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

CONTRACT CHANGE NOTICE

Change Notice Number **11**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
PREVAILING WAGE AND LABOR COMPLIANCE (PWLC) SOFTWARE			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	September 30, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
NET 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card	☐ PRC	☐ Other	☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☒	One Month	October 31, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$421,889.00	$9,867.00		$431,756.00	

DESCRIPTION

Effective 9/23/2022, this Contract is extended one (1) months, and is increased by $9,867.00 while final negotiations continue on the replacement for this Contract. The revised contract expiration date is 10/31/2022.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Mike DeBoer	517-256-8368	deboerm@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 **10**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
PREVAILING WAGE AND LABOR COMPLIANCE (PWLC) SOFTWARE			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	August 31, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
NET 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card	☐ PRC	☐ Other	☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☒	1 month	September 30, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$412,022.00	$9,867.00		$421,889.00	

DESCRIPTION

Effective 8/30/2022, this Contract is extended one (1) months, and is increased by $9,867.00 while final negotiations continue on the replacement for this Contract. The revised contract expiration date is 9/30/2022.

Please note the MDOT Program Manager has been changed to Mike DeBoer.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Mike DeBoer	517-256-8368	deboerm@michigan.gov

STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES

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

CONTRACT CHANGE NOTICE

Change Notice Number **9**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
PREVAILING WAGE AND LABOR COMPLIANCE (PWLC) SOFTWARE			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	June 30, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
NET 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card	☐ PRC	☐ Other	☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☒	2 Months	August 31, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$392,288.00	$19,734.00		$412,022.00	

DESCRIPTION

Effective 6/15/2022, this Contract is extended two (2) months, and is increased by $19,734.00 while final negotiations continue on the replacement for this Contract. The revised contract expiration date is 8/31/2022.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@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 **8**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
PREVAILING WAGE AND LABOR COMPLIANCE (PWLC) SOFTWARE			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	June 30, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
NET 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card	☐ PRC	☐ Other	☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☐		June 30, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$382,421.00	$9,867.00		$392,288.00	

DESCRIPTION

Effective 5/28/2022, this Contract is increased by $9,867.00 for MDOT use to cover the "gap" period between 3/15/2022 and 4/14/2022.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@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 **7**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
SAAS SOLUTION (LABOR & WAGE COMPLIANCE SOFTWARE) USED BY MDOT			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 2022
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
Net 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-Card	☐ PRC ☐ Other		☒ Yes ☐ No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☒	2-1/2 months	June 30, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$357,753.50	$24,667.50		$382,421.00	

DESCRIPTION

Effective 4/14/2022, this Contract is extended 2-1/2 months, and is increased by $24,667.50 while final negotiations continue on the replacement for this Contract. The parties agree that all such monies will be deducted from the fees due by State to Contractor for year one under the New Agreement. The revised contract expiration date is 6/30/2022.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@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 **6**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
SAAS SOLUTION (LABOR COMPLIANCE SOFTWARE) USED BY			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 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 14, 2022
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$331,311.50	$5,616.00		$336,927.50	

DESCRIPTION

Effective 10/13/2021, adding pricing for up to the $6B level of prevailing wage monitoring. The Annual rate increase is $14,400, pro-rated for six months, and discounted by 22% for a total cost of $5,616.00 This Contract is increased by $5,616.00 for MDOT use to cover the final six months of the current Contract.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@michigan.gov

STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
Department of Technology, Management, and Budget

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

CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY

PREVAILING WAGE LABOR COMPLIANCE SOFTWARE

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 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 14, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$331,311.50	$20,826.00	$352,137.50

DESCRIPTION

Effective 4/19/2021, The annual volume for prevailing wage monitoring has increased to the $5 billion level, and the annual cost at this level is $98,408.00. To cover the higher level this Contract is increased by $20,826.00 for MDOT use.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@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 **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY

SAAS SOLUTION (LABOR COMPLIANCE SOFTWARE) USED BY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 2022

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	

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

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		April 14, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$326,079.00	$5,232.50	$331,311.50

DESCRIPTION

Effective 7/1/2020, the following amendment is incorporated into this Contract per attached Invoice. This change includes ten months pro-rated (May 2020 to March 2021) to track prevailing wage compliance at the $4 Billion level. This Contract is increased by $5,232.50 for MDOT use.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@michigan.gov

Invoice for Michigan DOT
Invoice # IR-13122
PO # Doc ID: 200000002748

From :

LCPtracker, Inc.
P.O.Box 187
Orange, CA 92856

Invoice Date: 6/11/2020
Due Date: 7/11/2020

Invoice Type: Custom
Service From: 3/15/2020
Service To: 3/14/2021

Address Information

Bill To:

Accounts Payable
Michigan DOT
425 W. Ottawa St. P.O. Box 30050
Lansing, MI 48909

Monitored Databases

Database Name	Current Value
MDOT - MICHIGAN DEPT. OF TRANSPORTATION	$3,608,458,262.35
	Total Project Value: $3,608,458,262.35

Products

Product Code	Product	Unit Price	Quantity	Total Price
LCP-EA500M	Additional Capacity - Every Additional $500 Million in Construction Value (Price Option Available for Bulk Capacities Larger $2 Billion) - prorated for 10 months (May 2020 to March 2021) - Up to $4 Billion in Capacity (22.0 % Discount)	$6,708.33	1.00	$5,232.50
				Amount Due: $5,232.50

Terms and Conditions

Net 45 Days - SOM per Contract

Notes

Please contact the accounting department if any additional documents or information is needed in order to process the invoice. For questions, please contact the accounting department at (714) 669-0052 x128

STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
Department of Technology, Management, and Budget

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

CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY

SAAS SOLUTION (LABOR COMPLIANCE SOFTWARE) USED BY

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 2020

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
☒	2 - 1 year	☐		April 14, 2022

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$174,915.00	$151,164.00	$326,079.00

DESCRIPTION

Effective 1/28/2020, this Contract is exercising the both option years and is increased by $75,582.00 per year for the $3.5 Billion level for monitoring of Prevailing Wage and Labor Monitoring. The total value of the increase is $151,164.00. The revised contract expiration date is 4/14/2022.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 1/28/2020.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@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 **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY			
SAAS SOLUTION (LABOR COMPLIANCE SOFTWARE) USED BY			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 2020
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 14, 2020
CURRENT VALUE	**VALUE OF CHANGE NOTICE**	**ESTIMATED AGGREGATE CONTRACT VALUE**		
$166,140.00	$8,775.00	$174,915.00		

DESCRIPTION

Effective 7/25/2019, pricing on this Contract is increased by $8,775.00 to reflect the increased project labor for the current year, per Attachment Invoice # 1R-10831. The increase is pro-rated for the period May 2019 through March 2020. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@michigan.gov

Invoice for Michigan DOT
Invoice # IR-10831

From :

LCPtracker, Inc.
P.O.Box 187
Orange, CA 92856

Invoice Date: 7/22/2019
Due Date: 8/21/2019

Invoice Type: Custom
Service From: 3/14/2019
Service To: 3/14/2020

Address Information

Bill To:

Accounts Payable
Michigan DOT
425 W. Ottawa St. P.O. Box 30050
Lansing, MI 48909

Monitored Databases

Database Name	Current Value
MDOT - MICHIGAN DEPT. OF TRANSPORTATION	$3,302,391,899.89
	Total Project Value: $3,302,391,899.89

Products

Product Code	Product	Unit Price	Quantity	Total Price
LCP-AA5	Additional Capacity - Every Additional $500 Million in Construction Value (Price Option Available for Bulk Capacities Larger $2 Billion) Up to $3.5 Billion (prorated for 9 months May 2019 to March 2020) (22.0 % Discount)	$5,625.00	2.00	$8,775.00
				Amount Due: $8,775.00

Terms and Conditions

Please send payment within 30 days.

Notes

Please contact the accounting department if any additional documents or information is needed in order to process the invoice. For questions, please contact the accounting department at (714) 669-0052 x128

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 **071B6600075**

CONTRACTOR	
	LCPTRACKER, INC.
	200 E Chapman Ave
	Orange, CA 92866
	Jeff Douglas
	714-418-5605
	jdouglas@lcptracker.com
	CV0014984

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

CONTRACT SUMMARY

SAAS SOLUTION (LABOR COMPLIANCE SOFTWARE) USED BY PRIME CONTRACTORS AND SUBCONTRACTORS TO ADD, EDIT, VIEW AND UPLOAD EMPLOYEE PAYROLL AND FRINGE BENEFIT INFORMATION REQUIRED BY THE DAVIS BACON ACT. THIS SYSTEM ALSO ANALYZES DATA AND CREATES FORMS.

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 4, 2016	April 14, 2020	2 - 1 Year	April 14, 2020

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 14, 2020

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
$154,440.00	$11,700.00	$166,140.00

DESCRIPTION

Effective 3/25/2019, this Contract is increased by $11,700.00. This includes $5,850.00 for the increase to the $2.5B threshold for the current year 2018-19 and by $5,850.00 for the increase to the $2.5B threshold for the final year of the base contract 2019-20.

Please note the Contract Administrator has been changed to Christopher Martin.

Please note the Program Manager has been changed to Adam Strong for MDOT and Jeffrey LaBean for DTMB.

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

Program Managers
for
Multi-Agency and Statewide Contracts

AGENCY	NAME	PHONE	EMAIL
DTMB	Jeffrey LaBean	517-243-1743	labeanj@michigan.gov
MDOT	Adam Strong	517-719-7344	stronga1@michigan.gov

Form No. DTMB-3522 (Rev. 10/2015)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract change will not be executed unless form is filed

STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

PROCUREMENT

525 W. ALLEGAN STREET
LANSING, MI 48933

P.O. BOX 30026
LANSING, MI 48909

NOTICE OF CONTRACT NO. 071B6600075

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
LCPtracker, Inc.	Renee Bell	rbell@lcptracker.com
200 E Chapman Ave	**PHONE**	**VENDOR TAX ID # (LAST FOUR DIGITS ONLY)**
Orange CA 92866	714-669-0052 ext. 132	**2320**

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER	**MDOT**	**ADAM STRONG**	**517-719-7344**	**strongA1@michigan.gov**
CONTRACT ADMINISTRATOR	**DTMB - Procurement**	**Simon Baldwin**	**517-284-6997**	**baldwins@michigan.gov**

CONTRACT SUMMARY

DESCRIPTION:

Prevailing Wage and Labor Compliance SaaS Solution - MDOT

INITIAL TERM	EFFECTIVE DATE	INITIAL **EXPIRATION DATE**	AVAILABLE **OPTIONS**
4 Years	**4/15/2016**	**4/14/2020**	**2, 1 Year**
PAYMENT TERMS	**F.O.B.**	**SHIPPED TO**	
Net 45	**NA**	**NA**	

ALTERNATE PAYMENT OPTIONS			EXTENDED **PURCHASING**	
☐ P-card	☐ Direct Voucher (DV)	☐ Other	☒ Yes	☐ No

MINIMUM DELIVERY REQUIREMENTS

NA

MISCELLANEOUS INFORMATION

Software as a Service (SaaS) Contract for management of Prevailing Wage and Labor Compliance for the Michigan Department of Transportation awarded from RFP number 007116B0006429. This system is currently in place through B2G and the 2016 payment already made. For this reason, LCPtracker will be responsible for contractual obligations from the point of Contract signature, with the first payment to be made through the 2017 Purchase Order. The base Contract period has therefore been extended by one year.

ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION	**$154,440.00**

For the Contractor:

_____ _____

Kris Vincil, Sales Director**,**

Contract Administrator

LCPtracker, Inc.

Date

For the State:

_____ _____

Bill Pemble,

IT Division Director

State of Michigan

Date

STATE OF MICHIGAN

CONTRACT TERMS
Software as a Service (SaaS)

This Software as a Service Contract (this "**Contract**") is agreed to between the State of Michigan (the "**State**") and LCPtracker, Inc. ("**Contractor**"), a California Company. This Contract is effective on April 14, 2016 ("**Effective Date**"), and unless earlier terminated, will expire on April 13, 2020 (the "**Term**").

This Contract may be renewed for up to 2 additional 1 year period(s). Renewal must be by written notice from the State and will automatically extend the Term of this Contract.]

1. **Definitions.**

"**Accept**" has the meaning set forth in **Section 4.2(b)**.

"**Acceptance**" has the meaning set forth in **Section 4.2(b)**.

"**Action**" has the meaning set forth in **Section 15.1**.

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

"**Allegedly Infringing Features**" has the meaning set forth in **Section 15.3(b)(i)**.

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

"**Availability**" has the meaning set forth in **Section 5(a)**.

"**Availability Requirement**" has the meaning set forth in **Section 5(a)**.

"**Available**" has the meaning set forth in **Section 5(a)**.

"**Business Day**" means a day other than a Saturday, Sunday or State Holiday.

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

"**Code**" has the meaning set forth in **Section 21**.

"**Confidential Information**" has the meaning set forth in **Section 12.1**.

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

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

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

“**Contractor Personnel**” means all employees and agents of Contractor, all Subcontractors and all employees and agents of any Subcontractor, involved in the performance of Services.

“**Contractor Security Officer**” has the meaning set forth in **Section 2.5(a)**.

“**Contractor Service Manager**” has the meaning set forth in **Section 2.5(a)**.

“**Contractor Systems**” has the meaning set forth in **Section 13.3**.

“**Corrective Action Plan**” has the meaning set forth in **Section 6.6**.

“**Critical Service Error**” has the meaning set forth in **Section 6.4(a)**.

“**Documentation**” means all generally available documentation relating to the Services, including all user manuals, operating manuals and other instructions, specifications, documents and materials, in any form or media, that describe any component, feature, requirement or other aspect of the Services, including any functionality, testing, operation or use thereof.

“**DR Plan**” has the meaning set forth in **Section 14.3(a)**.

“**Effective Date**” has the meaning set forth in the preamble.

“**Exceptions**” has the meaning set forth in **Section 5.2**.

“**Fees**” has the meaning set forth in **Section 8.1**.

“**Force Majeure Event**” has the meaning set forth in **Section 19.1**.

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

“**High Service Error**” has the meaning set forth in **Section 6.4(a)**.

"**HIPAA**" has the meaning set forth in **Section 9.1**.

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

"**Intellectual Property Rights**" means any and all rights comprising or relating to: (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 goodwill associated therewith; (c) authorship rights, copyrights and copyrightable works (including computer programs) 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 this Contract or any 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.

"**Loss**" 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. "Losses" has a correlative meaning.

"**Low Service Error**" has the meaning set forth in **Section 6.4(a)**.

"**Medium Service Error**" has the meaning set forth in **Section 6.4(a)**.

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

"**Personal Health Information (PHI)**" has the meaning set forth in **Section 9.1**.

"**Personally Identifiable Information (PII)**" has the meaning set forth in **Section 9.1**.

"**Process**" means to perform any operation or set of operations on any data, information, material, work, expression or other content, including to (a) collect, receive, input, upload, download, record, reproduce, store, organize, combine, log, catalog, cross-reference, manage, maintain, copy, adapt, alter, translate or make other improvements or derivative works, (b) process, retrieve, output, consult, use, disseminate, transmit, submit, post, transfer, disclose or otherwise provide or make available, or (c) block, erase or destroy. "**Processing**" and "**Processed**" have correlative meanings.

“**Reject**” has the meaning set forth in **Section 4.2(b)**.

“**Rejection**” has the meaning set forth in **Section 4.2(b)**.

“**Representatives**” means a party’s employees, officers, directors, consultants, legal advisors and, with respect to Contractor, Contractor’s Subcontractors.

“**Resolve**” has the meaning set forth in **Section 6.4(b)**.

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

“**Scheduled Downtime**” has the meaning set forth in **Section 5.3**.

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

“**Service Availability Credits**” has the meaning set forth in **Section 5.5(a)**.

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

“**Service Level Credits**” has the meaning set forth in **Section 6.5**.

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

“**Service Period**” has the meaning set forth in **Section 5(a)**.

“**Service Software**” means any and all software applications and any third-party or other software, and all new versions, updates, revisions, improvements and modifications of the foregoing, that Contractor provides remote access to and use of as part of the Services.

“**Service Support Level Requirements**” has the meaning set forth in **Section 6.4**.

“**Services**” has the meaning set forth in **Section 2.1**.

“**Source Code**” means the human readable source code of the Service Software to which it relates, in the programming language in which the Service 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 Service Software.

"**Specifications**" means the specifications for the Services set forth in the applicable Statement of Work and, to the extent consistent with and not limiting of the foregoing, the Documentation.

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

"**State Data**" has the meaning set forth in **Section 9.1**.

"**State Modification**" has the meaning set forth in **Section 15.2(a)**.

"**State Project Manager**" has the meaning set forth in **Section 2.8**.

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

"**Statement of Work**" has the meaning set forth in **Section 2.1(a)**. The Initial Statement of Work is attached as **Schedule A**, and subsequent Statements of Work shall be sequentially identified and attached as Schedule A-1, A-2, A-3, etc.

"**Subcontractor**" means any entity that performs any Services under this Contract and otherwise has the meaning set forth in **Section 2.4(a)**.

"**Support Request**" has the meaning set forth in **Section 6.4(a)**.

"**Support Service Level Requirements**" has the meaning set forth in **Section 6.4**.

"**Support Services**" has the meaning set forth in **Section 6**.

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

"**Transition Period**" has the meaning set forth in **Section 7.3.**

"**Transition Responsibilities**" has the meaning set forth in **Section 7.3.**

"**User Data**" means any and all information reflecting the access or use of the Hosted Services by or on behalf of the State or any Authorized User, including any end user profile, visit, session, impression, click-through or click-stream data and any statistical or other analysis, information or data based on or derived from any of the foregoing.

2. Services.

2.1 Services. Throughout the Term and at all times in connection with its actual or required performance under this Contract, Contractor will, in accordance with all terms and conditions set forth in this Contract and each applicable Statement of Work, provide to the State and its Authorized Users the following services ("**Services**"):

(a) the hosting, management and operation of the Service Software and other services for remote electronic access and use by the State and its Authorized Users ("**Hosted Services**") as described in one or more written, sequentially numbered, statements of work referencing this Contract, including all Specifications set forth in such statements of work, which, upon their execution will be attached as **Schedule A** to this Contract and by this reference are incorporated in and made a part of this Contract (each, a "**Statement of Work**");

(b) service maintenance and the Support Services as set forth in **Section 6** and in the applicable Statement of Work; and

(c) such other services as may be specified in the applicable Statement of Work.

