or the ability to spread manually to a specific period.	Y				This is the standard approach of the annual budget figures

11.0	The system shall provide a capital budget analysis report.	Y					There are standard reports that will provide this information
12.0	The system shall provide the user with a means to extract the following data from a budget: a. The associated balance sheet b. The associated income statement c. The associated statement of cash flows	Y					This is a standard option in the system
REQUIRED	**Manufacturing Operations**						
1.0	The system must be able to set time from order, to order shipment/completion by item and/or cost center and notify based on pre-defined criteria.	Y					This is part of the standard Advance Planning and Scheduling System. Part of implementation will be building these items into the system
2.0	The system must be able to accommodate various units of measurement for materials and finished goods (i.e., square yards, square feet, gross, pint, gallon, quart, 5 gallons, 55 gallons, linear yards, inches, pair, dozen, half dozen, etc.) The system must allow users the ability to build conversion rates between individual unit cost and the original unit cost as needed for raw	Y					The system supports multiple units of measures. Also, conversion formulas can be built in the system to automatically convert purchased unit of measures to consumed unit of measures.

		materials and finished goods inventories.						
	3.0	The system should have the ability to generate a packing slip when products are ready to ship to customers	Y					Through the shipping process, a standard packing slip is provided.
	4.0	The system shall provide the ability for users to add, edit and delete manufacturing routings (e.g., work centers, operations, outside services, materials, and tooling).	Y					Based on security settings, users have the ability to adjust routers as needed. The edit function will be made available to the users that need access to make changes.
	5.0	The system must structure manufacturing routings that detail individual manufacturing steps including, but not limited to, set-up time and run-time by machine or work cell.	Y					Routings are designed in a way that details the work centers and work being done. This will include both set-up (if needed) and run time, along with rates.
	6.0	The system shall provide the ability to add, edit and delete tooling as a component of a routing step.	Y					Based on security settings, users have the ability to adjust routers as needed. The edit function will be made available to the users that need access to make changes.
	7.0	The system shall provide the ability to add, edit and delete various labor classifications (e.g., welding, sanding, cutting, painting, and sewing).	Y					Based on security settings, users have the ability to adjust routers as needed. The edit function will be made available to the users that need access to make changes.

8.0	The system shall provide the ability to add, edit and delete various machine groupings.	Y					Based on security settings, users have the ability to adjust work groups that are utilized.
9.0	The system shall provide the ability to add, edit and delete various work centers.	Y					Based on security settings, users have the ability to adjust work center details that are utilized.
10.0	The system shall provide the ability to add, edit and delete various operations/tasks (including external services).	Y					Based on security settings, users have the ability to adjust operation details that are utilized.
11.0	The system shall provide the ability to add, edit and delete various sequences of steps/routes.	Y					Routings are designed in a way that details the work centers and work being done. This will include both set-up (if needed) and run time, along with rates.
12.0	The system shall have the ability to make global updates for operations/tasks, work centers, machine groupings, labor classifications and tooling.	Y					Based on security settings, users have the ability to adjust work center, work groups, labor classifications, and tool as needed.
13.0	The system shall have the ability to add, edit and delete estimated costs, consisting of the following components: a. Labor b. Material (Quantity and Description) c. Fixed overhead d. Variable overhead	Y					Based on security settings, users have the ability to adjust cost at a work center level, as well at an individual router level.

14.0	The system shall have the capability of providing standard product cost estimating based on a bill of material and a build quantity based on last cost.	Y					This is a standard option to be utilized for estimates.
15.0	The system shall have the capability of providing non-standard product cost estimating.	Y					Based on user security settings, users have the ability to manage the cost estimate as needed
16.0	The system shall have the capability of creating estimated manufacturing costs for the purpose of a sales quote, without creating a sales order.	Y					Routers/BOM costing can be utilized to produce a sales quote.
17.0	The system shall provide an integrated approach to the related business processes of estimates, sales quotes, sales orders and production orders. a. The system shall have the ability to seamlessly transfer a standard product manufacturing cost estimate into a sales quote. Once a sales quote is submitted, it will have the ability to flow into the normal sales order, production order, and purchase order process. b. The system shall have the ability to seamlessly transfer a non-standard product cost estimate into a sales quote. Once a sales quote is submitted, it will have the ability to flow into the normal	Y					The system is built in the required format. The system gives you the ability to create a quote/estimate then convert it into a sales order that can then be converted into a production order. Also, based on security settings, users can produce a non-standard cost estimate that will follow the same process flow.

	sales order, production order, and purchase order process. c. The system shall have the ability to seamlessly transfer a standard manufacturing cost estimate directly into a production order. Production orders created directly from an estimate cannot be executed until a corresponding sales order is generated. d. The system shall have the ability to seamlessly transfer a non-standard product cost estimate into a production order. Production orders created directly from an estimate cannot be executed until a corresponding sales order is generated.						
18.0	The system shall provide a means for viewing production history (e.g., by sales order, by inventory number, by customer, by production order number or any combination) during cost estimation.	Y					Full production history is available.
19.0	The system shall provide a means to measure the level of performance by location and business unit. This function should be comprehensive throughout the system to encompass all business areas and activities	Y					There are many performance reports, dashboards and KPIs that provide this information.