2.2 Change Notices.

(a) Any modifications or changes to the Services under any executed Statement of Work will be effective only if and when memorialized in a mutually agreed written change notice ("**Change Notice**") signed by both Parties, provided, however, that for any Services provided on a limited basis (for example, on a per user, server, CPU or named-user basis), the State may, at any time, increase or decrease the number of its licenses hereunder subject to a corresponding forward-going adjustment of the Fees to reflect these changes in accordance with the pricing set forth in the applicable Statement of Work.

(b) In the event the Services are customizable, a more detailed change control process may be specified in the applicable Statement of Work. In such event, the change control process set forth in such Statement of Work shall control.

2.3 Compliance With Laws. Contractor must comply with all applicable Laws as they concern this Contract, including by securing and maintaining all required and appropriate visas, work permits, business licenses and other documentation and clearances necessary for performance of the Services.

2.4 Subcontracting. Contractor will not itself, and will not permit any Person to, subcontract any Services, in whole or in part, without the State's prior written consent, which consent may be given or withheld in the State's sole discretion. Without limiting the foregoing:

(a) Contractor must ensure each Contractor subcontractor (including any subcontractor of a Contractor subcontractor, each, a "**Subcontractor**") complies with all relevant terms of this Contract, including all provisions relating to State Data or other Confidential Information of the State;

(b) the State's consent to any such Subcontractor does not relieve Contractor of its representations, warranties or obligations under this Contract;

(c) Contractor will remain responsible and liable for any and all: (i) performance required hereunder, including the proper supervision, coordination and performance of the

Services; and (ii) acts and omissions of each Subcontractor (including, such Subcontractor's employees and agents, who, to the extent they are involved in providing any Services, are deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor;

(d) any noncompliance by any Subcontractor or its employees or agents with the provisions of this Contract or any Statement of Work will constitute a breach by Contractor;

(e) prior to the provision of Services by any Subcontractor, Contractor must obtain from each such proposed Subcontractor:

(i) the identity of such Subcontractor and the location of all its data centers, if any, that will be used in Processing any State Data, which information Contractor shall promptly disclose to the State in writing; and

(ii) a written confidentiality, restricted use, work-for-hire and intellectual property rights assignment Contract in form and substance acceptable to the State, giving the State rights at least equal to those set forth in **Section 9** (State Data), **Section 12** (Confidentiality), **Section 13** (Security) and **Section 14** (Redundancy, Data Backup and Disaster Recovery) and containing the Subcontractor's acknowledgment of, and agreement to, the provisions of **Section 2.5** (Contractor Personnel), a fully-executed copy of which agreement Contractor will promptly provide to the State upon the State's request.

2.5 Contractor Personnel. Contractor will:

(a) subject to the prior written approval of the State, appoint: (i) 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 Support Services (the "**Contractor Service Manager**"); and (ii) 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**"); and (iii) other Key Personnel, who will be suitably skilled, experienced and qualified to perform the Services;

(b) provide names and contact information for Contractor's Key Personnel on **Schedule B** to this Contract;

(c) maintain the same Contractor Service Manager, Contractor Security Officer and other Key Personnel throughout the Term and such additional period, if any, as Contractor is required to perform the Services, except for changes in such personnel due to: (i) the State's request pursuant to **Section 2.5(d)**; or (ii) the death, disability, resignation or termination of such personnel or other circumstances outside Contractor's reasonable control; and

(d) upon the reasonable written request of the State, promptly replace any Key Personnel of Contractor.

2.6 Management and Payment of Contractor Personnel.

(a) Contractor is solely responsible for the payment of Contractor Personnel, including all fees, expenses and compensation to, by or on behalf of any Contractor Personnel and, if applicable, the withholding of income taxes and payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Contractor will ensure that no Person who has been convicted of a felony or any misdemeanor involving, in any way, theft, fraud, or bribery provides any Services or has access to any State Data, State Systems or State facilities. On a case-by-case basis, the State may request that Contractor initiate a background check on any Contractor Personnel to the extent that the background check does not violate California law before they may have access to State Data, State Systems or State facilities. Any request for a background check shall be initiated by the State and must be reasonably related to the type of work requested. The results shall be used solely to determine the eligibility of Contractor Personnel to work with State Data, State Systems or in State facilities. If provided to the State, results of background checks will be promptly returned to Contractor, and will be treated as Confidential Information. All investigations will include a Michigan State Police Background check (ICHAT) and may include a National Crime Information Center (NCIC) Finger Print check. Contractor will present attestation of satisfactory completion of such tests. Contractor is responsible for all reasonable costs and expenses associated with such background checks.

2.7 Time is of the Essence. Contractor acknowledges and agrees that time is of the essence with respect to its obligations under this Contract and that prompt and timely performance of all such obligations, including all timetables and other requirements of this Contract and each Statement of Work, is strictly required.

2.8 State Project Manager. 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 Support Services, including the submission and processing of Support Requests (the "**State Project Manager**").

3. License Grant and Restrictions.

3.1 Contractor License Grant. Contractor hereby grants to the State, exercisable by and through its Authorized Users, a nonexclusive, royalty-free, irrevocable (except as provided herein) right and license during the Term and such additional periods, if any, as Contractor is required to perform Services under this Contract or any Statement of Work, to:

(a) access and use the Hosted Services, including in operation with other software, hardware, systems, networks and services, for the State's business purposes, including for Processing State Data;

(b) generate, print, copy, upload, download, store and otherwise Process all GUI, audio, visual, digital and other output, displays and other content as may result from any access to or use of the Services;

(c) prepare, reproduce, print, download and use a reasonable number of copies of the Specifications and Documentation for any use of the Services under this Contract; and

(d) access and use the Services for all such non-production uses and applications as may be necessary or useful for the effective use of the Hosted Services hereunder, including for purposes of analysis, development, configuration, integration, testing, training, maintenance, support and repair, which access and use will be without charge and not included for any purpose in any calculation of the State's or its Authorized Users' use of the Services, including for purposes of assessing any Fees or other consideration payable to Contractor or determining any excess use of the Hosted Services as described in **Section 3.3**.

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

3.3 Use. The State will pay Contractor the corresponding Fees set forth in the Statement of Work for all Authorized Users access and use of the Service Software.

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

4. Service Preparation, Testing and Acceptance.

4.1 Service Preparation. Promptly upon the parties' execution of a Statement of Work, Contractor will take all steps necessary to make the Services procured thereunder ready and available for the State's use in accordance with the Statement of Work and this Contract, including any applicable milestone date or dates set forth in such Statement of Work.

4.2 Testing and Acceptance.

(a) When Contractor notifies the State in writing that the Hosted Services are ready for use in a production environment, the State will have thirty (30) days (or such other period as may be agreed upon by the Parties in writing) from receipt of the notice to test the Hosted Services to determine whether they comply in all material respects with the requirements of this Contract and the Specifications.

(b) Upon completion of the State's testing, the State will notify Contractor of its acceptance ("**Accept**" or "**Acceptance**") or, if it has identified any noncompliance with the Specifications, rejection ("**Reject**" or "**Rejection**") of the Hosted Services. If the State Rejects the Hosted Services, the State will provide a written list of items that must be corrected. On receipt of the State's notice, Contractor will promptly commence, at no additional cost or charge to the State, all reasonable efforts to complete, as quickly as possible and in any event within twenty (20) days (or such other period as may be agreed upon by the Parties in writing) from receipt of the State's notice, such necessary corrections, repairs and modifications to the Hosted Services to bring them into full compliance with the Specifications.

(c) If any corrective measures are required under **Section 4.2(b)**, upon completion of all such measures, Contractor will notify the State in writing and the process set forth in **Section 4.2(a)** and **Section 4.2(b)** will be repeated; provided that if the State determines that the Hosted Services, as revised, still do not comply in all material respects with the Specifications, the State may, in its sole discretion:

(i) require the Contractor to repeat the correction, repair and modification process set forth in **Section 4.2(b)** at no additional cost or charge to the State; or

(ii) terminate any and all of the relevant Statement of Work, this Contract and any other Statements of Work hereunder.

(d) The parties will repeat the foregoing procedure until the State Accepts the Hosted Services or elects to terminate the relevant Statement of Work as provided in **Section 4.2(c)(ii)** above. If the State so terminates the relevant Statement of Work, Contractor must refund to the State 50% of all sums previously paid to Contractor under such Statement of Work within ten (10) Business Days of the State's written notice of termination, and the State will be relieved of all obligations thereunder.

5. 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 99.5% 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 it's Authorized Users over the Internet in material conformity with the Specifications. "**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.

5.2 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) internet or other network traffic problems other than problems arising in or from networks actually or required to be provided or controlled by Contractor; or

(c) Scheduled Downtime as set forth in **Section 5.3**.

5.3 Scheduled Downtime. Contractor must notify the State at least twenty-four (24) 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 12:00 a.m. and 5:00 a.m., Eastern Time; and (c) occur no more frequently than once per week; provided that Contractor may request for the State's approval, extensions of Scheduled Downtime above five (5) hours and such approval by the State may not be unreasonably withheld or delayed.

5.4 Service Availability Reports. Within thirty (30) days after the end of each Service Period, Contractor will provide to the State a report describing the Availability and other performance of the Hosted Services during that calendar month as compared to the Availability Requirement and Specifications. 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 Specifications; and (b) if Hosted Service performance has failed in any respect to meet or exceed the Availability Requirement or Specifications 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 and Specifications are fully met.

5.5 Remedies for Service Availability Failures.

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

provided during the Service Period ("**Service Availability Credits**"):

Availability	Credit of Fees
≥99.5%	None
<99.5% but ≥99.0%	15%
<99.0% but ≥95.0%	35%
<95.0%	100%

(b) Any Service Availability Credits due under this **Section 5.5** will be applied in accordance with **Section 8.10**.

(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 this Contract and/or the applicable Statement of Work on written notice to Contractor with no liability, obligation or penalty to the State by reason of such termination.

6. Support and Maintenance Services. Contractor will provide Hosted Service maintenance and support services (collectively, "**Support Services**") in accordance with the provisions of this **Section 6**. The Support Services are included in the Services, and Contractor may not assess any additional Fees, costs or charges for such Support Services.

6.1 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 during the hours of 8 a.m. to 5 p.m. Eastern Time on Business Days;

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

(d) Respond to and Resolve Support Requests as specified in this **Section 6**.

6.2 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 or in the applicable Statement of Work):

(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 or in the applicable Statement of Work 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 6.4**, 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.

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

(a) all updates, bug fixes, enhancements, new releases, new versions and other improvements to the Hosted Services, including the Service Software, that Contractor provides at no additional charge to its other similarly situated customers; 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 this Contract and the Specifications.

6.4 Support Service Level Requirements. Contractor will correct all Service Errors and respond to and Resolve all Support Requests in accordance with the required times and other terms and conditions set forth in this **Section 6.4** ("**Support Service Level Requirements**"), this Contract and the applicable Statement of Work.

(a) Support Requests. The State will classify its requests for Service Error corrections in accordance with the descriptions set forth in the chart below (each a "**Support Request**"). The

State Project Manager will notify Contractor of Support Requests by e-mail, 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; • Material financial impact; • Declared a Critical Support Request by the State; or • Widespread access interruptions.
High Service Error	• Primary component failure that materially impairs its performance; or • Data entry or access is materially impaired on a limited basis.
Medium Service Error	• Hosted Service is operating with minor issues that can be addressed with a work around.
Low Service Error	• Request for assistance, information, or services that are routine in nature.

(b) Response and Resolution Time Service Levels. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (i) responded to, in the case of response time and (ii) Resolved such Support Request, in the case of Resolution time. "**Resolve**" (including "**Resolved**", "**Resolution**" and correlative capitalized terms) means that, as to any Service Error, Contractor has provided the

State the corresponding Service Error correction and the State has confirmed such correction and its acceptance thereof. Contractor will respond to and Resolve all Service Errors within the following times based on the severity of the Service Error:

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 Corresponding Response Time)**	**Service Level Credits** **(For Failure to Resolve any Support Request Within the Corresponding Required Resolution Time)**
Critical Service Error	One (1) hour	Two (2) 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, which amount will thereafter double for each additional one (1) hour increment.

High Service Error	Two (2) hours	Four (4) hours	Three percent (3%) of the Fees for the month in which the initial Service Level Failure begins and three percent (3%) of such monthly Fees for each additional hour or portion thereof that the corresponding Service Error is not responded to 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 each additional four (4) hour period or portion thereof that the corresponding Service Error remains un-Resolved.
Medium Service Error	Twenty-four (24) hours	Forty-Eight (48) hours	N/A	N/A
Low Service Error	Two (2) Business Days	Five (5) Business Days	N/A	N/A

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

6.5 Support Service Level Credits. Failure to achieve any of the Support Service Level Requirements will constitute a Service Level Failure for which Contractor will issue to the State the corresponding service credits set forth in **Section** ("**Service Level Credits**") in accordance with **Section 8.10**.

6.6 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, this 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.

7. Termination, Expiration and Transition.

7.1 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 7.1**, 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 7.2**.

(c) The State will only pay for amounts due to Contractor for Services accepted by the State on or before the date of termination. Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

7.2 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 7.3**. 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.

7.3 Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar

days; 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 Statement of Work 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.

7.4 Effect of Termination. Upon and after the termination or expiration of this Contract or one or more Statements of Work for any or no reason:

(a) Contractor will be obligated to perform all Transition Responsibilities specified in **Section 7.3**.

(b) All licenses granted to Contractor in State Data will immediately and automatically also terminate. Contractor must promptly return to the State all State Data not required by Contractor for its Transition Responsibilities, if any.

(c) Contractor will (i) return to the State all documents and tangible materials (and any copies) containing, reflecting, incorporating, or based on the State's Confidential Information; (ii) permanently erase the State's Confidential Information from its computer systems; and (iii) certify in writing to the State that it has complied with the requirements of this **Section 7**, in each case to the extent such materials are not required by Contractor for Transition Responsibilities, if any.

(d) Notwithstanding any provisions of this Contract or any Statement of Work to the contrary, upon the State's termination of this Contract or any Statement of Work for cause pursuant to **Section 7.1**, the State will have the right and option to continue to access and use the Services under each applicable Statement of Work, in whole and in part, for a period not to exceed one hundred and eighty (180) days from the effective date of such termination pursuant to the terms and conditions of this Contract and each applicable Statement of Work and at a reduced rate of sixty (60%) off the applicable Fees set forth in each such Statement of Work.

7.5 Survival. The rights, obligations and conditions set forth in this **Section 7.5** and **Section 1** (Definitions), **Section 7.3** (Effect of Termination; Data Retention), **Section 9** (State Data), **Section 12** (Confidentiality), **Section 13** (Security), **Section 15.1** (Indemnification), **Section 16** (Limitations of Liability), **Section 17** (Representations and Warranties), **Section 18** (Insurance) and **Section 21** (Effect of Contractor Bankruptcy) and **Section 22** (General Provisions), and any right, obligation or condition that, by its express terms or nature and context is intended to survive the termination or expiration of this Contract, survives any such termination or expiration hereof.

8. Fees and Expenses.

8.1 Fees. Subject to the terms and conditions of this Contract and the applicable Statement of Work, including the provisions of this **Section 8**, the State shall pay the fees set forth in the applicable Statement of Work, subject to such increases and adjustments as may be permitted pursuant to **Section 8.2** ("**Fees During Option Years**").

8.2 Fees During Option Years. Contractor's Fees are fixed during the initial period of the Term. Contractor may increase Fees for any renewal period by providing written notice to the State at least sixty (60) calendar days prior to the commencement of such renewal period. An increase of Fees for any renewal period may not exceed three percent (3%) of the Fees effective during the immediately preceding twelve (12) month period. No increase in Fees is effective unless made in compliance with the provisions of this **Section 8.2**.

8.3 Responsibility for Costs. Contractor is responsible for all costs and expenses incurred in or incidental to the performance of Services, including all costs of any materials supplied by Contractor, all fees, fines, licenses, bonds, or taxes required of or imposed against Contractor, and all other of Contractor's costs of doing business.

8.4 Taxes. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, all Fees are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

8.5 Invoices. Contractor will invoice the State for all Fees in electronic format, via such delivery means and to such address as are specified by the State in writing from time to time. If more than one Statement of Work is in effect, Contractor shall provide separate invoices for each Statement of Work. Each separate invoice must: (a) clearly identify the Statement of Work to which it relates, in such manner as is required by the State; (b) list each Fee item and Service Credit separately; (c) include sufficient detail for each line item to enable the State to verify the calculation thereof; (d) for Fees determined on a time and materials basis, report details of time taken to perform Services, and such other information as the State requires, on a per-individual basis; and (e) include such other information as may be required by the State as set forth in the applicable Statement of Work.

8.6 Payment Terms. 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.

8.7 State Audits of Contractor.

(a) During the Term, and for four (4) years after, Contractor must maintain complete and accurate books and records regarding its business operations relevant to the calculation of Fees and any other information relevant to Contractor's compliance with this **Section 8**. During the Term, and for four (4) years after, upon the State's request, Contractor must make such books and records and appropriate personnel, including all financial information, available during normal business hours for inspection and audit by the State or its authorized representative, provided that the State: (a) provides Contractor with at least fifteen (15) days prior notice of any audit, and (b) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations.

(b) The State may take copies and abstracts of materials audited. The State will pay the cost of such audits unless an audit reveals an overbilling or over-reporting of five percent (5%) or more, in which case Contractor shall reimburse the State for the reasonable cost of the audit. Contractor must upon 45 days' written notice from the State pay the State the amount of any overpayment revealed by the audit, together with any reimbursement payable pursuant to the preceding sentence.

8.8 Payment Does Not Imply Acceptance. The making of any payment or payments by the State, or the receipt thereof by Contractor, will in no way affect the responsibility of Contractor to perform the Services in accordance with this Contract, and will not imply the State's Acceptance of any Services or the waiver of any warranties or requirements of this Contract, including any right to Service Credits.

8.9 Withhold Remedy. In addition and cumulative to all other remedies in law, at equity and under this Contract, if Contractor is in material default of its performance or other obligations under this Contract or any Statement of Work and fails to cure the default within fifteen (15) days after receipt of the State's written notice of default, the State may, without waiving any other rights under this Contract, elect to withhold from the payments due to Contractor under this Contract during the period beginning with the sixteenth (16th) day after Contractor's receipt of such notice of default, and ending on the date that the default has been cured to the reasonable satisfaction of the State, an amount that, in the State's reasonable judgment, is in proportion to the magnitude of the default or the Service that Contractor is not providing. Upon Contractor's cure of the default, the State will cause the withheld payments to be paid to Contractor, without interest. Upon a final and binding legal determination that the State has withheld any payment in bad faith, such payment shall promptly be paid to Contractor.

8.10 Availability and Support Service Level Credits. Contractor acknowledges and agrees that each of the Service Availability Credits and Service Level Credits assessed pursuant to **Section 5** and **Section 6**, respectively: (a) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the corresponding Service Error or Service Level Failure, which would be impossible or very difficult to accurately estimate; and (b) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract or be payable to the State upon demand. No Service Availability Credits, Service Level Credits, or combination thereof, for any Service Period may exceed the

total amount of Fees that would be payable for that Service Period if the Services were fully provided in accordance with this Contract and the Specifications.

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

8.12 Support Not to be Withheld or Delayed. Contractor may not withhold or delay any Hosted Services or Support Services or fail to perform any other Services or obligations hereunder by reason of: (a) the State's good faith withholding of any payment or amount in accordance with this **Section 8**; or (b) any dispute whatsoever between the parties, including any payment or other dispute arising under or concerning this Contract or any other agreement between the parties.

9. State Data.

9.1 Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) User Data; and (b) the State's data collected, used, processed, stored, or generated in connection with the Services, including but not limited to (i) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and (ii) 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 9.1** survives termination or expiration of this Contract.

9.2 Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This **Section 9.2** survives termination or expiration of this Contract.

9.3 Extraction of State Data. Contractor must, within five (5) Business Days of the State's request, provide the State, an extract of State Data in the format specified by the State.

9.4 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 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.

9.5 Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, 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) (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all 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; and (g) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring

services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This Section survives termination or expiration of this Contract. Contractor affirms that it complies with California Civil Code Section 1798.80 in connection with the services provided to Client through the use of the Software. Contractor further affirms that it has implemented a reasonable security plan to protect Confidential Information and employees' personal identifiable information of both the Client and its subcontractors who are authorized to use the Licensed Software. Contractor agrees to disclose a breach of the security of its system following discovery or notification of the breach in the security of the data to an individual whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subdivision (c) of California Civil Code section 1798.82, or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system. Contractor further agrees to notify the owner of the personal information exposed by any breach of the security of the data immediately following discovery, if personal information was, or is reasonably believed to have been, acquired by an unauthorized person.

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

9.7 ADA Compliance. If the Services are required to be compliant with the Americans with Disabilities Act or Section 508 of the Workforce Rehabilitation Act of 1973, such compliance requirements shall be specified in the Statement of Work.

10. PCI Compliance.

Reserved

11. CEPAS Electronic Receipt Processing Standard.

Reserved

12. Confidentiality.

12.1 Meaning of Confidential Information. The term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term

"Confidential Information" does not include any information or documentation that was or is: (a) 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.

12.2 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to the Contractor's subcontractor is permissible where: (a) the subcontractor is a Permitted Subcontractor; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and (c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this **Section 12.2**.

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

12.4 Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

12.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within five (5) Business Days from the date of termination, return to the other party any and all Confidential

Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control. 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.

13. Security.

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

(a) ensure that the Service Software and all State Data 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);

(b) maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State's Confidential Information that comply with the requirements of the State's data security policies as set forth in **Schedule A, Attachment 7** (Data Security Requirements) and, to the extent such practices and standards are consistent with and not less protective than the foregoing requirements, are at least equal to applicable best industry practices and standards;

(c) 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.

(d) take all reasonable measures to:

(i) 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;

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

(e) Continuously monitor its systems for potential areas where security could be breached.

13.2 Unauthorized Access. Contractor may not access, and shall not permit any access to, State Systems, in whole or in part, whether through Contractor's Systems or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State Systems must be solely in accordance with this Contract, and in no case exceed the scope of the State's authorization pursuant to this **Section 13.2**. All State-authorized connectivity or attempted connectivity to State Systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in **Schedule C** as the same may be supplemented or amended by the State and provided to Contractor from time to time.

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

13.4 Security Audits. During the Term, Contractor will:

(a) maintain complete and accurate records relating to its data protection practices and the security of any of the State's Confidential Information, including any backup, disaster recovery or other policies, practices or procedures relating to the State's Confidential Information and any other information relevant to its compliance with this **Section 13**;

(b) upon the State's request, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least five 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 this 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

(c) if Contractor engages a third party auditor to perform a Statement on Standards for Attestation Engagements No. 16 (SSAE 16) audit of Contractor's operations, information security program or disaster recovery/business continuity plan, Contractor will provide a copy of the audit report to the State within thirty (30) days after Contractor's receipt of such report. Any such audit reports will be recognized as Contractor's Confidential Information.

13.5 Nonexclusive Remedy for Security Breach. Any failure of the Services to meet the requirements of this Contract 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 this Contract for which the State, at its option, may terminate this 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.

14. Redundancy, Data Backup and Disaster Recovery. Contractor must, in accordance with the provisions of this **Section 14**, maintain or cause to be maintained disaster avoidance procedures designed to safeguard State Data and the State's other Confidential Information, Contractor's Processing capability and the availability of the Hosted Services, in each case throughout the Term and at all times in connection with its actual or required performance of the Services hereunder. The force majeure provisions of **Section 19.1** do not limit Contractor's obligations under this **Section 14**.

14.1 Redundant Hosting and Connectivity. Contractor will simultaneously operate a mirror system at a location in the United States that is geographically remote from the primary system on which the Service Software and Hosted Services are hosted. Except for its location, the mirror system must: (a) be identical in all respects to the primary system; (b) have hardware and software, network connectivity, power supplies, backup generators and other similar equipment and services that operate independently of the primary system; (c) have fully current backups of all the State Data stored on the primary system; and (d) have the ability to provide the Hosted Services in accordance with this Contract and the Specifications during the performance of routine and remedial maintenance or any outage or failure of the primary system fails. Contractor will operate, monitor and maintain such mirror system so that it may be activated within five (5) hours of any failure of the Hosted Services to be Available.

14.2 Data Backup. Contractor will conduct, or cause to be conducted, daily back-ups of State Data and perform, or cause to be performed, other periodic back-ups of State Data on at least a weekly basis and store such back-ups. All backed up State Data shall be located in the continental United States. On written notice from the State and, in any case, on a quarterly basis, Contractor will provide the State with a copy of the backed up State Data in such machine readable format as is specified in **Schedule A, Attachment 9** or the State otherwise reasonably requests. Contractor will provide all quarterly back-ups at its sole cost and expense. The State will reimburse Contractor for all media costs and shipping charges reasonably incurred in fulfilling the State's additional requests for copies of backed up the State Data.

14.3 Disaster Recovery/Business Continuity. Throughout the Term and at all times in connection with its actual or required performance of the Services hereunder, Contractor will:

(a) Maintain a Business Continuity and Disaster Recovery Plan for the Hosted Services (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 A, Attachment 9**. 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 14.3**; and

(b) Provide the State with copies of all reports resulting from any testing of or pursuant to the DR Plan promptly after Contractor's receipt or preparation. If Contractor fails to reinstate all material Hosted Services within the periods of time set forth in the DR Plan, the State may, in addition to any other remedies available under this Contract, in its sole discretion, immediately terminate this Contract as a non-curable default under **Section 7.1(a)**.

15. Indemnification.

15.1 General Indemnification. Contractor must defend, indemnify and hold harmless the State, and the State's agencies, departments, officers, directors, employees, and agents from and against all Losses arising out of or resulting from any third party claim, suit, action or proceeding (each, an "**Action**") that does or is alleged to arise out of or result from:

(a) the Contractor's breach of any representation, warranty, covenant or obligation of Contractor under this Contract (including, in the case of Contractor, any action or failure to act by any Contractor Personnel that, if taken or not taken by Contractor, would constitute such a breach by Contractor); or

(b) any negligence or more culpable act or omission (including recklessness or willful misconduct) in connection with the performance or nonperformance of any Services or other activity actually or required to be performed by or on behalf of, Contractor (including, in the case of Contractor, any Contractor Personnel) under this Contract, provided that, to the extent that any Action or Losses described in this **Section 15.1** arises out of, results from, or alleges a claim that any of the Services does or threatens to infringe, misappropriate or otherwise violate any Intellectual Property Rights or other rights of any third party, Contractor's obligations with respect to such Action and Losses, if any, shall be subject to the terms and conditions of **Section 15.2(a)** through **Section 15.2(b)** and **Section 15.3**.

15.2 Infringement Indemnification by Contractor. Contractor must indemnify, defend and hold the State, and the State's agencies, departments, officers, directors, employees, and agents harmless from and against all Losses arising out of or resulting from any Action that does or is alleged to arise out of or result from a claim that any of the Services, or the State's or any Authorized User's use thereof, actually does or threatens to infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of a third party, provided however, that Contractor shall have no liability or obligation for any Action or Loss to the extent that such Action or Loss arises out of or results from any:

(a) alteration or modification of the Hosted Services or Service Software by or on behalf of the State or any Authorized User without Contractor's authorization (each, a "**State Modification**"), provided that no infringement, misappropriation or other violation of third party

rights would have occurred without such State Modification and provided further that any alteration or modification made by or for Contractor at the State's request shall not be excluded from Contractor's indemnification obligations hereunder unless (i) such alteration or modification has been made pursuant to the State's written specifications and (ii) the Hosted Services, as altered or modified in accordance with the State's specifications, would not have violated such third party rights but for the manner in which the alteration or modification was implemented by or for Contractor; and

(b) use of the Hosted Services by the State or an Authorized User pursuant to this Contract in combination with any software or service not provided, authorized or approved by or on behalf of Contractor, if (i) no violation of third party rights would have occurred without such combination and (ii) such software or service is not commercially available and not standard in Contractor's or the State's industry and there are no Specifications, Documentation, or other materials indicating Contractor's specification, authorization or approval of the use of the Hosted Services in combination therewith.

15.3 Mitigation.

(a) If Contractor receives or otherwise learns of any threat, warning or notice alleging that all, or any component or feature, of the Services violates a third party's rights, Contractor must promptly notify the State of such fact in writing, and take all commercially reasonable actions necessary to ensure the State's continued right to access and use such Services and otherwise protect the State from any Losses in connection therewith, including investigating such allegation and obtaining a credible opinion of counsel that it is without merit.

(b) Subject to the exclusions set forth in clauses (a) and (b) of **Section 15.2**, if any of the Services or any component or feature thereof is ruled to infringe or otherwise violate the rights of any third party by any court of competent jurisdiction, or if any use of any Services or any component thereof is threatened to be enjoined, or is likely to be enjoined or otherwise the subject of an infringement or misappropriation claim, Contractor must, at Contractor's sole cost and expense:

(i) procure for the State the right to continue to access and use the Services to the full extent contemplated by this Contract and modify or replace all components, features and operations of the Services that infringe or are alleged to infringe ("**Allegedly Infringing Features**") to make the Services non-infringing while providing equally or more suitable features and functionality, which modified and replacement services shall constitute Services and be subject to the terms and conditions of this Contract.

(ii) the Specifications; or

(c) If neither of the remedies set forth in **Section 15.3(b)** is reasonably available with respect to the Allegedly Infringing Features 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 any prepaid Fees for Services that have not been provided.

(d) The remedies set forth in this **Section 15.3** 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 pursuant to **Section 15.1** and **Section 15.2**.

15.4 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 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 15**, 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.

16. Limitations of Liability.

(a) 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.

(b) The State's Limitation of Liability. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES SPECIFIED IN THE STATEMENT OF WORK.

17. Contractor Representations and Warranties.

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

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

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

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

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

(e) 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;

(f) all written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's bid response to the RFP, 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; and

(g) 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.

17.2 Software and Service Warranties. Contractor represents and warrants to the State that:

(a) Contractor has, and throughout the Term and any additional periods during which Contractor does or is required to perform the Services will have, the unconditional and irrevocable right, power and authority, including all permits and licenses required, to provide the Services and grant and perform all rights and licenses granted or required to be granted by it under this Contract;

(b) neither Contractor's grant of the rights or licenses hereunder nor its performance of any Services or other obligations under this Contract does or at any time will: (i) conflict with or violate any applicable Law, including any Law relating to data privacy, data security or personal information; (ii) require the consent, approval or authorization of any governmental or regulatory authority or other third party; or (iii) require the provision of any payment or other consideration by

the State or any Authorized User to any third party, and Contractor shall promptly notify the State in writing if it becomes aware of any change in any applicable Law that would preclude Contractor's performance of its material obligations hereunder;

(c) as accessed and used by the State or any Authorized User in accordance with this Contract and the Specifications, the Hosted Services, Documentation and all other Services and materials provided by Contractor under this Contract will not infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of any third party;

(d) there is no settled, pending or, to Contractor's knowledge as of the Effective Date, threatened Action, and it has not received any written, oral or other notice of any Action (including in the form of any offer to obtain a license): (i) alleging that any access to or use of the Services or Service Software does or would infringe, misappropriate or otherwise violate any Intellectual Property Right of any third party; (ii) challenging Contractor's ownership of, or right to use or license, any software or other materials used or required to be used in connection with the performance or receipt of the Services, or alleging any adverse right, title or interest with respect thereto; or (iii) that, if decided unfavorably to Contractor, would reasonably be expected to have an actual or potential adverse effect on its ability to perform the Services or its other obligations under this Contract, and it has no knowledge after reasonable investigation of any factual, legal or other reasonable basis for any such litigation, claim or proceeding;

(e) the Service Software and Services will in all material respects conform to and perform in accordance with the Specifications and all requirements of this Contract, including the Availability and Availability Requirement provisions set forth in **Section 5**;

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

(g) the Contractor Systems and Services are and will remain free of Harmful Code;

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

(i) Contractor will perform all Services in a timely, professional and workmanlike manner with a level of care, skill, practice and judgment consistent with generally recognized industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet Contractor's obligations (including the Availability Requirement and Support Service Level Requirements) under this Contract;

(j) During the term of this Contract, any audit rights contained in any third-party software license agreement or end user license agreement for third-party software incorporated in or otherwise used in conjunction with the Services, will apply solely to Contractor's (or its subcontractors) facilities and systems that host the Services (including any disaster recovery site), and regardless of anything to the contrary contained in any third-party software license agreement or end user license agreement, third-party software providers will have no audit rights whatsoever against State systems or networks; and

(k) Contractor acknowledges that the State cannot indemnify any third parties, including but not limited to any third-party software providers that provide software that will be incorporated in or otherwise used in conjunction with the Services, and that notwithstanding anything to the contrary contained in any third-party software license agreement or end user license agreement, the State will not indemnify any third party software provider for any reason whatsoever.

17.3 DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES IN THIS CONTRACT, CONTRACTOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE UNDER OR IN CONNECTION WITH THIS CONTRACT OR ANY SUBJECT MATTER HEREOF.

18. Insurance.

18.1 Required Coverage.

(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.

Required Limits	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: $1,000,000 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	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
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.	
Professional Liability (Errors and Omissions) Insurance	
Minimal Limits: $2,000,000 Each Occurrence $2,000,000 Annual Aggregate Deductible Maximum: $50,000 Per Loss	Contractors policy must cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

(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.

18.2 Non-waiver. This **Section 18** 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).

19. Force Majeure.

19.1 Force Majeure Events. Subject to **Section 19.2**, 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 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.

19.2 State Performance; Termination. 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.

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

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

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

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

(b) no Force Majeure Event modifies or excuses Contractor's obligations under **Section 5** (Service Availability and Service Availability Credits), **Section 6.5** (Support Service Level Credits), **Section 9** (State Data), **Section 12** (Confidentiality), **Section 13** (Security), **Section 14** (Data Backup and Disaster Recovery) or **Section 15** (Indemnification), or any Availability Requirement, Support Service Level Requirement, Service Availability Credit or Service Level Credit obligations under this Contract or an applicable Statement of Work.

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

21. Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and shall be deemed to be rights and licenses to "intellectual property," and the subject matter of this agreement, including the Services, is and shall 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**") (11 U.S.C. § 365(n) (2010)). The State has the right to exercise all rights and elections under the Code and all other applicable bankruptcy, insolvency and similar laws with respect to this Contract (including all executory Statement of Works). Without limiting the generality of the foregoing, if Contractor or its estate becomes subject to any bankruptcy or similar proceeding, subject to the State's rights of election, all rights and licenses granted to the State under this Contract will continue subject to the respective terms and conditions of this Contract, and will not be affected, even by Contractor's rejection of this Contract.

22. General Provisions.

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

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

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

22.4 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder, other than routine communications having no legal effect, 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):

If to Contractor:

[CONTRACTOR ADDRESS]

E-mail: [E-MAIL ADDRESS]

Attention: [NAME OF OFFICER TO RECEIVE NOTICES]

Title: [TITLE OF OFFICER TO RECEIVE NOTICES]

If to the State:

Constitution Hall

525 W Allegan St., 1st Floor. NE

P.O Box 30026

Lansing, MI 48909-7526

E-mail: baldwins@michigan.gov

Attention: Simon Baldwin

Title: Buyer

Notices sent in accordance with this **Section 22.4** 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 (5^{th}) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

22.5 Extended Purchasing Program. This Contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this Contract may also be extended to: (a) State of Michigan employees, and (b) other states (including governmental subdivisions and authorized entities). If extended, Contractor must supply all Contract Activities at the established Contract prices and terms, and the State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions. Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

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

22.7 Entire Agreement. This Contract, including all Statements of Work and other Schedules and Exhibits, 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, both written and oral, with respect to such subject matter. In the event of any conflict between the terms of this Contract and those of any Schedule, Exhibit or other document, the following order of precedence governs: (a) first, this Contract, excluding its Exhibits and Schedules; and (b) second, the Exhibits and Schedules to this Contract as of the Effective Date. NO TERMS ON CONTRACTORS WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP 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.

22.8 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 Statements of Work hereunder, pursuant to **Section 7.2**, 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.**

22.9 No Third-party Beneficiaries. This Contract is for the sole benefit of the parties and 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.