20.0	The system shall provide the system administrator with a means to customize how the application categorizes errors (e.g., Cost Variance, Operator Variance, Set-up Variance, Exception Variance, machine error, cut error, defective weld, etc.).	Y					The system allows the ability to create a library of reason codes for errors that will be able to be selected.
OPTIONAL	**Manufacturing Operations**						
1.0	The system shall provide the means to track subcontracted external processing (e.g., PO number, cost, shipping and receiving dates).	Y					Outside processing is fully maintained within the system. These can either be built within the estimate, which will create a need for POs to but created, or they can be manually created as needed.
2.0	The system shall have the capability to retrieve a cost estimate and associate it to the normal sales quote process.	Y					This is a standard option in the system
3.0	The system shall store all historic manufacturing estimates, including those estimates not converted to sales orders.	Y					Full history of all estimates is saved and can be accessed as needed. There are standard reports and screens that can be utilized to access this information
4.0	The system shall provide a means to replicate a previous estimate as a basis for a new and editable estimate without compromising the integrity of the original estimate. a. Add components and/or labor within the new estimate	Y					Within the Estimate/Routing Module, there is a Copy Option that gives you the ability to copy then modify previous estimates as needed.

	b. Increase or decrease costs to the new estimate by a user defined percentage c. Replace historical costs with the current rates (e.g., labor, raw materials, burden rate, inventory) based on last cost.							
5.0	The system will provide the user with the ability to estimate costs based on lot sizes. This will allow for the user to factor in economies of scale (larger lots have lower unit costs, while smaller lots have higher unit costs.	Y						Within the estimating/routing module, when creating a new estimate, you can select multiple different quantities to use for estimating.
REQUIRED	**Product Lifecycle Management**							
1.0	The system will utilize information captured in one area of the system to automatically populate different areas of the system to reduce redundancies in data entry: a. The value of a single data item may be shared by and maintained in two or more modules. b. Validation will be consistent across modules that use shared data. c. The system will provide prompts when a transfer of data is required from one module of the system to another.	Y						The system is fully integrated. This will reduce the amount of redundancies needed to complete standard transactions and processes.

	2.0	The system shall have capability for maintaining reference tables of all inventory types, including raw materials, in-process (multi-level sub-assemblies), and finished goods inventory.	Y						Through the selection of product lines, inventory types can be maintained. This is the major way people categorize and reference items.
	3.0	The system shall record and store base inventory data consisting of the following: a. Inventory Number ~~(The field length must support a minimum of 10 alpha numeric characters with the ability for the user to define the number and format of the characters)~~ b. Inventory Description ~~(Minimum of 30 characters)~~ c. Inventory Detailed description ~~(Minimum 500 characters)~~ d. Inventory Type (e.g., serialized, non-serialized, service) e. Inventory Status (e.g., active, discontinued, superseded, obsolete…); f. Unit of Measure (e.g., UOM schedule and the ability to support multiple units of measure) along with the ability to set a default unit of measure g. Product Categories (e.g., User defined levels such as Sales Categories, Product Lines, etc.) h. Inventory Location (User defined locations, multiple levels that can vary	Y						All of this information is stored within the inventory master and supply and demand screen. There are also user definable fields that provide the ability to maintain any additional info required.

	by location (e.g., Location, Building, Business Unit, Shelf, Bin)) i. Standard Cost j. Last Cost k. Average Cost l. Lead Time m. Vendor (with the capability to support multiple vendors) n. Base Cost o. Material Type p. Last Adjustment Date q. Last Consumed Date r. Last Used Date s. Last Purchase Date t. Last Sales Date u. List Price v. Base Price w. Discount schedules x. Date y. Record Create User ID z. Tax classification (pulls from a list of tax class ID'sestablished in a separate maintenance table) aa. Cycle count level (ABC level determines the cycle) bb. Record Create Date cc. count frequency of the inventory item dd. Hazardous Material code ee. Shelf Life.						