22.10 Amendment and Modification; Waiver. This Contract may only be amended, modified or supplemented by an agreement in writing signed by each party's Contract Administrator. No waiver by any party of any of the provisions hereof is 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 thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

22.11 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.

22.12 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

22.13 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 would 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 22.13**.

22.14 Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq*., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

22.15 Unfair Labor Practice. Under 1980 PA 278, MCL 423.321, *et seq.*, the State must not award a contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under MCL 423.322. This information is compiled by the United States National Labor Relations Board. A contractor of the State, in relation to the contract, must not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, the State may void any contract if, after award of the contract, the contractor as an employer or the name of the subcontractor, manufacturer or supplier of the contractor appears in the register.

22.16 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**
Attachment 1	**Mandatory Minimum Requirements**
Attachment 2	**Functional Requirements**
Attachment 3	**Personnel templates**
Attachment 4	**Enterprise Architecture Assessment (EASA) Vendor Version**
Attachment 5	**Hardware Requirements**
Attachment 6	**Deliverables - SEM/PMM Forms**
Attachment 7	**Data Security Requirements**

Attachment 8 **Attachment 9**	**Data Backup Requirements** **Business Continuity and Disaster Recovery Plan**
Schedule B	**General Proposal Requirements**
Schedule C	**Pricing**

22.17 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.

- Schedule A – Statement of Work (SOW)

- **1.000 Project Identification**

- **1.001 Project Request**

The state of Michigan (SOM) through the Michigan Department of Technology, Management and Budget (DTMB), for the Michigan Department of Transportation (MDOT) has issued this Contract (CONTRACT) for the purpose of implementing a Software as a Service (SaaS) solution for Prevailing Wage and Labor Compliance that can be used by MDOT and its contractors.

The solution will be used to collect, verify, communicate, and manage certified payrolls and payroll reports to ensure compliance with prevailing wage regulations and track diversity goals for the Disadvantaged Business Enterprise programs. The solution must have the capability of creating standardized and customized reports. The solution will verify contracted workers are paid in accordance with the contracts prevailing wage requirements for hourly wages, benefits, and overtime payments on a particular project.

MDOT has 102 contractor accounts for the current Prevailing Wage System, 33 internal users, and 10 prime approver accounts. MDOT currently has approximately 775 +/- prequalified contractors as well as 24 offices where one MDOT staff member performs payroll tasks. MDOT estimates a minimum of 850 users to cover all Federal-Aid Contracts. MDOT expects the number of external users to increase however it is unlikely that, 200 people (internal and external combined) would use the system concurrently.

- **1.002 Background**

MDOT's Prevailing Wage and Labor Compliance (PWLC) Program is responsible for monitoring and enforcing compliance with State and Federal prevailing wage regulations. State prevailing wage requirements are set forth in the State of Michigan Prevailing Wage Law, Act 166, P.A. of 1965. Federal prevailing wage requirements are included in the Davis Bacon and Related Acts, some of which are set forth in Title 29 of the Code of Federal Regulations (CFRs), Parts 1, 3 and 5. The requirements of these CFRs along with other federal regulations are included in FHWA 1273, which sets forth the Required Contract Provisions for federal aid construction contracts. FHWA 1273 is included in all MDOT let federal aid contracts.

Contractor will host the PWLC solution and perform all system management activities in their environment. The Contractor will provide a QA environment that will be available to MDOT/DTMB personnel in order for them to perform user acceptance testing (UAT).

1.100 Scope of Work and Deliverables

- **1.101 In Scope**

The following items are within the scope of this project:

- Software subscription
- Hardware recommendation
- Implementation
  - ✓ Configuration
  - ✓ Interface(s)/integration
  - ✓ Testing
  - ✓ Customization
- Go-Live
- 90 day warranty period
- Training
- Documentation
- Operation services
- Maintenance and support
- Data Conversion
- Data Migration

- A more detailed description of the software, services (work) and deliverables sought for this project is provided in Section 1.104 below, Work and Deliverables.

- **1.102 Out Of Scope**

Modify this list as is appropriate: The following items are outside the scope of this project:

- Business requirements
- Facilitated sessions
- Hardware purchase
- Application/System design
- Application development
- Implementation
- Installation

- **1.103 Environment**

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

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

- **Enterprise IT Policies, Standards and Procedures:**

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

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

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

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- **Information Technology Network and Infrastructure**

- http://www.michigan.gov/documents/dmb/1345.00_282982_7.pdf

-

Enterprise IT Security Policy and Procedures:

http://www.michigan.gov/documents/dmb/1210.32.pdf

http://www.michigan.gov/documents/dmb/1325_193160_7.pdf

http://www.michigan.gov/documents/dmb/1335_193161_7.pdf

http://www.michigan.gov/documents/dmb/1340_193162_7.pdf

The State's security environment includes:

DTMB Identity and Access Management

MDTMB Single Login.

DTMB provided SQL security database.

Secured Socket Layers.

SecureID (State Security standard for external network access and high risk Web systems)

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

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

-

Look and Feel Standard

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

-

The State Unified Information Technology Environment (SUITE):

- Contractor must follow the State Unified Information Technology Environment (SUITE) standards, which are available at http://www.michigan.gov/suite. This site includes policies regarding:

-
  - Project management
  - Systems engineering (Policy 1360, Systems Engineering Methodology), and
  - Associated forms and templates
-

MDOT Agency Specific Technical Environment

The DTMB/MDOT Standard Information Technology Environment consists of the Desktop Environment, Project Management Tools, the Business System Development Environment, the Web / Intranet Site and Application Development Environment, the Security Environment, and the Network Environment. These environments include but are not limited to the following identified IT tools:

Desktop Environment

- Windows 7 and Windows XP
- Microsoft Office 365
- Microsoft Internet Explorer 8, 11
- Mozilla Firefox 17.x +
- Oracle Net Services 10g +
- Adobe Standard X

Development Languages, Tools

- JDK 7
- JEE 7
- Spring Framework 3.x, 4.x
- JPA 2.0
- Hibernate 3.x, 4.x
- Apache CXF
- JavaScript

- JQuery 1.x
- HTML 5
- CSS 3
- AJAX
- XML
- JSON
- PowerBuilder 9.x, 10.x, 11.x
- Microsoft .NET 2.x, 3.x, 4.x
- C#
- ASP.NET
- ColdFusion 8
- JBoss Developer Studio 8+
- Microsoft Visual Studio 2008
- Eclipse, CFEclipse
- TOAD Data Modeler
- Toad for Oracle 11
- Enterprise application Studio (PowerBuilder 9.x PowerJ 3.x, PowerSite)
    - Sybase Powerbuilder Enterprise
- Apache Maven
- Nexus (Maven Repository Manager)

Web/Application Servers

- Apache 2.x
- Red Hat JBoss Enterprise Application Platform 6.1+
- Microsoft Internet Information Server 7,8
- Enterprise Application Server 3.x (Jaguar CTS 3.x, PowerDynamo)

Database Server

- Oracle 11g (with spatial)

Spatial

- ArcGIS Server 10
- ArcSDE

Content Management

- Serena Dimensions CM
- Serena Dimensions RM
- Serena Business Manager
- Serena Prototype Composer

Document Management

- IBM FileNET
- Bentley ProjectWise

Electronic Forms

- Presentation: Adobe Acrobat version 6.0 +
- FileNET eForms for document management

Reporting

- Crystal Reports 2011
- SAP Business Objects 4.x

Testing Environment

- Junit 4.x
- HP LoadRunner 11.5
- SoapUI 5.x
- Quick Test Professional 11

Security Environment

- Java J2EE Security
- Spring Security
- IBM Tivoli Single Sign On
- HTTPS (TLS)

- SecureID (State Security Standard for external network access and high risk Web systems)

Operating Systems

- Windows Server 2008, 2012
- Sun Solaris 10
- RedHat Enterprise Linux 5, 6

Network Environment/Hardware

- Cisco Routers
- Dell, Sun, HP, RedHat servers
- VMWare vSphere 6

Mobile Development

For Mac:

- XCode
- iOS emulator

For Both:

- Android SDK
- Android Emulator + x86 hax (makes the emulator actually usable)
- Phonegap/Cordova – Different names for the same thing
- Eclipse
- Eclipse Plugins: Android ORM, Android Development Tools for Eclipse, Android ADT extensions

MDOT targets:

- iOS version 6 and higher
- Android version 4 (Ice Cream Sandwich) and higher

MDOT does not target Microsoft for mobile application development at this time.

Identity and Access Management

- The Contractor solution will be suitable for integration with the SOM's IT Identity and Access Management (IAM) environment as described in the State of Michigan Digital Strategy, which consist of:

- MILogin/Michigan Identity, Credential, and Access Management (MICAM)—An enterprise single sign-on and identity management solution based on IBM's Identity and Access Management products including, IBM Security Identity Manager (ISIM), IBM Security Access Manager for Web (ISAM), IBM Tivoli Federated Identity Manager (TFIM), IBM Security Access Manager for Mobile (ISAMM), and IBM DataPower, which enables the State to establish, manage, and authenticate user identities for the State's Information Technology (IT) systems.
- MILogin Identity Federation for allowing federated single sign-on (SSO) for business partners as well as citizen based applications.
- MILogin Multi Factor Authentication (MFA) for those applications whose data classification is Confidential and Restricted as defined by the 1340.00 Information Technology Information Security, meaning the application needs to comply with PHI, PCI, CJIS, IRS, and other standards.
- MILogin Identity Proofing services, which verify people's identities before the State allows access to its IT system. The services are based on "life history" or transaction information aggregated from public and proprietary data sources. This service is provided by a leading credit bureau.

-
- Refer to:
-

Authoritative Policy	**1335 Information Technology Access Control Policy**
Standard Number	1335.00.07 Identity, Credentialing, and Access Management Standard
Technical Procedure	1335.00.07.01Michigan Identity, Credentialing, and Access Management (MICAM) Procedure Under Review

- **1.104 Work And Deliverables**

The State of Michigan's IT projects all adhere to DTMB's project management methodology (PMM) and its systems engineering methodology (SEM). PMM/SEM documents are deliverables, to be completed and provided to the State during the course of the project. A summary of the PMM/SEM documents is provided in **Schedule B, Attachment 2**, PMM & SEM Forms. PMM/SEM forms which have already been completed are attached to the Contract.

The State will provide a PM for this project and the Contractor will provide a technical subject matter expert to work with the PM in implementing the project plan.

Project Deliverables:

Contract must provide Deliverables/Services and staff, and otherwise all things necessary for or incidental to the performance of work, as set forth below:

- System services:
  a. Host and manage technology infrastructure for Prevailing Wage and Labor Compliance system. Standard features shall include:
     i. Web-hosted prevailing wage/labor compliance software
     ii. E-signature technology for contractors certified payroll reports
     iii. Prevailing wage database in which appropriate wage decisions are applied to each project. System checks incoming payrolls against this database for potential errors. Contractor shall have the ability to review, edit and accept CPR prior to submission to MDOT.
     iv. Over 70 standard reports including, but not limited to certified payroll reports (CPR), Summary CPR, Late Report, Penalty/Restitution Calculation, Workforce Summary Reports based on zip code, and other features, Apprentice Reports etc.
     v. Customized reporting including, but not limited to reports related to diversity goals in accordance with the State of Michigan Disadvantaged Business Enterprise (DBE).
     vi. Robust, secure and scalable architecture capable of handling millions of records.
     vii. Electronic documents module which allows the administrator to collect, monitor and catalog any electronic documents, such as fringe benefit statements, apprentice certifications, etc.
     viii. Site visit interview form and report. Site visits may be done at job site using a wireless PDA device. The site visit report then cross references to CPR submitted for the week and discrepancies are highlighted.
     ix. Letters/templates – standard letters to send to contractors via email, or printing and mailing. Basic company and address data is populated to the template.
     x. Interface with contractor accounting systems including, but not limited to QuickBooks, Construction Partner, ADP, etc.
     xi. Administrator ability to accept/reject payrolls and send and track Notices and Responses to and from the contractors.
     xii. Collect SSN's and addresses of employees, but only display the zip code on the CPR's.
     xiii. Training to include on site/web-hosted sessions, online weekly classes, user manuals, and e-Training videos and support documents.

xiv. Multi-tiered security and access rights for staff.

xv. 24/7 availability of the system with a documented 99.95% reliability rate.

b. Provide 24/7 unlimited access and accounts for up to 600+ projects

c. Access to all system upgrades and enhancements

Ability to update prevailing wage rate decisions and keep historical copies of prevailing wage rate decisions to ensure the proper wage decision is used in each contract

A. Software

Specific Services Included:

- Federal, State and Local prevailing wage/labor compliance rules included
- Contractors use eSignature technology
- Over 60 automatic validations of prevailing wage compliance regulations
- System contains a prevailing wage database in which appropriate wage decisions are applied to each project
- System checks incoming payrolls against this database for potential errors
- Over 70 standard reports including:
- Certified Payroll Reports, Project Summary reports
- Late Report, Local Hire Reports, Workforce Summary Reports
- Apprentice Reports, including Apprentice to Journeymen Ratios, Management List Reports
- FHWA Reports, Holiday Report, and many more.
- Robust, secure and scalable architecture hosted by Microsoft Azure
- Electronic documents module which allows the administrator to collect, monitor and catalog any electronic documents
- Fringe benefit statements, apprentice certifications, SF1444, etc.
- Interfaces with many, industry leading accounting systems such as QuickBooks, Construction Partner, ADP, Viewpoint, etc.
- Spread sheet or PDF upload compatible
- Administrators may accept/reject payrolls and track responses to and from the contractors
- Federal databases can collect SSNs and addresses of employees, but do not have to display them on the CPRs
- Ad-hoc reporting capabilities
- LCPtracker's training program for administrators and contractors alike includes, web-hosted sessions, online weekly classes, user manuals, and numerous eTraining videos and support documents.
- Multi-tiered security and access rights for staff
- 24/7 availability of system with a guaranteed 99.95% up time

- All upgrades and maintenance performed routinely

Additional Modules to be Delivered:

Along with the items listed above, the Contractor will provide the required, two key modules: the Davis-Bacon/prevailing wage module and the Document module. These modules work together to provide a web-based program to capture, check, and report on Certified Payroll Reports as well as other related data and reporting. The Documents element is an additional function which enhances the posting and collection of documentation required by the MDOT Program.

DAVIS-BACON/PREVAILING WAGE MODULE

- The prevailing wage module allows for the storage and maintenance of all Davis Bacon wage decisions and/or prevailing wage decisions required for all MDOT projects. The software has the ability to handle multi-funded projects and the system automatically makes sure all contractors and subcontractors are paying the higher of the two.

DOCUMENT MODULE

- Contractor's "eDocuments" allows the administrator, to create standard document submittals that are electronically uploaded by contractors. Any type of files or documents can be tracked in the labor compliance database, and many of them are integrated with workflows within the other modules. This allows for a much "greener" environment as the need for paper documentation is eliminated.

- **Functional and Technical Requirements - Contractor Commitment:**
- The Contractor will provide a SaaS solution satisfying the requirements as Follows:
-

			Contractor Response			
Req #	**Requirement**	**Requirement Type**	**Yes**	**No**	**Configured or Customized**	**Description/Comments**
1.0 General						
1.1	Solution must be a Software-as-a-Service (SaaS).	Business	x			LCPtracker is a fully hosted Application Service Provider (ASP). LCPtracker is a highly configurable SaaS Solution currently in use by 6 state Departments of Transportation
1.2	The solution must be accessible to users via mobile devices.	Business	x			LCPtracker is accessible on any type of device as long as there is internet access. LCPtracker is 100% web hosted in the Microsoft Azure Cloud and is redundantly backed up and therefore, software doesn't need to be hosted on a user's computer. All users need is web browser access to www.lcptracker.net. LCPtracker requires all users to stay current with Internet Explorer versions; 8, 9, 10, and 11 are acceptable to date. Internet Explorer 8, 9, 10, and 11 or Google Chrome are recommended, though there are no known issues with recent versions of popular browsers such as Firefox.
1.3	The solution must provide users with real-time data, immediately after collection.	Business	x			As a cloud based software utilizing Microsoft Azure for hosting infrastructure, users have real-time access to data submitted into the database. There are over 70 reports that can be pulled up to analyze this real time data as needed

1.4	The solution must provide role-based security by user type, internal State of Michigan users and External State of Michigan Contractors.	Business	x			Yes, there are multiple levels of access that you can grant to the system. The full administrator will have the ability to create logins for other individuals and select the level of access (e.g. Read only, partial administrator, project manager etc.)
1.5	The solution must provide a workflow to assign prime contractors and project managers to specified projects.	Business	x			LCPtracker allows project managers and prime contractors to be assigned to specified projects through the process of setting up a project.
1.6	The solution must provide users the ability to affix digital signature to certify payroll and payroll report information.	Business	x			LCPtracker utilizes eSignature technology to authenticate digital signatures to all certified payroll information. Documentation on LCPtracker eSignature technology is available upon request from MDOT.
2.0	**Prevailing Wage and Labor Compliance Data**					
2.1	Prime contractors and subcontractors must have the ability to add, edit, and view employee information required by the Davis Bacon Act, which includes, but is not limited to: • Name • Address • Last Four Digits of Social Security Number • Employee work classification • Hourly rates of pay, including rates of contributions or costs anticipated for fringe benefits or their cash equivalents • Fringe benefit plans and programs.	Business	x			LCPtracker allows for prime contractors and subcontractors to enter all of listed here, as well as, a variety of other demographic information via the Employee Setup table and/or the certified payroll entry process.

	• Apprenticeship and/or trainee and program level.					
2.2	Prime contractors and subcontractors must have the ability to search and view projects that they have been assigned.	Business	x			When a prime contractor or subcontractor logs into their database utilizing their own unique password, they will see the projects that they have been assigned to on the main page Project dashboard. They will only be able to see the projects they have been assigned to, not any other contractor's projects. Additionally, the system auto generates emails out to contractors when they are assigned to a project.
2.3	Prime contractors and subcontractors must have the ability to associate employees to the project(s) they have been assigned.	Business	x			Contractors have the ability to add/edit their employee data in LCPtracker and Prime Contractors and subcontractors must select the project employees that are working when entering or uploading weekly certified payroll records.

2.4	Prime contractors and subcontractors must have the ability to add, edit, and view payroll data for their employees in accordance with the Davis Bacon Act, which includes, but is not limited to: • Daily and weekly numbers of hours worked • Deductions made • Actual wages paid • Employee work classification(s) on project • Jurisdiction and Location of project	Business	x			Prime contractors and subcontractors are able to add, edit and view payroll data for their employees at any time. They are able to add, edit and view all information that would be submitted on the certified payroll report including daily and weekly hours worked, deductions made, actual wages paid, employee work classifications on each project and jurisdiction and location of the projects. The employee information can have edits made any time before certifying and also for a period of time designated by the administrator after the certified payroll has been submitted.
2.5	Contractors must not be allowed to edit payroll data after 21 days from the original submittal date.	Business	x			This setting is configurable by MDOT. LCPtracker can meet this requirement.
2.6	The solution must have the ability to save the original payroll data submitted and the final submittal if revised.	Business	x			LCPtracker stores all copies of the payroll data submitted. Revised payroll data would show as a superseded version.
2.7	The solution must notify the system administrator, project manager, and prime contractor if payroll data is modified.	Business	x			Revised payrolls display as “Resubmitted” within the system. Additionally, summary reports can be generated which show the modified versions in RED.
2.8	Prime contractor must have the ability to provide contractors with access to edit payroll data after the 21 day time period..	Business	x			Prime contractors can allow contractors to edit payroll after the 21-day time period via the "permit edit" function within LCPtracker.

2.9	Prime contractors and Subcontractors must be allowed to submit and view certified payroll reports.	Business	x			Prime contractors and subcontractors are responsible for submitting their certified payroll reports in LCPtracker. They are able to review all of their own certified payrolls, as well as their subs' payrolls, and numerous reports.
2.10	Contractors must have the ability to setup subcontractors.	Business	x			This is a configurable setting in LCPtracker. Administrators have the ability to set up contractors and subcontractors or allow contractors to set up their lower tier subcontractors.
2.11	Prime contractors and subcontractors must have the ability to view their own employee information and the data of their subcontractors.	Business	x			All contractors have their own unique login and have access to view their own employee data and the data for any of their subcontractors in Prime Approver mode.
2.12	Project manager must have the ability to approve and reject apprentice status.	Business	x			This is a configurable setting in LCPtracker. Project managers may be set up so that they must be able to approve or reject a worker's apprentice status. This is all stored in LCPtracker for an audit trail.
2.13	Prime contractor and project manager must have the ability to view, accept, and reject payroll data, documents, and submittals.	Business	x			There is a certifications tab in LCPtracker showing all certified payroll submitted into the database in real time. The prime contractor and project manager can be set up as a "prime approver" in which case they would have the ability to not only view all certified payroll data and documents but also accept or reject them.
2.14	The project manager must have the ability to establish apprentice/training classifications.	Business	x			All prevailing wage/Davis-Bacon wage decisions that would apply to projects are stored in LCPtracker and applied to the appropriate projects. The project manager has the ability to add/edit apprentice/training classifications as well.
3.0	**System Admin**					
3.1	The system administrator must have the ability to add and edit prevailing wage rates.	Business	x			In LCPtracker, all prevailing wage rates can be added or edited as needed by the system administrator.

3.2	The system administrator must have the ability to establish, edit, and delete contracts.	Business	x			The database administrator is able to establish all contracts needed in their LCPtracker database and edit/delete as needed
3.3	The system administrator must have the ability to add, edit, and delete prime contractors and project manager accounts.	Business	x			The system administrator is able to add, edit or delete any contractors they chose from their account. They are also able to designate who should and should not have a password and access to their LCPtracker database.
3.4	The system administrator must have to the ability to monitor and catalog electronic documents such as fringe benefit statements and apprentice certifications.	Business	x			Documents can be created or uploaded into LCPtracker for storage and monitoring purposes. Any type of document that the administrator finds relevant or important to collect can be stored. Rules can be applied to these documents so that they administrator can designate if they are required or optional.
3.5	The system administrator and project manager must have the ability to create, edit, send, and track administrator notifications to contractors.	Business	x			In the administrator tab of the database, the admins and project managers are able to create notices, including standard notice templates that can be sent on to contractors. These notices that can be sent to contractors are all stored in the database for an audit trail.
4.0	**Analytical Processing**					
4.1	The solution must compare payroll data to prevailing wage rates to ensure compliance with Davis Bacon and related Acts.	Business	x			LCPtracker's robust validation engine compares wage requirements with every CPR submitted to ensure compliance with prevailing wage and/or Davis-Bacon requirements.
4.2	The solution must validate payroll data entered by the prime contractor and subcontractor with predefined prevailing wage requirements, which includes but is not limited to work classifications	Business	x			Prevailing wage and/or Davis-Bacon wage decisions including all classifications for the applicable decisions are stored in the administrative LCPtracker database. Our robust validation engine compares the wage decisions including the work classifications with every certified payroll submitted.
4.3	The solution must compare the number of employees and hours	Business	x			LCPtracker allows MDOT to generate reports that calculate the number of employees and hours worked per project.

	worked with project data in the system.					
4.4	The solution must immediately notify users of prevailing wage and labor compliance violations through notifications and e-mail alerts.	Business	x			Prevailing wage and labor compliance violations immediately show up in the "notices" tab when a certified payroll is submitted in the database. The notifications are configurable by the administrator and can be set to restrict contractors from submitting the certified payroll report until the notice(s) are cleared.
4.5	The solution must verify payroll data matches the information gathered from wage-rate interviews.	Business	x			LCPtracker provides a wage rate interview form in the database. When completed, the wage-rate interview form compares with certified payroll data submitted to ensure there are no discrepancies between the two.
4.6	The solution must verify required documentation has been added to project files.	Business	x			Documents can be set as required in the eDocuments tab for a project and the system can verify required documents have been uploaded.
5.0 Forms and Letters						
5.1	The solution must provide wage-rate interview forms and reports.	Business	x			LCPtracker has a wage-rate/Site Visit interview form located in the Admin tab.
5.2	The solution must allow users to fill out wage-rate interview forms.	Business	x			LCPtracker has a site visit form that allows for interviews to be documented including wage-rate interviews.
5.3	The solution must provide the ability to upload and transmit standard letters (templates) and documents electronically.	Business	x			Admin notice templates can be created and sent electronically through the system. They will show up in the contractor's email, as well as, in the contractor's database. The contractor will have the ability to respond to the notice directly in the database as well. All communication is stored for an audit trail.
6.0 Capacity						
6.1	The solution must provide 24-hour, unlimited access to accounts for up to 600 projects, with agreed upon downtime for maintenance.	Business	x			LCPtracker is a web-based, SaaS solution available 24-7 with unlimited access, provided the user has internet access. LCPtracker works with hundreds of agencies and thousands of contractors and is very scalable to allow for any number of

						projects needed. LCPtracker guarantees 99.95% uptime, and typically runs at 99.9-100%.
7.0	**Interface**					
7.1	The solution must provide contractors with the ability to interface with various payroll systems including but not limited to: • QuickBooks • Construction Partner • ADP • Paychex • Foundation • Sunburst	Business	x			LCPtracker has numerous standard interfaces created with accounting systems for an easy upload of payroll data into the software. LCPtracker has standard interfaces with all the accounting systems listed as well as viewpoint
7.2	The solution must provide contractors with the ability to manually enter employee and payroll data.	Business	x			LCPtracker allows for manual entry of payroll data, as well as, has numerous built in tools to help save time when manually entering the payroll. One example is the ability to copy the previous week's payroll and modify as needed.
8.0	**Reports and Search**					
8.1	The solution must deliver reports, including but not limited to: • Certified payroll reports (CPR) • Summary of CPR • Penalty/Restitution calculation • Workforce summary reports • Apprentice reports	Business	x			LCPtracker includes over 70 standardized reports including certified payroll reports, certified payroll summary reports, and late certified payroll reports to name a few. We have a standard report that can calculate restitution and penalties when misclassifications are discovered. We also have numerous workforce reports and apprentice reports as part of the standard solution.
8.2	The solution must provide users with the ability to search by all data category and fields.		x			Most pages within the system provide the ability to search by a variety of data categories such as Project, Contractor, Date Range, etc.

8.3	The solution must limit search results to projects and project information based on user role.Filter and sort the search results:• View information for one or more projects returned by the search.• View information for one or more contactors returned by the search.		x			The vast majority of the 70+ standard reports available in LCPtracker are set up to search by project or across multiple projects, by contractor or all contractors, as well as, date ranges and other parameters.
9.0 Client/Workstation - These technical requirements apply to a user's computer device. The intent is to ensure that applications operate successfully on State-owned and managed personal computing devices including desktops, laptops, handheld, and mobile devices. DTMB's Office Automation Services may need to be consulted for the latest standard desktop/laptop components and versions.						
9.1	System must operate with the following desktop Operating System (OS) : • Microsoft Windows 7 64-bit or more recent	Technical	x			We are good with this requirement. Our solution is browser based.
9.2	System must operate with the following desktop web browsers: • Internet Explorer 11 or newer • Chrome v42.x or newer	Technical	x			Both web browsers IE 11 or newer and Google Chrome are supported by LCPtracker.
10.0 Reporting – These technical requirements apply to all technologies and the tools needed to support them.						
10.1	System reporting product technology must not require any proprietary installed component on the user desktop.	Technical	x			100% web based solution. LCPtracker does not require any installed component.

10.2	System reports must not require any installed component other than the following: • MS-Excel • Adobe Reader	Technical	x			LCPtracker does not require any additional component other than MS-Excel and/or Adobe Reader to view LCPtracker reports.
10.3	System standard (e.g., regularly scheduled, recurring) reporting environment must allow: • Standard reports to be executed, printed. • The State to control the information that appears on standard reports so that data security is maintained.	Technical	x			Standard reports in LCPtracker can be generated and viewed or printed real time at any point. Certified Payroll Reports can be configured a number of different ways (determined by the administrator) to auto redact certain information that MDOT does not want to show on the reports. This information includes SSN's, addresses, etc.
11.0 Application Security – These technical requirements apply to security measures that are intended to protect both the application itself and the data handled by the application.						
11.1	System must have built-in security controls and meet or exceed current SOM security requirements as described in the State Administrative Guide which can be found at the following link: **1300 Information Standards and Planning**	Technical	x			Reviewed. LCPtracker meets these requirements
11.2	System access must be logged and have a viewable audit trail(s).	Technical	x			LCPtracker meets this requirement
11.3	Access to audit trail logs must be able to be restricted to approved administrators.	Technical	x			Only approved administrators would have access to audit trail logs

11.4	System access and changes to system access must log the following information: • Date/time • Nature of operation • Name of changed item • Name of who made the change	Technical	x			LCPtracker logs all the information specified here.
11.5	System must restrict the user from having direct access to the program libraries (e.g., Base code)	Technical	x			Access to base code is restricted. Only approved development department users have access to the code in a development secure environment.
11.6	System end-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.	Technical	x			LCPtracker does not require privileged, super-user or administrator mode in order to function properly.
11.7	System must operate in a secure manner and comply with the following state policies: **Policy 1340 Information Technology Information Security** **Policy 1335 Information Technology Access Control**	Technical	x			LCPtracker takes great measures to ensure data security. LCPtracker has reviewed and can comply with the state policies identified here, including Policy 1340 and Policy 1335.
12.0 Identity Management Security - These technical requirements apply to security measures that are intended to restrict access to the application, system and the data.						
12.1	System must support the following authentication requirement: • User ID and Passwords	Technical	x			LCPtracker requires unique user ID's and passwords for all individuals who have access to the database.

12.2	System passwords and user IDs must: • Protect sensitive data • Restrict access to only those intended	Technical	x			All access to LCPtracker and the administrator's database is password protected. Access to the database and the user's role is determined by the main administrator of the database. Any user granted access has their own unique login and password.
12.3	System authentication and authorization must be by individual user. Users should belong to groups and roles.	Technical	x			Each user of the database will have their own unique login and password for access. Access roles (ex. Limited administrator, full administrator, read only access, etc.) is determined by the main administrator.
12.4	System must provide the system administrators with the ability to assign users to roles/privileges.	Technical	x			Again, the full administrator has the ability to set up additional users to the database and assign them roles such as limited administrator, project manager, read only user, etc.).
12.5	User account information must be stored securely. Passwords must be stored in an encrypted form.	Technical	x			Passwords are encrypted and all other data is encrypted at rest.
12.6	System must enforce the following rules on individual passwords for allowable characters, length and expiration period: • Standard Windows characters allowed • Minimum of 8 characters in length • Expires every 90 days • Cannot reuse password for 1 year	Technical	x			Password requirements can be defined and set up based on administrator needs. LCPtracker can meet all of these password requirements and more. Once the administrator's password rules have been defined and applied, all users of the administrators database must follow these password rules.
12.7	System must lock out users after six invalid login attempts due to bad passwords.	Technical	x			LCPtracker locks users out of the database after 5 invalid login attempts.
13.0 Network Security - These technical requirements apply to security measures that are intended to protect the SOM/DTMB network. As network security is continually being improved, the agency's MCS Liaison and the DTMB-0170 should be consulted for any changes/additions.						
	N/A					

14.0 Database Server- These technical requirements apply to database technologies and the tools needed to support databases.						
14.1	If the system provides Default User Accounts, Default Groups, or Default Roles Contractor must change, lock and expire default passwords for these default users, groups and roles. Contractor must change, lock and expire all accounts that are specific to features that are not used within the system.	Technical	x			There are no default user accounts, groups or roles in the administrator's database. All possible accounts, groups and user roles would be clearly defined and configured with the administrators needs during the set up and implementation of the database.
14.2	Shared database accounts are prohibited. The Contractor and system must not utilize database accounts that are intended to be shared. Unique database accounts are required to establish accountability and effective monitoring of all database access/changes.	Technical	x			Each LCPtracker customer has their OWN database account. For data security and integrity, LCPtracker has a separate database for every customer.
14.3	The system must provide Password Controls: Use strong passwords for all database accounts in all environments. Adhere to DTMB: **1335.00.03 Identification, Authentication, and Access Control Standard, page 7 under**	Technical	x			Password Rules can be configured for system-wide use by MDOT to require: minimum length, number, special character, upper/lowercase letters, non-numeric first and/or last character, as well as, the number of days to expire the password. .

	section IA-5Authenticator Management.					
14.4	The system must provide Public User/Group/Role accounts: Any access of Public User, Group or Role accounts will be monitored. Adhere to DTMB: **1335.00.03 Identification, Authentication and Access Control Standard.**	Technical	x			LCPtracker can allow for public users/group/role accounts. This is a configurable setting determined by the administrator and the user can be granted “read only” access
14.5	The system must provide Encryption: All databases must adhere to DTMB:	Technical	x			All data in LCPtracker is encrypted at rest. Users and administrators are authenticated inside of the LCPtracker application as part of the login process, login credentials are encrypted. All sessions between the browser and the service are encrypted. Encryption type is AES256
	1340.00.07 Electronic Data Encryption Standard.		x			
14.6	The system must adhere to the DTMB Segregation of Duties policy. Segregation of duties must be adhered to for DBAs to avoid risk of compromising data integrity. If segregation of duties is not possible due to staff limitations, compensating controls must be implemented to address the risk and ensure unauthorized activities do not occur. In these cases, enhanced	Technical	x			LCPtracker adheres to the DTMB Segregation of Duties policy.

	monitoring will be implemented by DTMB.					
	1335.00.03 Identification, Authentication, and Access Control Standard, page 13 under section AC-5 – Separation of Duties.		x			
14.7	The system must support current versions of database software: the database Contractor (i.e.; Oracle, Microsoft) must currently support all database platforms used for the purpose of SOM business.	Technical	x			LCPtracker is a web based software hosted in Microsoft Azure. There is no need for LCPtracker to integrate with other software platforms used by SOM at this time. In addition, the Michigan Department of Transportation has been utilizing LCPtracker since 2014 and there has been no issue with other SOM database platforms.
14.8	The system must adhere to the DTMB Monitoring of Privileged Users policy. All privileged users/roles must be audited periodically, to verify that only authorized DBAs have been assigned any DBA roles. This verification process must be documented. Automated Log Management must be used to monitor the activity of privileged users. Best practices would include auditing all activities and	Technical	x			LCPtracker can adhere to the DTMB Monitoring of Privileged Users policy.