4.0	The system shall record and store location data where inventory may be stored/housed/consumed consisting of the following: a. Location Name b. Address c. City d. State e. Zip f. Contact g. Phone h. Fax i. E-mail j. Business Unit	Y					All of this data can be maintained and stored in the system.
5.0	The system shall have the capability of maintaining inventory GL Account codes.	Y					This is a standard capability within the system.
6.0	The system shall have the capability of maintaining multiple Inventory Costing Methods (e.g., LIFO, FIFO, and Average).	Y					The system supports LIFO, FIFO, actual, standard, and rolling weighted average.
7.0	The system shall have the capability of maintaining multiple discount schedules for sales price, which can be applied to individual inventory items.	Y					Different pricing discounts can be maintained. Standard discounts, contract discounts, quantity discounts, and if user has the ability they can provide a custom discount at the time of quote/sales order.
8.0	The system shall have the capability of maintaining multiple inventory locations which can be applied to individual	Y					Multiple location facilities can be maintained. Also, based on security settings, users have ability to maintain the items as needed.

		inventory items. This includes the ability for authorized users to establish user defined hierarchies as a part of defining locations (e.g., Location, Building, Business Unit, Shelf, Bin).					
9.0		The system shall have the capability of maintaining multiple product categories which can be applied to individual inventory items.	Y					The system refers to these items as Product Lines. As many product lines as needed can be created and maintained. You will have the ability to maintain individual items.
10.0		The system shall provide a means for users to create new inventory numbers, and edit or delete existing inventory numbers. This includes the ability to configure items as being kitted, lotted, serialized or as automatically reordered.	Y					The inventory master provides this full capability.
11.0		The system will provide a method to track changes to an existing inventory item.	Y					A full audit trail is kept within the system to user stamp all actions made in the system.
12.0		The system will provide a means to transfer inventory item quantities from one location to another location. The following information will be captured in an inventory transaction: a. Inventory Item Number b. Transfer Type c. Location (Including all of user-defined sub-levels) Transferred From	Y					Within the Inventory Module, transfers can be completed as needed. All transactional data will be kept for future review as needed. All transactions keep a

	d. Quantity Transferred Out e. Transfer Out Date f. Location (Including all of user-defined sub-levels) Transferred In g. Quantity Transferred IN h. Transfer In Date i. Transfer Record Creator (User ID) j. Cost k. Cycle Count Batch ID l. Reason Code (e.g., Shrinkage, Cycle Count, Scrap, Obsolete) m. Miscellaneous Notes						
13.0	The system will provide a means to adjust on hand inventory quantities. The following information will be captured in an inventory adjustment transaction: a. Unique inventory transaction number b. Transaction date (current GL period and current GL year) c. Inventory Item Number d. Transaction type (increase/decrease) e. Location (Including all of user-defined sub-levels) f. Valid unit of measure g. Quantity to adjust (only positive numbers accepted) h. Unit cost i. Extended cost j. Misc notes k. User ID of creator of record	Y					When processing physical inventory, there is a complete transaction trail kept to be able to fully track the history of adjustments made

	l. Reason code (defines reason for the adjustment)						
14.0	The system will provide a means to adjust inventory quantity level with a cross reference to a specific cycle count that is stored in history.	Y					As part of the normal cycle count process, physical adjustments can be made and tied directly to the count.
15.0	The system shall provide a means to display and calculate inventory quantities based on entry of inventory numbers including but not limited to: a. Quantity on hand b. Quantity available c. Quantity committed (production or sales) d. Quantity in use e. Quantity on sales order f. Quantity on order	Y					This is a standard part of the Inventory Module. MRP is calculated on all the required pieces of information.
16.0	The system shall provide the means to search for inventory based on user selected criteria (e.g., inventory number, inventory description, vendor, sales order number).	Y					Within the inventory module, query screens give the user the option to search on the information needed by the user.
17.0	The system shall provide a means to display inventory quantity information for any location assigned. This includes the ability to drill down to the lowest defined level associated with that	Y					The system gives you the ability to view inventory at multiple facilities as well as multiple locations within a single facility (also known as Bin locations). You can drill into any of these locations for additional information.

		inventory item. The system shall have capability to display an unlimited number of specific inventory locations and quantities for the same inventory item.					
	18.0	The system shall integrate the generation and reading of bar codes for tracking inventory with the ability to use multiple bar code types.	Y				Barcoding is a standard part of the system. The major use for barcoding is for inventory management. Through Codesoft (Included) users have the ability to create any alternate version of required labels.
	19.0	The system shall provide the capability to view cost information for inventory items (e.g., standard cost, last cost, average costs, base cost) by location.	Y				Every inventory item keeps a full item history. You will have the ability to view all of the required cost elements needed.
	20.0	The system shall display information associated with the vendors of the inventory items (e.g., vendor names and ID's, last purchase quantities, costs, date, lead time, vendor purchase order number, vendor purchase order data, etc…).	Y				The system allows the storage of vendor related information at an inventory item level. This includes purchases, cost, lead times, past POs, and other related information.
	21.0	The system shall display price information associated with inventory items. This includes, but is not limited to average, base, list, and minimum prices, as well as discount schedules (e.g., quantity breaks, customer breaks, date driven discounts).	Y				The system provides all of this information throughout the inventory module.