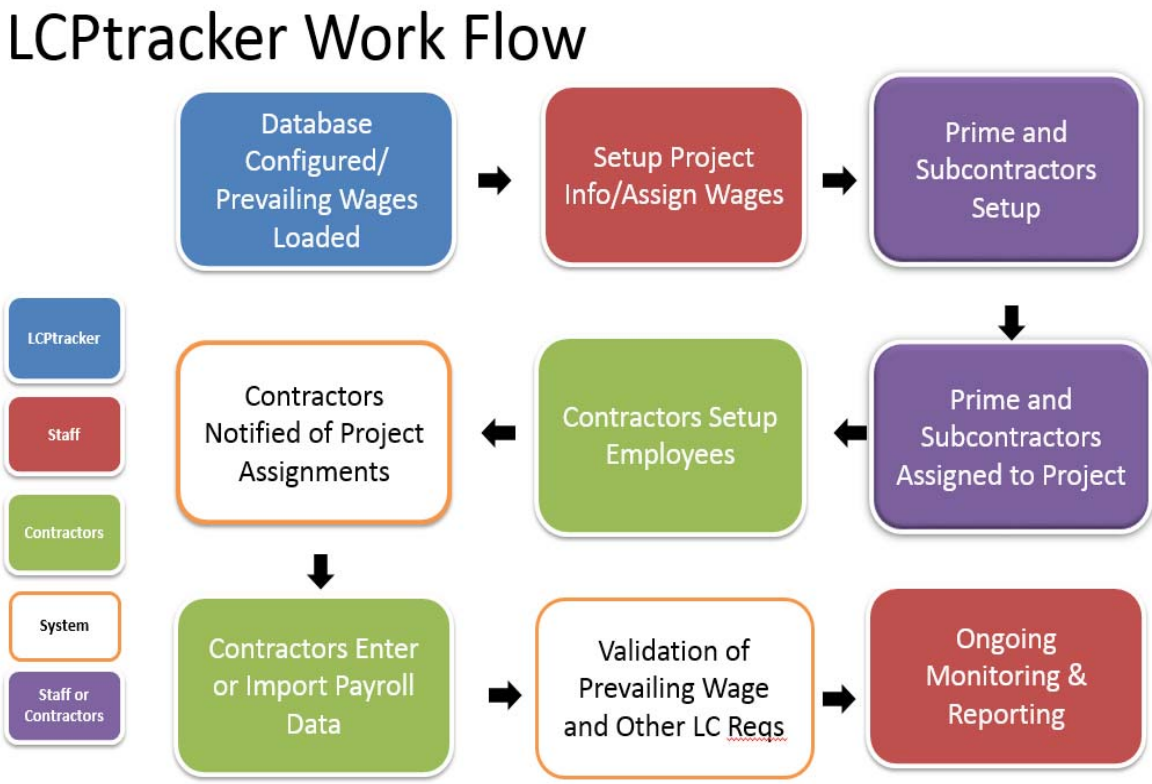
	transactions; identifying anomalous activities such as viewing sensitive data, or creating new accounts with super user privileges; and reconciling observed activities such as adding or deleting tables with authorized change requests.					
15.0 Solution Architecture - these technical requirements are to assist in overall solution development.						
	N/A					
16.0 Solution Integration - These technical requirements describe how the system communicates with other computer systems.						
	N/A					
17.0 System Administration and Licensing - These technical requirements specify that the system is supportable by SOM and is compliant with Contractor licensing requirements.						
17.1	System software licensing must be inclusive for all packages included in the solution, unless explicitly listed and detailed.	Technical	x			Yes, all software functionality is included with the license agreement, unless otherwise stated.
17.2	System documentation must describe the level of effort and anticipated downtime for product upgrade.	Technical	x			LCPtracker guarantee's 99.95% uptime. All upgrades are fully tested in a beta environment before implementation. Rarely, if ever, do these upgrades require any downtime.
17.3	System documentation must provide the anticipated frequency and requirements of patches (releases, break-fix, 0-day), minor, and major releases.	Technical	x			All updates and patches are noted immediately upon login to the database. New feature releases are typically released once a month only after extensive testing in a test environment then in a beta environment before release to production.
17.4	System documentation must clearly describe any special requirements	Technical	x			LCPtracker documentation describes supported browsers (IE 8 and above, Google Chrome,) although there are no known

	(such as browser components, etc.) that could affect the capabilities or performance of the system.					issues with other popular browsers such as Firefox or Safari. The only other requirement for access is internet service.
17.5	System software license must be for perpetual use for a fixed fee without additional royalties or service fees, except for ongoing software maintenance.	Technical	x			Pricing for the LCPtracker database is for an annual license at a set level defined by the customer. There are no other fees for service unless the customer decides to add any additional optional LCPtracker services
17.6	System software license must be able to handle as many concurrent or named users as needed.	Technical	x			LCPtracker currently has over 300 agency and prime contractor clients, as well as, tens of thousands of contractor users. Our cloud based solution is highly scalable to meet the needs of our customers, regardless of the number of users or projects.
18.0 System Performance - These technical requirements are intended to ensure that applications and systems perform in a manner that guarantees a good user experience, carries the workload and performs as designed.						
18.1	System should maintain optimum performance over Wide Area Network (WAN).	Technical	x			LCPtracker meets this requirement.
19.0 Application Configuration Management – (PCI-DSS) - These technical requirements apply to software and hardware installation procedures and methods.						
19.1	Contractor must ensure that all known security vulnerabilities be addressed in accordance with the following industry-accepted system hardening standards: SysAdmin Audit Network Security (SANS) • National Institute of Standards Technology (NIST) • Center for Internet Security (CIS)	Technical	x			Our Microsoft Azure hosted data centers more than address all standards stated here. In addition Microsoft Azure is FedRAMP certified as well.

19.2	System must require that all unnecessary and unsecure services and protocols (those not directly needed to perform the device's specified function) are disabled.	Technical	x			Only needed protocols, ports and services are enabled.
19.3	Contractor must ensure that all unnecessary functionality are removed, including but not limited to: • Scripts • Features • Subsystems	Technical	x			LCPtracker ensures that all unnecessary functionality are removed.
20.0 Application Password Management – (PCI-DSS) - The following technical requirements apply to password management procedures and methods for applications and servers.						
20.1	MDOT support staff must verify the user's identity before performing a password reset.	Technical	x			MDOT has the ability to verify user's identity prior to resetting a password.
20.2	System must comply with rules defined in the SOM Password Management document referred to below:	Technical	x			Configurable Password Rules: - Minimum password length defined by client - Must contain at least one lower-case letter and one upper-case letter. - Must contain a number - Must contain a special character - Must contain a non-numeric first and/or last character - Expires after X days (defined by client) -Lockout after 5 attempts Users are locked out of the database after 5 consecutive invalid attempts. The full administrator must then reset the password for the user Each client has a separate database for security of login. In addition, LCPtracker has created a password complexity

	Policy 1335 Information Technology Access Control					feature request process. This means that customers who may require more stringent password complexity rules can notify LCPtracker of their requirements and LCPtracker can set those rules as requirements for their database. Once the rules are defined by the customer, their database will be set up so that all administrators and contractor users of their database must comply with the password rule requirements defined by the client
21.0 Information Technology Network and Enterprise Architecture - These technical requirements apply to all aspects of wired and wireless components associated with the state's data, voice and video communication network.						
	N/A					
22.0 System Auditing						
22.1	System must have the ability to maintain a historical record of all changes made to any item within the system (e.g., data element, business rule, process control, software program), the ID of the person or process that made the change, the before images of the affected data records, and the date and time the change was made.	Technical	x			LCPtracker complies with this standard.
22.2	System audit logs must be able to be exported.	Technical	x			LCPtracker provides the ability for audit logs to be exported.
23.0 Error Handling						
23.1	System must log all errors.	Technical	x			LCPtracker has a violations tab that houses all errors.

23.2	System error messages must include user-friendly language for referral purposes.	Technical	x			LCPtracker software language is user friendly and we have an extensive support team to help with any errors/issues that may arise.
24.0 Software Package Specifications						
24.1	N/A					
25.0 Edit and Validation Control						
25.1	System must include comprehensive field validation to prevent incomplete or incorrect data from entering the system.	Technical	x			LCPtracker has over 65 validations that are automatically applied to every payroll added to the database to ensure compliance with Davis-Bacon/prevailing wage requirements.
26.0 Additional Requirements						
26.1	At a minimum, system support must be available from 8:00 AM to 5:00 PM Eastern Time, Monday through Friday.	Technical	x			LCPtracker support is available Monday-Friday from 8am-8pm EST.



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B. Hardware Requirements

Hardware purchase is NOT a part of this solution.

Solution requires internet access for use and Contractor recommends the use of IE 8 or above or Google Chrome as these are supported browsers. Solution is cloud based solution utilizing Microsoft Azure for database hosting.

C. Initiation, Planning and Requirements Validation

Contractor's System and Services must meet the functional and technical requirements detailed and/or referenced in the Contract.

Contractor will attend the Orientation Meeting described in **Section 1.301** and meet with State staff to review the requirements to ensure the System will be implemented successfully. Contractor will identify any functional, general or technical issues that need to be addressed to ensure successful implementation and will propose resolutions to be undertaken and timing thereof.

The parties will review the Preliminary Project Plan Contractor and identify any issues that need to be addressed. Contractor will then provide the Final Project Plan and final report formats described in **Section 1.300 et seq.** detailing how the System will be set up to provide the State's requested functionality.

The parties will review the Enterprise Architecture Solution Assessment (EASA) Worksheet Contractor Version Contractor submitted with its proposal and identify any issues that need to be addressed. Contractor will then submit a Final EASA to the DTMB Project Manager (PM) encapsulating any identified changes within the timeframe established in the Final Project Plan. EASA Worksheet has been attached; **Schedule B, Attachment 1.**

It is the contractor's responsibility to complete the DTMB 0170 or other similar documentation as the State may require, to obtain Michigan Cyber Security written approvals as required by the State within the timeframe established in the Final Project Plan.

Deliverable(s):

- Documentation verifying and validating requirements
- Current Business Operations Document
- Conceptual Business Operations Document
- Conceptual Business Work Flow Diagram
- Final Project Plan
- Final Report Formats
- Final EASA
- Final Security Assessment documentation

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Acceptance Criteria:

- High-level acceptance criteria per **Section 1.501**.

D. Testing

Contractor must follow a testing process comparable to the SUITE testing process which includes a test plan, test type approach, and test cases. Documentation of testing and testing

types/levels, and test cases and how defect tracking and resolution is handled must be provided for test environments and production. Testing will demonstrate the system's compliance with the requirements of the Contract. At a minimum, the testing will confirm the capabilities of the system with respect to the functions and features described in the Contract and the ability of the system to perform the workflow throughput requirements. Detailed information about SUITE testing processes can be found in the documents linked to and referenced in Schedule B, Attachment 2. DTMB and MDOT personnel will execute user acceptance testing (UAT) after the contractor completes system testing in a QA environment.

Deliverables

- Test implementation according to the SUITE documentation (see Schedule B, Attachment 2 for a link to the documentation).
- User acceptance testing.

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Acceptance Criteria

- Each test phase is accepted and signed off by State PM.
- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

E. Go-Live

- As part of implementation, the solution will be put into operation for use by MDOT and by external users.
-
- Prior to production, the State may determine that a short pilot of the software should be completed before the solution is fully implemented in a production environment. Refer to a complete SOM Deliverable list is in Schedule B, Attachment 2.
-
- **Deliverable(s)**
  - (Optional) Pilot project prior to production release.
  - Documentation identifying the fulfillment of each software requirement
  - System available for use by MDOT and external users.
-

Acceptance Criteria

- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

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F. Warranty

• For a period of 90 days after the software is fully implemented at all project locations, the Contractor is responsible for fixing any reported defects related to the application. During this warranty period, if a defect is detected, the 90 day warranty period will be reestablished upon resolution of that defect. Sample defect tracking log provided here below:

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• Deliverables	
• **Deliverable Description**	• **Comments or additional information**
• Defect Tracking Log	•
• All defects with severity level under critical or high are resolved.	•

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Acceptance Criteria

- State PM agrees and signs off that Contractor's solution has operated properly during the warranty period.
- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

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G. Training and Documentation

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Training Plan

There are four categories of users who will require training:

Required

- Train-the-Trainer
- System administrator(s) – will be responsible for establishing, editing, and deleting contracts; adding, editing, and deleting contractors and project manager accounts; and adding, editing, sending, and tracking administrator notifications, etc.

Optional

- Construction contractor(s) - External users that work on construction projects and are responsible for adding, editing, viewing, and deleting employee and their respective payroll records.

- Project manager(s) - External users that are responsible for the review and acceptance or rejection of certified payroll reports and individual pay records.

The Contractor must provide the following training and pricing (please note optional training services are priced separately per **Schedule C, Pricing**):

- Contractor must provide training related to system upgrades and new versions of the system that affect user functionality at no additional cost.
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-
- **Contractor Commitment:**

Contractor staff shall conduct training sessions for all MDOT regional staff, its Contractors, and Subcontractors as needed in a web-based format. Onsite training is also available. MDOT staff, Contractors, and Subcontractors shall have access to all training materials such as user manuals, online training videos, quick reference sheets, and other tutorials.

Contractor's training program for administrators and contractors contains a variety of training tools available to users to allow them to increase their proficiency in utilizing the system. There is no additional cost associated with using these training methods; they are included in the start-up fee.

These tools include:

- Instructor-led training
- Self-led video training
- Self-led training document review
- Administrator & contractor instruction manuals

Instructor-led training may consist of both onsite and web-based training classes whereby the instructor will walk the administrative users and the contractors through the Contractor database. Content covered is geared to ensure that all users learn to navigate the system and to be proficient with basic functionality. Web classes are routinely offered three times per week for contractors and bi-weekly for administrators.

Self-led video training consists of a series of eTraining videos that a user may view at his leisure. Once a user receives a user id and password from Contractor, user may login to view one of several training videos posted on our eTraining link. Many of these are short in duration and cover specific topics such as, editing an existing CPR, setting up an eSignature password, etc.

There are also full-length training sessions, which detail all of the content in the instructor-led training.

- **Documentation**

- All training manuals, training plans and other documentation provided become the property of the State and should be provided both in an electronic format and as hard copy.

- Contractor must provide user interface and user experience documentation to aid the State in understanding the workflow available in the proposed solution.

- The Contractor must provide documentation to accompany the software solution. Five types of documentation are required:

  - End user documentation
  - End user online help
  - System administrator documentation
  - System documentation
  - Technical documentation

- The Contractor must provide the documentation listed below in both an electronic format and as hard copy. Documentation updates due to upgrades or other modifications to the system must be provided throughout the term of the contract and any maintenance period while the license is active. The Contractor must notify the State of any discrepancies or errors in the documentation promptly upon identification.

- Documentation to be provided must include, at a minimum:

  - End user documentation
  - End user online help
  - System administration documentation
    - Include documentation of issues/solutions frequently encountered by the system administrator
    - Level of effort and anticipated down time
    - Anticipated frequency and requirements of patches, minor and major fixes

        - Special requirements such as browser components that could affect capabilities or performance of the system

- Technical documentation
        - System administrator manual
        - Data dictionary
        - FAQ or support information for frequent issues users may encounter
        - Detailed list of client browser components required by the application
        - Operations manual
        - System documentation and specifications

Training and Documentation Deliverables

- Provide training plan.
- Provide training as outlined above.
- Provide user interface and user experience documentation with proposal.
- Provide documentation as outlined above.

Acceptance Criteria

- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.
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I. Maintenance, Support, and Operation Services:

- The prevailing wage solution will be hosted by the Contractor.
-
- **Service Level Agreement**

- A service level agreement (SLA) between the contractor company and the State of Michigan is required. The SLA must document, at a minimum:
        - Availability and uptime -- the percentage of the time services will be available
        - The number of concurrent users that can be served

- Specific performance benchmarks to which actual performance will be periodically compared
- Application response time
- The schedule for notification in advance of network changes that may affect users
- Contractor response time for various classes of problems
- Any usage statistics to be provided.
- Criticality level (critical, high, medium)
- Recovery point objective (time in hours)
- Recovery time objective (time in hours)

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• **Deliverables**	
• **Deliverable Description**	• **Comments or additional information**
• System management	•
• Disaster recovery plan	•
• Optional storage for signed documents	• The State prefers to store signed documents on State servers.
• Service level agreement between the contractor and the State of Michigan	•

- **Maintenance and Support**

- The Contractor will be solely responsible for maintaining and supporting the solution and all related infrastructure for MDOT and MDOT's external users.

Maintenance and support will commence upon successful acceptance of the completed Performance Warranty period which extends ninety (90) calendar days beyond the last documented defect.

In general, the State requires support features to include:

- Help Desk
- Technical Support
- Release Management Support

For the duration of the contract, and with the State's consent, the Contractor must ensure that the State is provided with all current service packs as well as any new major and minor versions

and/or releases. The software maintenance program includes all future software updates and system enhancements applicable to system modules licensed without further charge to all licensed users maintaining an annually renewable software support contract.

The Contractor must assist the State to ensure compatibility of the Solution with the State technical environment during this maintenance and support period, including compatibility with current software versions (database, server operating systems, etc.) and conformance to security standards. Contractor will provide support for superseded releases and back releases still in use by the State.

The Contractor must lead the State to ensure that the support services during the maintenance and support period are at sufficient levels, including at a minimum:

- Service packs are installed
- Upgrades are installed
- Hot fixes are installed
- Defects are resolved

- Maintenance and support deliverables include, but are not limited to those described below:

- Contractor EASA documentation is included as **Schedule B, Attachment 1**.
- Contractor must provide software maintenance and technical support for users at no charge. All users of the Michigan DOT database will have access to Contractor support. Contractor support team must be available Monday-Friday from 8am-8pm EST.
- **Schedule B, Attachment 2, SEM 702 and 703** provides additional details.

Acceptance Criteria

- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

- **1.200 Roles and Responsibilities**

- **1.201 Contractor Staff, Roles, And Responsibilities**

A. Contractor Staff / Key Personnel

1. **Product Manager/Subject Matter Expert (SME)**.

Proposed Resource Name:	**Jesse Aguirre**
Proposed Role:	Product Manager / Technical Subject Matter Expert
Percentage of Time to be allocated to Project: 50 %	Will be utilized as needed for project oversight, system modifications, custom reports and data interfaces.

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  - The Product Manager's duties include, but not be limited to:

  Supporting the management of the Contract,

  Ensuring that all defined contractor responsibilities in this scope of services are completed appropriately,

  Serving as the point person for all project issues,

  Assessing and reporting project feedback and status,

  Escalating project issues, project risks, and other concerns,

  Facilitating dispute resolution, and

  Updating the state of performance under the terms and conditions of the Contract.

  - The duties of the technical subject matter expert will include, but are not limited to:

  -

  Working with DTMB personnel to complete the DTMB 170 and the EASA worksheet

  Configuring the software appropriately for use by MDOT

  Completing system testing of the software as configured for use by MDOT

  Providing support during user acceptance testing

  Overseeing and supporting the implementation process

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  - The State reserves the right to require a change in the current SPOC/SME if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

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2. Additional Key Personnel

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Proposed Resource Name:	**Christina Nagel**
Proposed Classification:	Senior Project Manager
Percentage of time resource will be allocated to project:	35% of weekly time can be allotted for training sessions during implementation, but will be fully available 90% of weekly time for any assistance or questions that may arise during this time.

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- The Senior Project Manager's duties include, but not be limited to:

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- Project Manager/Implementation Specialist
    - *Implementation plan with schedules and timelines*
    - *Provide training classes for end-user*
        -
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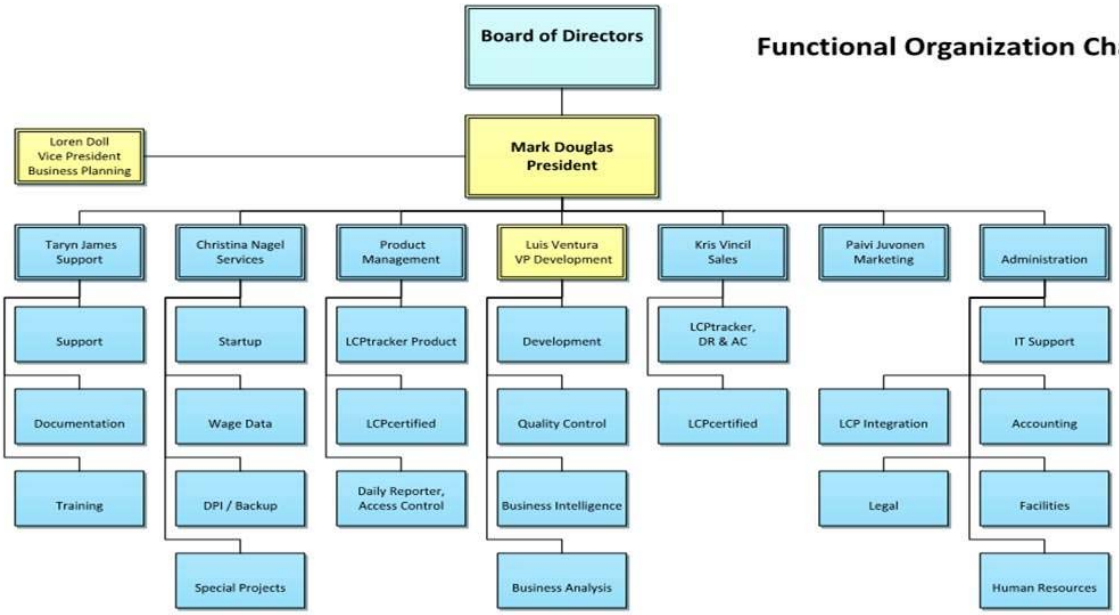

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B. On Site Work Requirements

1. Location of Work

- Any work performed at a State facility rather than at a contractor facility will be executed at the following address:

-
- MDOT-Construction Field Services Division
- Secondary Governmental Complex
- 8885 Ricks Road
- Lansing, MI 48909
-
- Should contractor staff need to work on site at a State facility, the State will provide the following resources for the Contractor's use:

- Work space
- Minimal clerical support
- Desk
- Access to copiers and fax machine

2. Hours of Operation:

- Normal State working hours are 8:00 a.m. to 5:00 p.m. EST, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. No overtime will be authorized or paid.
- The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.
- Contractor shall observe the same standard holidays as State employees. The State does not compensate for holiday pay.

3. Travel:

- No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by Contractor.
- Travel time will not be reimbursed.

4. Additional Security and Background Check Requirements:

Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff who will work on site in a State facility.

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

- **1.202 State Staff, Roles, and Responsibilities**

- The State project team will consist of a DTMB project manager, MDOT subject matter experts (SMEs), and a DTMB contract manager. Prior to system implementation, MDOT will identify a prevailing wage system administrator.

Contract Administrator

The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a "**Contract Administrator**"):

State:	Contractor:
Simon Baldwin, Buyer 525 W. Allegan St., 1st FLR NE Lansing, MI 48909 badlwins@michigan.gov 517-284-6997	Kris Vincil, Sales Director 200 E Chapman Ave, Orange, CA 92866 kvincil@lcptracker.com 714-669-0052 ext 105

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

State:	Contractor:
Adam Strong stronga1@michigan.gov 517-719-7344	Renee Bell 200 E Chapman Ave, Orange, CA 92866 [rbell@lcptracker.com 714-669-0052 Ext 132

-

State Project Manager

- DTMB will provide a project manager. The project manager is a DTMB employee who works in the ePMO IT Program Management Office.

-

- The DTMB project manager will provide the following services:

  Provide State facilities, as needed

  Coordinate the State resources necessary for the project

  Facilitate coordination between various external contractors

  Facilitate communication between different State departments/divisions

  Provide acceptance and sign-off of deliverable/milestone

  Review and sign-off of timesheets and invoices

  Resolve project issues

  Escalate outstanding/high priority issues

  Utilize change control procedures

  Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements

  Document and archive all important project decisions

  Arrange, schedule and facilitate State staff attendance at all project meetings.

-

Name	Agency/Division	Title
• Jane Rademacher	• DTMB	• Project Manager

-

Subject Matter Experts

- The subject matter experts (SMEs) representing the business units involved will provide the vision for the business design and how the application will support the vision. They will be available on an as-needed basis. The SME's will be empowered to:

  Resolve project issues in a timely manner

  Review project plan, status, and issues

  Resolve deviations from project plan

  Provide acceptance sign-off

  Utilize change control procedures

  Ensure timely availability of State resources

  Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.

-

Name	Agency/Division
• Adam Strong	• MDOT/Construction Field Services
• John Belcher	• MDOT/Bureau of Field Services

•

• DTMB shall provide a Contract Administrator whose duties shall include, but not be limited to, supporting the management of the Contract.

•

Name	Agency/Division	Title
• Simon Baldwin	• DTMB	• Contract Administrator

•

• **Prevailing wage System Administrator**

• The system administrator will be an MDOT resource. This person will be responsible for authorizing new prevailing wage users, storing digital ID certificates if needed, and first-level end user support.

•

• **System Support Resource**

• The system support resource will be a DTMB technical support person. If the solution is hosted by the State, this resource will serve as a liaison with the appropriate DTMB server team. Regardless of where the solution is hosted, this resource will also serve as a liaison with the contractor company's technical support personnel.

•

- **1.203 Other Roles and Responsibilities**

• The State may provide other DTMB staff as needed to support completion of the Statement of Work, which may include:

•

- System Administrators: grant and deny access to system

•

- **1.300 Project Plan**

- **1.301 Project Plan Management**

Preliminary Project Plan

- Contractor will provide a preliminary Project Management Plan (PMM 0102) with the proposal for evaluation purposes, including necessary time frames and deliverables for the various stages of the project and the responsibilities and obligations of both the Contractor and the State.

1. In particular, the Preliminary Project Plan will include a MS Project schedule or equivalent (check the SUITE/PMM standard):

    - a. A description of the deliverables to be provided under this contract.
    - b. Target dates and critical paths for the deliverables.
    - c. Identification of roles and responsibilities, including the organization responsible. Contractor is to provide a roles and responsibility matrix.
    - d. The labor, hardware, materials and supplies required to be provided by the State in meeting the target dates established in the Preliminary Project Plan.
    - e. Internal milestones
    - f. Task durations

-
- Note: A Final Project Plan will be required as Stated in Schedule A, Section 1.301 (C) Project Control.
-

Orientation Meeting

- Within fourteen (14) calendar days from execution of the Contract, the Contractor may be required to attend an orientation meeting to discuss the content and procedures of the Contract. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

Performance Review Meetings

- The State will require the Contractor to attend monthly meetings, at a minimum, to review the Contractor's performance under the Contract. The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.
-

Project Control

1. The Contractor will carry out this project under the direction and control of DTMB and MDOT.
2. Within fourteen (14) working days of the execution of the Contract, the Contractor will submit the final Project Management Plan (PMM 102) to the State project manager for final approval. This project plan must be in agreement with Schedule A, Section 1.104 Work and Deliverables, and must include the following:

    - The Contractor's project organizational structure.

- The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- The project work breakdown structure (WBS) showing sub-projects, activities and tasks, and resources required and allocated to each.
- The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the WBS.

3. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at http://www.michigan.gov/suite

   a. Contractor will use an automated tool for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool shall have the capability to produce:

      - Staffing tables with names of personnel assigned to Contract tasks.
      - Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all services to be performed within the next two business weeks, updated bi-weekly.
      - Updates must include actual time spent on each task and a revised estimate to complete.
      - Graphs showing critical events, dependencies and decision points during the course of the Contract.

   b. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

-
- **1.302 Project Reports**

Reporting formats must be submitted to the State's Project Manager for approval within five (5) business days after the execution of the contract resulting from this CONTRACT. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Contractor will provide a bi-weekly Project Update Report on the overall status to implement the Solution, which will include:

- Weekly Project status
- Updated project plan
- Summary of activity during the report period
- Accomplishments during the report period
- Deliverable status
- Schedule status
- Action Item status

- Issues
- Change Control
- Repair status
- Maintenance Activity

- **1.400 Project Management**

- **1.401 Issue Management**

- An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

- The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

Description of issue

Issue identification date

Responsibility for resolving issue.

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

Resources assigned responsibility for resolution

Resolution date

Resolution description

- Issues shall be escalated for resolution from level 1 through level 3, as defined below:

- Level 1 – Subject Matter Experts (SME's)
- Level 2 – Project Managers / Business Owner
- Level 3 – Executive Sponsor
-

- The Contractor shall also maintain a defects log for software defects identified by the State. The defects log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The defects log must be updated and must contain the following minimum elements:

Description of each defect

Defect identification date

Priority for fixing defects (to be mutually agreed upon by the State and the Contractor)

Contractor resources assigned responsibility for fixing each defect

Estimated date for fixing each defect

Description of the fix to be applied

For more details please see Project Management Plan.

- **1.402 Risk Management**

- A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

-

- The Contractor is responsible for establishing a risk management plan and process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, and periodic risk assessment reviews with the State.

-

- A risk management plan format shall be submitted to the State for approval within twenty (20) business days after the effective date of the contract resulting from the upcoming CONTRACT. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon.

-

- The Contractor shall provide the tool to track risks. The Contractor will work with the State and allow input into the prioritization of risks.

-

- The Contractor is responsible for identification of risks for each phase of the project. Mitigating and/or eliminating assigned risks will be the responsibility of the Contractor. The State will assume the same responsibility for risks assigned to them.

For more details please see Project Management Plan.

-

- **1.403 Change Management**

- Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

-

- If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Technology, Management and Budget, Procurement Buyer, who will make recommendations to the Director of DTMB-Procurement regarding ultimate approval/disapproval of change request. If the DTMB Procurement Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the DTMB-Procurement Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DTMB-Procurement, risk non-payment for the out-of-scope/pricing products and/or services.**

-

- The Contractor must employ change management procedures to handle such things as “out-of-scope” requests or changing business needs of the State while the migration is underway.

-

- The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

For more details please see Project Management Plan.

- **1.500 Acceptance**

- **1.501 Criteria**

Document Deliverables

- Documents are dated and in electronic format, compatible with State of Michigan software in accordance with Schedule A 1.103.
- Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in the final product.
- Draft documents are not accepted as final deliverables.
- The documents will be reviewed and accepted in accordance with the requirements of the Contract and Appendices.
- DTMB will review documents within a mutually agreed upon timeframe.
    - Approvals will be written and signed by the DTMB project manager.
    - Issues will be documented and submitted to the Contractor.
    - After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.
- Deliverable approval process detailed in the Contract Terms has been followed and met.
-

- **Software Deliverables**

- Deliverable approval process detailed in the Contract Terms has been followed and met. See Acceptance Testing; or Service Preparation, Testing and Acceptance section in SaaS terms

- Contractor Response Instructions:

		☐

- **1.502 Final Acceptance**

- Final acceptance is expressly conditioned upon completion of ALL deliverables/milestones identified in Section 1.104 Work and Deliverables, completion of ALL tasks in the project plan, completion of ALL applicable inspection and/or testing procedures, and the certification by the State that the Contractor has met the defined requirements. Final acceptance will be given after the expiration of the Warranty Period if all outstanding issues have been resolved to the State's satisfaction. See also the Contract Terms for further details.

- **1.600 Compensation and Payment**

- **1.601 Compensation and Payment**

Method of Payment

- Payments to the Contractor will be made upon the completion and acceptance of specified milestones. Payment milestones are defined in Appendix C, Cost Tables. Failure to provide deliverable/milestone by the identified date and/or failure to abide by system availability requirements may be subject to liquidated damages in the form of service credits as identified in SaaS Terms and Conditions.

-

The preliminary Project Management Plan shall include the following deliverable/milestones for which payment shall be made. Payment to the Contractor will be made upon the completion and acceptance of the deliverable or milestone, not to exceed contractual costs of the phase. A milestone is defined as complete when all of the deliverables within the milestone have been completed.

The following table outlines the payment milestones for this project. After each milestone is completed, the contractor may invoice the SOM for the indicated amount of the total amount of one-time costs. On-going costs such as licensing and hosting are not covered in this table. See Appendix C – Cost Tables instructions for additional information.

Payment Milestone	Amount to Be Invoiced
Successful UAT	100% of License Cost
Training and Documentation	100% of Project Cost
Final Acceptance Total One-Time Project Costs	100%

-

- Contractor may bill for recurring annual costs (i.e., Maintenance and Support, ongoing licensing costs) after final acceptance and annually thereafter, pro-rating the costs as needed to fit within the contract years.

-

- Extended purchasing program volume requirements are not included, unless stated otherwise. See SaaS Terms and Conditions, Section 22.5.

Travel

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

Statements of Work and Issuance of Purchase Orders

Unless otherwise agreed by the parties, each Statement of Work will include:

1. Background
2. Project Objective
3. Scope of Work
4. Deliverables
5. Acceptance Criteria
6. Project Control and Reports
7. Specific Department Standards
8. Payment Schedule
9. Travel and Expenses
10. Project Contacts
11. Agency Responsibilities and Assumptions
12. Location of Where the Work is to be performed
13. Expected Contractor Work Hours and Conditions

The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

Invoicing

- Contractor will submit properly itemized invoices to

DTMB – Financial Services

Accounts Payable

P.O. Box 30026

Lansing, MI 48909

Or

DTMB-Accounts-Payable@michigan.gov

-
- . Invoices must provide and itemize, as applicable:

Contract number;

Purchase Order number

Contractor name, address, phone number, and Federal Tax Identification Number;

Description of any commodities/hardware, including quantity ordered;

Date(s) of delivery and/or date(s) of installation and set up;

Price for each item, or Contractor's list price for each item and applicable discounts;

Maintenance charges;

Net invoice price for each item;

Shipping costs;

Other applicable charges;

Total invoice price; and

Payment terms, including any available prompt payment discount.

-
- The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration shall be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.
-
- Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

- **1.602 Holdback**

Reserved

- ## Schedule B – Deliverables PMM/SEM Forms

The State of Michigan's IT projects all adhere to DTMB's project management methodology (PMM) and its systems engineering methodology (SEM). Several PMM and SEM documents must be completed and submitted with the bidder's response to this CONTRACT. Other PMM/SEM documents are deliverables, to be completed and provided to the State during the course of the project. All SEM/PMM documents must be approved by the State before they will be considered final.

The forms required for this project – either with the proposal or later as deliverables – are outlined in the table below. All of these forms can be downloaded from this web site:

http://michigan.gov/suite/0,4674,7-245-60232---,00.html

If bidder's company uses forms or spreadsheets that are comparable to any of these SEM/PMM forms, the State will consider accepting those in lieu of the SEM/PMM forms. Any forms to be used in this manner must be submitted with the CONTRACT for approval by the State.

Form #	Title	Attached to Contract or Deliverable?
Word Doc	1.100 Section EASA Worksheet Contractor Version (see Appendix D)	Schedule B, Attachment 2
PMM-102	1.300 Section Project Management Plan	Schedule B, Attachment 2
SEM-301	1.100 Section D. Maintenance / Operations Services Plan Contractor Hosted	NA for SaaS
SEM-602	1.100 Section F. Test Plan	NA for SaaS
SEM-603	1.100 Section F. Test Type and Approach Report	NA for SaaS
SEM-606	1.100 Section F. Test Case	Deliverable
SEM-702	1.100 Section G. Installation Plan	Schedule B, Attachment 2
SEM-703	1.100 Section I. Training Plan and Documentation	Schedule B, Attachment 2

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- Schedule B, Attachment 1 –Enterprise Architecture Assessment Worksheet

Enterprise Architecture Solution Assessment	
Contact Info & Purpose (vendor version)	
The purpose of the EA Solution Assessment is to document architectural details of proposed IT solutions in order to determine compatibility with the overall SOM architecture. MDIT/SOM activities which require an Assessment include: the purchase of new licenses, contracting for software development services, purchase of new software components, installation of new software components, the purchase of new hardware components or the use of MDIT staff resources on any project beyond the design phase. All vendor proposals and new contracts must be accompanied by an Assessment, documenting the architectural details of the proposed solution. Vendor should complete all areas except where indicated.	
Vendor Version 2.3	
Solution/Project Name	*MDOT – Prevailing Wage and Labor Compliance Project*
RFP Name/Number	*<SOM complete>*
Date Submitted	*<SOM complete>*
Vendor Name	*LCPtracker, Inc.*
Vendor City and State	*Orange, CA*
Vendor Phone No.	*714-669-0052*
Vendor email	*rbell@lcptracker.com*
A brief description of the proposed solution and business purpose/process. *(please keep the description brief)*	The solution will streamline the prevailing wage and labor compliance process and create transparency for the State of Michigan. It will minimize paperwork and labor hours when overseeing Labor Compliance on multiple Michigan Department of Transportation (MDOT) construction projects. The solution will be used to collect, verify, communicate, and manage certified payrolls and payroll reports to ensure compliance with prevailing wage regulations and track workforce goals such as local, diversity and minority goals.
Additional description of the solution and business purpose. *(please expand the row as much as needed)*	LCPtracker is an Application Service Provider (ASP) web-hosted software program from LCPtracker, Inc., a corporation in business since 1992, which minimizes paperwork and intensive man hours when enforcing a Labor Compliance Program on public works construction projects. LCPtracker creates an online database of all certified payroll reports (CPRs), utilization information, generates audits logs with standard letters,

	electronic documents, attachments, and many other features for correspondence to contractors. LCPtracker reduces the intensive man-hours needed by our clients to manually review hundreds of certified payroll records (CPRs) for any given project. This reduction is achieved by the contractor entering all of their information into an online certified payroll reporting form, or by uploading their payroll data from their existing accounting system(s). LCPtracker will flag any errors, omissions, or discrepancies the contractor may have on this report. The contractor has immediate feedback of any violations found to be corrected prior to submittal to the Administrator. LCPtracker, Inc. maintains and upgrades the software, allows for the upkeep of prevailing wage rates and/or Davis Bacon wage rates within the system, and notifies all designated parties involved of any violation. The administrator has several deliverable options to have these notices/violations be sent to the contractor. LCPtracker assists customers in maintaining compliance with Davis-Bacon requirements, prevailing wage requirements and workforce goals. They software provides over 70 standardized reports available including FHWA 1391, 1392 and workforce reports. LCPtracker software ensures that information submitted by contractors matches the information gathered during on-site interviews; job classifications are listed correctly; apprentice stages are approved; and social security numbers match. Overall errors and issues are dramatically reduced because LCPtracker is a proactive system that standardizes all data and notifies all users of potential problems during the course of data entry. The software also allows for the electronic storage and management of key documentation for projects. Documents can be created or uploaded into the software and rules can be set to help with the management of all related documents.