22.0	The system shall display inventory transactions based on a user defined time period (e.g., warehouse stocking, warehouse picking, transfers between business units, transfers to sub-contractors, adjustments (increases or decreases), corresponding GL adjustments, sales, and sales returns). Information to be displayed includes inventory quantities, associated costs, date and time of transaction, and user who performed the transaction.	Y					Reports and dashboards can be ran and sorted on time periods as needed.
OPTIONAL	**Product Lifecycle Management**						
1.0	The system shall have the capability for users to add images with an inventory number. (e.g., design drawings, photographs, etc.).	Y					Standard feature for document control – pdfs, images, drawings. With version control management.
2.0	The system will provide a means to establish user defined masks for inventory numbers. This will allow the user to correlate different parts of the inventory number with specific meanings (e.g., first two digits is equivalent to a product line.)	Y					Standard feature and available smart part number auto-generation.
3.0	The system shall provide a function which allows users the ability to request	Y					Standard with appropriate permissions and security configurations.

	new inventory item. This function will require the user to fill out basic information about the requested inventory item. This information will be routed to an authorized user who can approve the requested inventory item and utilize the data entered with the request as the basis for the actual inventory entry.						
4.0	The system will have the ability to combine inventory into a kit used exclusively for sales purposes. The functionality is similar to a bill of material but only processes against sales order.	Y					Standard feature.
REQUIRED	**Production Management**						
1.0	The system must be able to generate Bills of material for each item produced including all cost components (raw materials, direct labor, factory overhead and administrative overhead)	Y					Standard function and costing functionality of GSS.
2.0	The system must have the ability to know when a production job is occurring, when materials have been reduced from inventory, and when a production job has completed. This data must interface with dummy terminals	Y					Full WIP visibility and progress in real-time.

		on a closed network for use by prisoner workers.					
	3.0	The system must be able to accept min/max inventory levels for goods in all stages of production, including notification system for stock replenishment needs	Y					Standard core functionality.
	4.0	The system should have ability to notify of sales orders placed in "planned" status and the ability to move them to production as needed	Y					There is a dashboard and work order generation utility for all sales orders and their status to move them into production or WIP by issuing work orders after winning the quote.
	5.0	The system will allow the creation, deletion and editing of existing bills of materials containing the following elements: a. Routing step and subsequent details b. Materials (raw materials, sub-assemblies, finished assemblies) c. Lot Sizes d. Subcontracted Operations (e.g., plating, galvanizing) e. Non-Stocked Items (e.g., glue, nails, putty) f. Instructions g. Version Number h. Effective dates i. Unit of Measure	Y					Standard functionality in routing/estimating and quoting with regard to subcategories a-k.

	j. Engineer (Creator of bill of material) k. Customized Fields						
6.0	The system will provide the ability for the user to update component standard costs and assembly costs. Authorized users will have the ability to update all bills of materials by range of identifying number of Bill Of Materials and components.	Y					This a core functionality with security/permissions restrictions per user.
7.0	The system will allow the user to view a Bill of Material with all components visible or roll-up the detail at any level of the Bill of Material.	Y					Standard functionality
8.0	The system will display information about a Bill of Material and its components (e.g., Description, Last Update Date, Effective Dates, Unit of Measure, and Revision Number).	Y					Standard functionality
9.0	The system will display the following information (screen inquiry): a. Bills of Materials detail breakdown to all levels including descriptions, quantities and costs b. Bills of Materials changes (e.g., who, from what to what, date, time) c. Component availability.	Y					Standard functionality

10.0	The system will provide a method to track changes to an existing bill of material.	Y					Revision changes can be viewed with BOM Compare tool.
11.0	The system will provide a function that will allow users to create a new Bill of Material based on an existing Bill of Material. The original Bill of Material will retain its integrity, while the newly created Bill Of Material will be fully editable.	Y					Standard function in GSS.
12.0	The system shall provide a means to create finished product in a build to stock mode or in a build to order mode.	Y					GSS has this standard in the system but also allows customers to build out workflows specific to their business models.
13.0	The system shall have the ability to maintain variance codes to track differences between estimated usage and actual usage.	Y					Standard with dashboards, KPIs, and reports on usage.
14.0	The system shall integrate the capability of generation and reading of bar codes for tracking production order activity (e.g., Production Orders, Labor Steps, Tasks, PO Numbers, Production Release Numbers, Materials, and Services).	Y					Standard functionality with barcode and barcoded move ticket options.

	15.0	The system shall be capable of integrating automated data capture methods for collecting labor and material consumptions throughout the manufacturing process. This may include such technology as the use of biometric scans and/or identification magnetic strip reader (Offender Badges) to identify employees and associate their labor (time) to a specific production order, and/or the use of bar code reading devices for collecting material consumption information during manufacturing.	Y						Barcode, Biometrics, RFIDs are all available as time collection, identification, and security controls with the shop floor data collection locations for data capture.
	16.0	The system shall allow users to edit, insert or delete component detail, and tasks directly to the production order. The system will recalculate material components quantities, machine hours, labor hours and subcontracted process based on the changes made to the production order. The editing of closed production orders will be prohibited.	Y						With the appropriate permissions and securities a user is able to make the changes to the production order with automatic recalculation on quantities, labor hours, machine hours, outside processes, etc.
	17.0	The system shall provide the user with a means to track by-products associated with a production order (e.g., scrap, drop, etc.).	Y						Part of Global Shop's quality system. Quality Control application allows you to breakdown scrap trend quantity or cost by date range, vendor, department, employee, various codes or workcenter.

18.0	The system shall provide the ability to track production activity and work in process (WIP) in the following processes:
	  a. Manufacturing of standard product
	  b. Manufacturing of non-standard product
	  c. All transactions associated with a production order post to the period of completion when the activity spans multiple periods.
		Y						Standard functionality, this is current, real-time, work-in-progress.

19.0	The system shall have the ability to track differences between estimated usage and actual usage (e.g., defective, excess, machine variance.	Y						Global Shop has over 55 canned reports with regard to quality, and additional performance dashboards for quality, labor, and machine variances.
20.0	The system shall have the ability to input both standard products and non-standard products into scheduling.	Y						This is standard functionality in Global Shop
21.0	The system shall provide production scheduling and resource planning functionality for standard and non-standard products. Resources include such inputs as machines, labor, and materials for both standard and non-standard products.	Y						This is standard functionality in Global Shop
22.0	The system shall provide capacity planning.	Y						Both finite and infinite capacity planning with forward and backward scheduling in a hybrid advanced production-scheduling system.

	23.0	The system must have a materials requirements planning function.	Y					This is standard functionality in Global Shop
	24.0	The system shall provide the ability to select Materials Resource Planning (MRP) data based on prior and future periods. The system shall provide the ability to view components pegging information associated with any item (including demand sources) based on selected time periods.	Y					This is standard functionality in Global Shop, with usages per selected time periods.
	25.0	The system shall provide the user with the ability to view and create sales forecast information including what is being sold, when it is being sold and what quantities of standard products and when they are being produced.	Y					This is standard functionality in Global Shop's CRM
	26.0	The system shall provide the user with the ability to view and create sales forecast information including what is being sold, when it is being sold and what quantities of standard products and when they are being produced.	Y					This is standard functionality in Global Shop's CRM
	27.0	The system shall provide the user with the ability to view and create sales forecast information on standard and	Y					This is standard functionality in Global Shop's CRM

	non-standard products bases on historical labor usage.						
28.0	The system shall provide the user with the ability to view and create master schedule information associated with any standard and nonstandard product.	Y					This is standard functionality in Global Shop's CRM
29.0	The system shall factor in minimum on hand (Safety Stock) and maximum on hand (Economic minimum re-order quantities) levels for the calculation of planning of material usage.	Y					Global Shop allows customer to set safety stock and minimum reorder points with automated purchasing options.
30.0	The system will include a cycle count function including the following features: a. Selection of cycle count inventory items based on user defined parameters (e.g., location, business unit, material type, inventory number, ABC Level). b. Generates list of inventory items to execute the cycle count c. Maintain a running history of the parameters and related data of each cycle count performed i. Inventory Number ii. Location iii. Quantity on Hand At Start of Cycle Count iv. Date of Cycle Count	Y					Physical inventory. Cycle counting produces fast, reliable count verifications and updates. Workers can run cycle counts in real-time without having to temporarily stop production, make on-the-fly adjustments to part and lot-bin counts, and print new barcode labels on the spot. Features listed in the question cell would be managed with Global Shop.

	d. The system will require that any resultant adjustments will be made manually in a separate inventory transaction e. Cross reference inventory adjustment to a specific cycle count stored in history						
31.0	The system will include a physical count function including the following features: a. Selection of physical count inventory items based on user defined parameters (e.g., location, business unit, material type, inventory number, ABC Level). b. Generates list of inventory items to execute the physical count c. The system will lock inventory quantities while a count is in process. d. Maintain a running history of the parameters and results of each physical count created e. The system will provide a means to enter actual physicalcounts creating the appropriate transactions. g. Resultant adjustments will result in actual adjustments to inventory levels and corresponding GL account adjustments	Y					Standard functionality
OPTIONAL	**Production Management**						

	1.0	The system will allow users the ability to create multi-level (parent-child relationship) manufacturing bills of materials.	Y						Standard functionality
	2.0	The system shall provide the ability to calculate duration of labor time estimate based on desired quantity entered by the user.	Y						Standard functionality
	3.0	The system shall provide the user with the ability to associate images (including multiple versions) with the Bill of Materials (e.g., Drawings, instructional video clips and photos of finished product).	Y						Standard functionality
	4.0	The system will allow the creation, deletion and editing of production orders containing the following elements: a. Routing step and subsequent details b. Materials consumed (e.g., raw materials, sub-assemblies, finished assemblies) c. Lot sizes d. Subcontracted operations (e.g., plating, galvanizing) e. Non-stocked items (e.g., glue, nails, putty) f. Instructions	Y						Standard functionality

	g. Version number h. Issuance date i. Unit of measure j. Engineer (Creator of bill of material) k. Custom fields l. Estimated labor (Hours and Costs) m. Actual labor (Hours and Costs) n. Estimated materials (Cost and Quantities) o. Actual materials (Cost and Quantities) p. Estimated sub-contracted costs q. Actual sub-contracted costs r. Estimated start date s. Actual start date t. Estimated finish date u. Actual finish date v. Build quantity w. Customer name x. Customer number y. Customer purchase order z. Existing sales orders related to the production order						
5.0	The system shall provide the user with the ability to search open production orders for editing based on selection criteria (e.g., Inventory Number, Business Unit, Location and Production Order).	Y					Standard functionality

6.0	The system shall provide a means to view production activity associated with any single active production order (e.g., order status, production progress, materials consumed, estimated stock levels, material costs, labor costs, machine costs, sub-contracted costs).	Y					Standard functionality
7.0	The system shall provide a view of production history (e.g., Customer, Customer Contact Name, Finish Dates, Sales Order, Production Order, Quantity, Description, Purchase Order and Inventory Number).	Y					Standard functionality
8.0	The system shall provide the user with the ability to view production transactions by cost categories (e.g., rework due to defect, rework due to design change, defective material etc.).	Y					Standard functionality
9.0	The system shall provide an interface (dashboard) which will display key organizational measures such as cost, quality, and delivery.	Y					Standard functionality
10.0	The system shall display a Production Order based on the associated Bill of Materials and calculate material components, machine hours and sub-contracted process required.	Y					Standard functionality

11.0	The system shall provide the ability to transfer non-standard product costs to a sales order on a user defined periodic basis.	Y					Standard functionality
12.0	The system shall provide the user with the means to view upcoming sales orders, purchase orders, current inventory quantities and production orders without navigating away from the schedule being viewed.	Y					Standard functionality
13.0	The system must have the ability to plan capacity by such inputs as machine (or work cell), work force availability and material availability.	Y					Standard functionality
14.0	The system shall provide a means to measure process information that supports the lead time measurements. This includes tracking date information for sales orders, requests for purchases, purchase orders, production orders, materials receiving, finished goods shipment, purchase dates, labor availability, production dates and invoices.	Y					Standard functionality
REQUIRED	**Sales and Marketing**						

1.0	Ability to run outstanding order reports by customer, cost center, item, raw material or site location.	Y					Standard functionality with GSS Dashboards
2.0	Ability to add Michigan sales tax to customer orders depending upon item purchased and/or customer type (taxable and non-taxable), and apply discount percentage on qualified purchases. (ex. discount of 10% for 6 or more flags)	Y					Standard functionality
3.0	The system shall provide the user with a means to look up inventory information (including quantities on hand) without navigating away from the sales quote user interface.	Y					Standard functionality
4.0	The system shall support batching on sales orders.	Y					Standard functionality
5.0	The system will provide the ability for on-line ordering.			Y			Standard functionality but will require some mapping or customization based on the eCommerce requirements.
6.0	The system will provide the ability for users to search sales orders and have the ability to drill down to the corresponding details (e.g., Sales Order Number, Customer Number, and Inventory Number).	Y					Standard functionality

7.0	The system shall provide the user with an interface specifically for the task of creating order acknowledgements (e.g., e-mail and hardcopy).	Y					Standard functionality
8.0	The system shall provide the user with the ability to modify field information (including the —Bill To information) while the sales order is open.	Y					Standard functionality
9.0	The system shall provide the ability to utilize a contact as the bill to or sold to on a sales order.	Y					Standard functionality
10.0	The system shall provide the ability assign multiple ship to addresses to a sales order.	Y					Standard functionality
11.0	The system shall populate all line items on the invoice if the order is marked as complete.	Y					Standard functionality in the dashboards
12.0	The system shall support the printing of multiple invoices as a batch process.	Y					Standard functionality
13.0	The system shall provide the user with the ability to reprint an invoice.	Y					Standard functionality

14.0	The system will create the appropriate journal entries to track accounts receivable transactions. The following are the necessary Sales/AR based journals that are required by finance: a. Print Invoices b. Sales Journal c. Miscellaneous Credits Journal d. Daily Tax Journal e. Cash Receipts Journal f. Deposits Journal g. Post Transactions	Y						Standard functionality
15.0	The system shall provide the user with multiple means to look up an invoice.	Y						Standard functionality – dashboards, filters with Boolean logic, and wildcard search support within dashboards
OPTIONAL	**Sales and Marketing**							
1.0	Ability to generate and track all customer or prospect requests for quotation (RFQs), from the time of receipt until an order is placed. Salespersons can provide quotations quickly and accurately with pricing and lead times.	Y						CRM function.
2.0	The system must have the flexibility to create and manipulate prices	Y						Pricing matrices with tiers of pricing rates as well as functionality to adjust prices on the fly with forecasted profit percentage.
3.0	End to end process management system and central repository for documents,	Y						Standard functionality, document control for notes and communication that can be attached to company profiles within the CRM.

		notes and communication for the entire company. Usually when the sales person communicates with a client, there are a lot of documents in terms of notes, invoices, proposals, etc. to alleviate any communication gaps of information passed from one team to another.						
	4.0	The system shall provide a means to converting a sales quote into a sales order.	Y					Standard functionality
	5.0	The system shall provide the user with the ability to alter a sales quote prior to converting it into a sales order.	Y					Standard functionality
	6.0	The system shall provide a means to print a sales quote.	Y					Standard functionality
	7.0	The system shall provide a means to e-mail a quote directly from the application.	Y					Standard functionality
	8.0	The system shall provide users with a means to enter a new sales prospect while in the process of entering a quote ("On the Fly").	Y					Standard functionality – Quick quote

9.0	The system shall provide the ability to create sales order templates for recurring sales orders.	Y					Standard functionality
10.0	The system shall have the ability to enter kitted items on a sales order based on prior sales history or the kit template.	Y					Standard functionality
11.0	The system will flag or provide some other form of indication that the invoice is a reprint.	Y					Standard functionality – visible within dashboards.
OPTIONAL	**Supply Chain Management**						
1.0	The system must have the ability to automatically generate bills of lading for shipped goods	Y					Standard functionality
OPTIONAL	**Web Portal**						
1.0	The system will include the development of a customizable eCommerce website.			Y			This is something that requires customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.
2.0	The eCommerce website will be fully hosted by the Contractor and technical support (via phone and email) will be provided.			Y			This is something that require customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.

				Y				
3.0	The eCommerce website will be fully integrated with the Contractor's ERP solution Including order tracking.				Y				This is something that require customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.
4.0	The eCommerce website will include the following features: a. Shopping Cart b. Credit card processing c. Secure (password-protected) Customer login Order tracking that is tied to the ERP Solution.				Y				This is something that require customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.
5.0	Data from the eCommerce website will be included in the ERP Reporting functionality (including site analytics).				Y				This is something that require customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.
6.0	The eCommerce website will be subject to reviews by the SOM DTMB eMichigan Team for compliance with style and accessibility standards. The Contractor will be required to update the site with that feedback.								This is something that require customization and review with the GSS custom development team. Every project is different and we would need to establish a project scope and estimated costs associated with an approved quote.
REQUIRED	**User Support**								
1.0	The system will include an on-line tutorial to assist users with learning the software.	Y							Standard functionality.
2.0	The system should provide comprehensive on-line help capabilities.	Y							Standard functionality.

3.0	The system documentation will be clearly written, user oriented and will include the following topics:
	  a. System Overview
	  b. Detailed file descriptions and database layouts
	  c. Detailed backup and recovery procedures
	  d. Detailed data entry procedures
	  e. Detailed report descriptions
	  f. Detailed descriptions of all user options
	  g. Detailed descriptions of all error message
	h. API integration/ interface documentation
		Y					Standard functionality. Help manual of over 2900 pages with drill down by topic from the right-click menu within Global Shop.

4.0	The system will provide help prompts at both the screen and the field level.		Y				Not necessarily help prompts unless there is a required input to move forward, however process documentation in training videos are available
OPTIONAL	**User Support**						
1.0	The system will provide the ability to customize help screens.	Y					Process Documentation in Training
REQUIRED	**Configuration**						
1.0	The system will provide warning messages to the user when required fields are not entered and validation rules are broken.	Y					Standard functionality.

2.0	The system will integrate all of major modules (e.g., General Ledger, Purchasing, Inventory, Manufacturing, Customer Relations Management, Sales, Time Keeping and Fixed Assets).	Y					Standard functionality. One system, quote to cash.
3.0	The system will allow data entry updates and or inquiries from fifty or more workstations simultaneously without degradation of application performance or system seizure.	Y					Standard functionality.
4.0	The system will allow a user to run multiple tabs/windows simultaneously.	Y					Global Shop can handle as many open screens as you can.
5.0	The system will support inputs from multiple methods including but not limited to: a. Keyboard or 10-key Pad b. Mouse c. Bar code scanning d. Existing internal or external database f. Magnetic stripe readers	Y					Standard functionality.
6.0	The system will provide reference tables with corresponding dropdown lists as aids to users in selecting consistent and correct data.	Y					Standard functionality.

7.0	The system will provide the user with notification of potential errors and omissions as the user is entering data but will not require the user to fix the error or omission before moving to the next field. After the entry is completed, but before it is committed, a list of errors and omissions is displayed and the user is allowed to either make changes or cancel the transaction.		Y				This is more of a case by case basis with regard to what errors are being displayed. For example, if a user does not enter in a quantity in the different purchasing or sales order screens the system will stop you until you enter a quantity in. GSS representatives would require a little more clarification with this question-item.
8.0	The system will provide the ability to utilize a single bar-coding software solution in all modules at all locations (e.g., Asset Tracking, Inventory, productions orders, etc.)	Y					Standard functionality.
9.0	The system will support both numeric and alpha-numeric bar-code formats.	Y					Standard functionality.
10.0	The system will support major bar code formats, including, but not limited to: code 39, EAN-13, Interleaved 2 of 5, Postnet, and UPC Version A.	Y					Standard functionality.
11.0	The system will support entry of bar-code data by scanning or manual entry.	Y					Standard functionality.

12.0	The system will support bar code scanners that read both one and two-dimensional bar-codes.	Y					Standard functionality.
13.0	The system will support bar code scanners that provide the ability to read bar codes and transfer that data into the appropriate corresponding fields in the system.	Y					Standard functionality.
14.0	The system will support bar code scanners that provide the ability to read bar codes and transfer that data into an external database inquiry (e.g., UPS or Fed Ex tracking software).	Y					Standard functionality.
15.0	The system will provide the ability to create bar code labels.	Y					Standard functionality.
16.0	The system shall provide a means to maintain the following reference data: a. Customers b. Batch codes c. Class codes d. Distribution codes e. Invoice messages f. Payment methods g. Sales/cogs accounts h. Sales representative i. Ship-to Addresses j. Terms Codes	Y					Standard functionality.

	k. Sales categories l. Tax Tables m. Bill to Address						
17.0	The system shall provide a view of all master lists: a. Batch Code List b. Class Code List c. Credit Card List d. Customer List e. Customer Detail List f. Customer Labels g. Distribution Codes List h. Invoice Message List i. Payment Methods List j. Sales/cogs List k. Sales Representative List l. Ship to Address List m. Ship to Address Labels n. Terms Codes List o. Tax Tables p. Bill to Address List	Y					Standard functionality.
18.0	The system shall provide the ability to search for existing open or closed purchase orders by the following fields: a. Purchase Order Number b. Request for Purchase Number c. Location d. Vendor ID e. Vendor Name	Y					Standard functionality in transaction register and customer service register in CRM.

	f. Purchase Order Date g. Requested Ship Date h. Date Purchase Order Closed i. Ordered By j. Ship To Address k. Ship To Contact l. Inventory Number m. Description n. GL Account Number o. Sales Order Number – by a specific line item p. Customer ID q. Production Order ID (Standard Product and Non-Standard Product) r. Production Order Number						
OPTIONAL	**Configuration**						
1.0	The system will provide a means to add fields for data input and view screens as required.	Y					This is standard functionality in Global Shop's GAB – Global Application Builder.
2.0	The system will be configurable to support user defined short-cut entry screens.	Y					Standard functionality.
3.0	The system will support different user experiences based on location and/or business unit: a. Reference table values will be filtered, providing a view that is specific	Y					Standard functionality to simplify user experience based on role/business unit/workgroup.

		for the user. b. Customization of menu options						
	4.0	The system will provide the capability for authorized users to modify data entry and inquiry screens so that non-essential fields may be removed from the screen.	Y					Fields are customizable down to the screen per user.
	5.0	The system will provide the capability for authorized users to add customized fields and change field sequence to improve data entry so that it best matches current MSI business practices. The system will provide the capability for system administrators to customize the user interfaces in the following ways: a. Field display color b. Field label description c. Display/tab order of fields d. Required fields e. Customized data entry and instructions f. Pre-defined field values for new record entry g. Add and hide fields displayed h. Set default values for field	Y					This is standard functionality in Global Shop's GAB – Global Application Builder.

6.0	The system will display user-definable statuses of an operational or financial transaction.	Y					This is standard functionality in Global Shop's CRM
7.0	The system shall be capable of integrating automated data capture methods for collecting total labor (direct and indirect). Automated data capture may include such technology as biometric scanners, bar code readers, RFID, identification magnetic strip readers (Offender Badges) to identify employees	Y					This is standard functionality in Global Shop's labor and machine data collection tracking.
8.0	The system shall have the capability for displaying summarized offender labor hours for a user defined period of time, employee id, location, business unit, and/or sub locations. The system shall have the capability to drill down to see the details of the summarized data (i.e. drilling down on location, business unit, sub-location, employee id, etc).	Y					Standard labor tracking per employee
9.0	The system shall have the capability for displaying employee information/data grouped by various user defined parameters (i.e. locations, business unit, work code/assignment, etc)	Y					This is standard functionality in Global Shop's workgroup maintenance, employee attributes, and payroll modules.

10.0	The system shall provide a number of ways to categorize sales activity (e.g., sales categories, open versus closed, by user defined categories).	Y					Standard functionality.