Select	**Enterprise Architecture Solution Assessment**
	Architecture Overview (vendor version)

all that apply ✓ (vendor complete)	***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
1	***Server/Application Hosting***	***Comments***
	Internally Hosted	
x	Externally Hosted	Microsoft Azure
	Internally & Externally Hosted	
2	***User Interface Type***	***Comments (e.g. version or release)***
x	Browser	IE 9 and up. Edge.
	Citrix	
	Client	
x	Mobile Browser	Latest version of Android, iOS and Windows mobile devices
	Mobile Client	
	Terminal	
	Other (explain =>)	
3	***Supported Browsers (internet)***	***Comments***
x	IE 11.0+ (internet, intranet)	IE 8,9,10,11, Edge supported
	Firefox 3.0.x (internet)	No known issues
x	Chrome 3.0 (internet)	Supported
	Safari 4.x (internet)	No known issues
	Other (explain =>)	
4	***Data Exchange Interface***	***Comments (e.g. version or release)***
	EDI (industry protocol)	
	Flat File (private protocol)	
x	Web Service	RESTful web services
	XML	
	Other (explain =>)	
5	***System Access***	***Comments***

x	Internal (SOM only)	LCPtracker is intended for authorized MDOT agency users
	External (general public)	
x	External (authorized)	Authorized contractors working on selected MDOT projects will be given access to their own database.
	Mixed (internal-external)	
6	***User Access***	***Comments***
x	Internet	LCPtracker is a SaaS solution
	Intranet	
	Local Government (LGNet)	
	Public facing internet	
	Kiosk terminal	
	Vendor Net	
	VPN	
	Other (explain =>)	
(continued)		

Select all that apply ✓ (vendor complete)	Enterprise Architecture Solution Assessment	
	Architecture Overview (continued)	
	***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
7	***Data Classification***	***Comments***
	Non-sensitive	
x	Sensitive w/ personal ID info	***System may collect SSN and Driver's License when setup to do so by client***
	Sensitive w/ no personal ID info	
	Not classified	
	Other (explain =>)	
8	***PCI-DSS Compliance Needed?***	***Comments***
	Yes	
x	No	
9	***Data Audit Trail Implementation***	***Comments***
x	Application Code	
x	Database Audit Files	
x	Database Triggers	
x	Stored Procedures	
	Other (explain =>)	
10	***IT Services (Centers of Excellence)***	***Comments***
	x86 Virtualization	
	Address Verification	
	Business Objects Reporting	
	Digital Electronic Gateway (DEG)	
	Extract Transform Load (ETL)	
	Citrix Virtualization	
11	***Enterprise Data Storage***	***Comments***
	<10GB (small)	
x	10GB-500GB (medium)	

	500GB - 4TB (large)	
	>4TB (x-large)	
12	***Database (RDBMS)***	***Comments***
	MS SQL Server 2012	
	MySQL 5.1	
	Oracle 11g	
	TeraData TD 13.0	
x	Other (explain =>)	Azure SQL database

(continued)

Select all that apply ✓ (vendor complete)	Enterprise Architecture Solution Assessment	
	Architecture Overview (continued)	
	***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
13	***Database Modeling Tools***	***Comments***
	Erwin 7.x, 8x	
x	MSSQL Server Mgmt Studio (match db)	
	MySQL Workbench (match db)	
	Oracle Designer (match db)	
	TeraData Utilities (match db)	
	Other (explain =>)	
14	***Development Framework***	***Comments***
x	.NET Framework 4.5	
	Java J2EE 5.x, 6x	
	Other (explain =>)	
15	***Development Platform***	***Comments***
	Eclipse 3.x, 4.x	
	Hibernate 3.x	
	IBM Websphere Integration Dev 6.x, 7.x	
	Microsoft SilverLight Expression (match VS)	
x	Microsoft Team Foundation System 2010	TFS 2015
x	Microsoft Visual Studio 2010	Visual Studio 2015
	Oracle JDeveloper 11g	
	Spring 2.5	
	Struts 2.x	
	XML Spy 2010	
	Other (explain =>)	
16	***Development Language***	***Comments***
x	ASP .NET 2010	ASP.NET MVC 4

	CSS Level 3	
x	Microsoft C#	
	Microsoft VB.Net	
	Java	
x	JavaScript	
	JDK 6.x, 7x	
	PHP 5.3.x	
	Other (explain =>)	
(continued)		

Select all that apply ✓ (vendor complete)	Enterprise Architecture Solution Assessment	
	Architecture Overview (continued)	
	***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
17	***Markup languages***	***Comments***
x	HTML 4 & 5	
x	XML Schema 1.1	
x	XSLT 2.0	
x	XHTML 2.0	
18	***Presentation (Web) Server***	***Comments***
	Apache HTTPD 2.x	
	IBM Websphere IHS (match app svr)	
x	Microsoft IIS 7.0	Azure Cloud Services web roles
	Other (explain =>)	
19	***Application Server***	***Comments***
x	.NET Framework 4.5	
	Apache Tomcat 7.x	
	IBM WebSphere 7.0, 8.0	
	JBoss 5.x, 6	
	Other (Explain)	
20	***HW Platform***	***Comments***
	Dell	
	HP	
	Sun	
	Unisys Mainframe	
	x86 Virtualization	
x	Other (explain =>)	Microsoft Azure Cloud
21	***Server OS***	***Comments***
	Linux Redhat Enterprise Server 5.x, 6.x	

	Linux SUSE Enterprise 11.x	
x	Microsoft Windows 2012	
	Unix HPUX 11i v3	
	Unix Sun Solaris 11.x	
	VMWare vSphere 4, 5, VCD	
	Other (explain =>)	

(continued)

Select all that apply ✓ (vendor complete)	**Enterprise Architecture Solution Assessment** **Architecture Overview (continued)** ***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
22	***Document Management***	***Comments***
	Captaris Alchemy 8.3	
	FileNet Content Services 5.4	
	FileNet Document Mgmt P8	
	HP Trim	
	MS SharePoint Server 2010 EE	
	Other (explain =>)	
23	***Centralized Printing***	***Comments***
	DMB consolidated print center	
	Other (explain =>)	
24	***Testing Tools***	***Comments***
	Junit 4.x	
	LoadRunner 11.x	
x	Microsoft Team Foundation System	
	Quick Test Pro 11.x	
	Selenium 1.x, 2.x	
	Other (explain =>)	

25	***Identity Management (network)***	***Comments***
x	Active Directory 2012	
	Other (explain =>)	
26	***Identity Management (application)***	***Comments***
	IBM Tivoli SSO (TIM-TAM)	
x	Microsoft Active Directory 2012	
	Other (explain =>)	
27	***Project Management***	***Comments***
	Clarity 12.x	
x	MS Project 2013	
	Rational	
	Other (explain =>)	

(continued)

Select all that apply ✓ (vendor complete)	Enterprise Architecture Solution Assessment	
	Architecture Overview (continued)	
	***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
28	***Requirements Gathering***	***Comments***
	Compuware Optimal Trace 5.x	
	Microsoft Office	
x	Microsoft Visio	
	SUITE/SEM templates	
	Rational Requisit	
	Serena Dimensions 2009 R1.x, 11.2	
	Other (explain =>)	
29	***Design Tools***	***Comments***
x	Microsoft Visio	
x	MSSQL Server Mgmt Studio (match db)	
	Rational Rose	
	Serena Prototype Composer 2009, 2010	
	Other (explain =>)	
30	***Version Control***	***Comments***
x	Microsoft Team Foundation System	
	Serena Dimensions (PVCS Mgr) 2009, 12.1	
	Subversion 1.6	
	Other (explain =>)	
31	***Message Queuing***	***Comments***
	Apache Active MQ 5.3	
	IBM Websphere MQ 6.x, 7.x	
x	Other (explain =>)	MS Azure Queues
32	***Business Integration***	***Comments***
	JBoss SOA	

	Websphere Message Broker 6.x, 7.x	
	Other (explain =>)	

(continued)

Select all that apply ✓ (vendor complete)	**Enterprise Architecture Solution Assessment** **Architecture Overview (continued)** ***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
33	***Database Tools***	***Comments***
	DBArtisan 8.6, 8.7	
	Infosphere Information Svr v8.1.x	
x	MSSQL Server Mgmt Studio (match db)	
	MySQL Workbench (match db)	
	Oracle Developer Suite (match db)	
	Oracle Enterprise Manager (match db)	
	Oracle SQL Developer (match db)	
	Rapid SQL 7.6 & 7.7	
	TeraData Utilities (match db)	
	Toad 9.x & 10.x	
	Other (explain =>)	
34	***Reporting Tools***	***Comments***
	ActivePDF 2009	
	ActiveReports 4.0	
	Birt 3.7	
x	Crystal Reports 2013	
	Crystal Xcelsius 2013	
	Crystal Reports for Eclipse	
x	MSSQL Reporting Services (match db)	SSRS
	Oracle Reports (match db)	
	Other (explain =>)	

35	End-User Tools	Comments
	Business Objects (BO) XI R2, 3.x, 4.x	
	Oracle Discoverer (match db)	
	Other (explain =>)	
36	**Deployment Tools**	**Comments**
x	Microsoft Team Foundation System 2010	
	Serena Dimen.CM Mover 2009, 2.3, 12.1	
	Other (explain =>)	

(continued)

Select all that apply ✓ (vendor complete)	Enterprise Architecture Solution Assessment **Architecture Overview (continued)** ***Vendor**: the technologies listed below are standards used by the State of Michigan. Utilization of existing technology for new solutions is encouraged. Check the left column if the technology can be used with the solution being proposed. Add comments as needed.*	
37	**Build Tools**	**Comments**
	Apache Ant 1.7.x, 1.8.x	
	Apache Maven 2.2, 3.0	
	Microsoft Team Foundation System	
	Serena Dimensions CM Builder 2009 R1.x	
x	Other (explain =>)	Visual Studio 2015
38	**Job Schedulers**	**Comments**
	BL/Sched 5.0, 5.2	
	OpCon XPS 4.x, 5.x	
	Tidal Enterprise Scheduler 6.x	
	UC4 App Mgr 8.0	
	UC4 Op Mgr 6.0 & 8.0	
	Other (explain =>)	
39	**GIS Technologies**	**Comments**
	ArcIMS 9.3	
	ArcGIS Server 9.3	

	ArcSDE 9.3	
	Erdas ADE Rel. 2	
	ER Mapper Image Server 7.2	
	Oracle Spatial (match db)	
	Oracle MapView (match db)	
	Other (explain =>)	
40	***Issue & Defect Tracking***	***Comments***
	Bugzilla 3.2.5 & 3.4.2	
	BugTracker .Net 3.5	
	Clear Quest Chg Mgmt Suite 7.5	
x	Microsoft Team Foundation System	
	Serena Mashup Composer 2009 R1.x	
x	Other (describe =>)	Salesforce

Enterprise Architecture Solution Assessment		
Disaster Planning (Section to be completed by SOM)		
Business continuity requirements.		**Describe below**
The business requirement(s) that determine the amount of time and the operational availability of the application to the end-user.		Refer to Appendix A
Select Only One (1)	***Availability Requirement Category – Availability Requirement is divided into three different levels. These levels define the continuous service availability requirements of the application. Based on the following definitions, please indicate the level of availability required for this Business Function / Application.***	
	Urgent *- Business Function / Application outage has potential to cause loss of life or risk of injury to a citizen. 99.99% availability (<45 minutes of downtime / month). If an Urgent priority application is not available, DIT will work to resolve the incident 7 x 24 x 365. If the incident occurs after normal business hours, on-call staff (where available) will be called in to resolve*	

	the incident. DIT staff will continue to work the issue during and after business hours until the incident is resolved, and the application service restored.
	High *– Business Function / Application outage will have a high non-life threatening impact on the public. If this application is not available, there may be an adverse impact on a large number of business clients who use the application. The lack of application availability may also be considered politically sensitive. 99.5% availability (<3.5 hours of downtime / month). DIT will work to resolve the incident 7 x 24 x 365. If the incident occurs after normal business hours, on-call staff (where available) will be called in to resolve the incident. DIT staff will continue to work the issue during and after business hours until the incident is resolved, and the application service restored.*
X	***Medium*** *– Business Function / Application not meeting the Urgent or High criteria will be assigned Medium priority status; this default will be considered the third priority and reflect a situation where there is no risk of personal injury, and the public is not being directly affected. 98% availability (<15 hours of downtime / month). If there is an issue with a medium priority application, work to resolve the incident will be handled during normal DIT Business hours (typically 8:00 am-5:00 pm, Monday-Friday. If the problem is not resolved at the end of the business day, staff will return to work the next business day, and continue the resolution process until the service is restored*

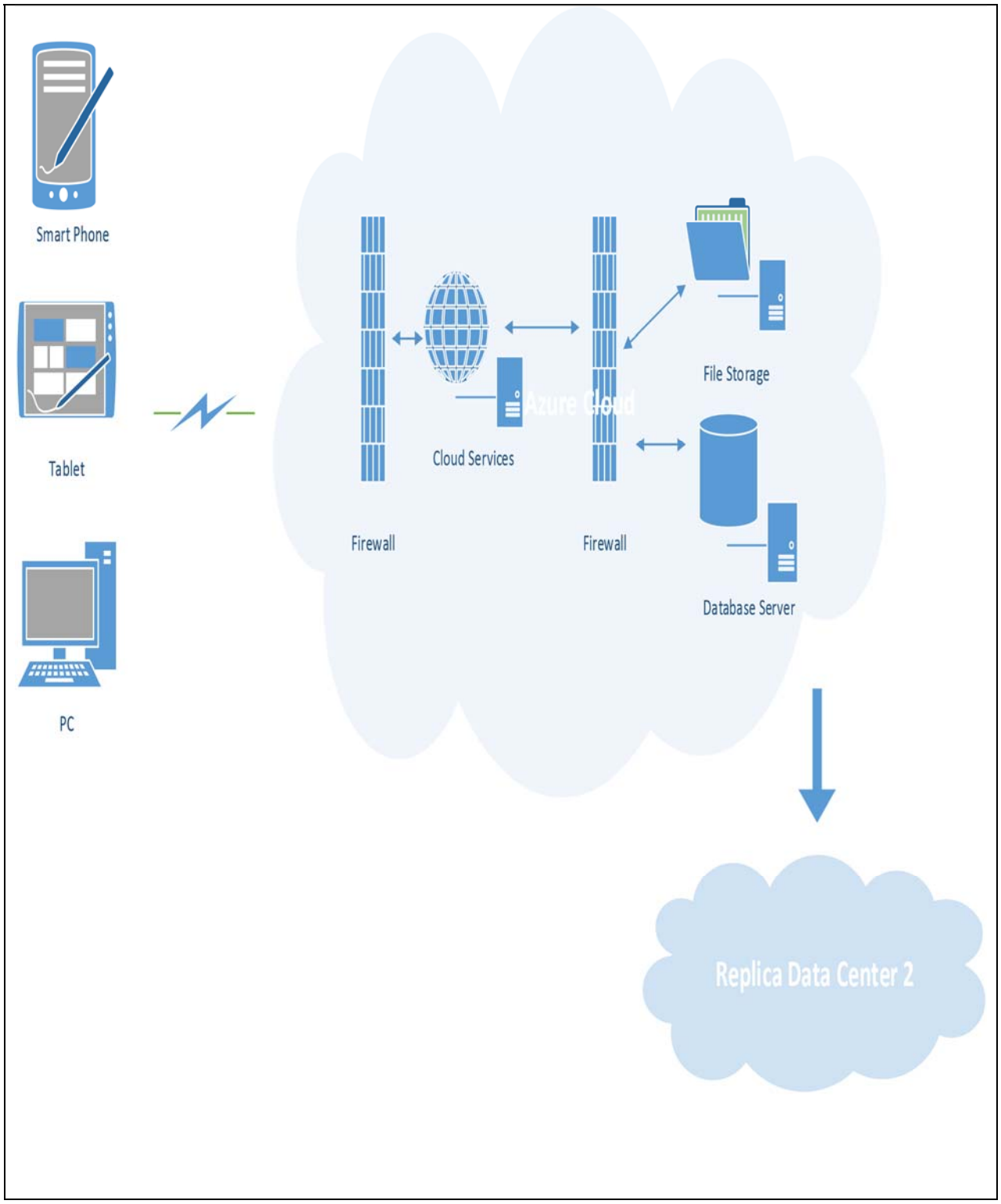
Recovery Point and Time Objectives

Select Only One (1)	***Recovery Point Objective (RPO) is the maximum amount of data loss a business function can sustain during an event.***		***Select Only One (1)***	***Recovery Time Objective (RTO) is the maximum amount of time that can elapse until a system / application / function must be returned to service.***
	2 hours			2 hours
	4 hours			4 hours
	6 hours			6 hours
X	8 hours		**X**	8 hours
	24 hours			24 hours
	72 hours			72 hours
	Other			Other

Enterprise Architecture Solution Assessment

Server/Network Diagram (vendor version)

LCPtracker-SaaS Diagram


Smart Phone
Tablet
PC
Azure Cloud
Cloud Services
Firewall
Firewall
File Storage
Database Server
Replica Data Center 2

- Schedule B. Attachment 2, Project Management Plan

A. General Information

Project ID/Acronym:	LCPtracker	**Creation Date:**	12/14/15
Controlling Agency:	DTMB	**Modification Date:**	
Prepared by:	Renee Bell	**Authorized by:**	
Prime Contractor:		**Date Awarded:**	

Budget for project by fiscal year and is project funded? If so, for what amount(s) and Period(s)								
Budget Amount:		**Fiscal Year:**		**Funded?**		Yes		No
Budget Amount:		**Fiscal Year:**		**Funded?**		Yes		No
Budget Amount:		**Fiscal Year:**		**Funded?**		Yes		No

1. Privacy Information

This document may contain information of a sensitive nature. This information should not be shared with persons other than those who are involved with this system/project or who will become involved during its lifecycle.

2. Revision History

The Project Manager will maintain this plan and provide updates as required. All updates to the Project Management Plan and component plans should be documented in this section.

Revision Date	Author	Section(s)	Summary

B. Purpose

The purpose of the Project Management Plan is to document how the project will be planned, executed, monitored, controlled and closed. The Project Management Plan documents the actions necessary to define, prepare, integrate and coordinate all component plans (e.g., risk management, quality management, communication management).

C. Project Summary

1. Statement of Work

LCPtracker is an ASP web-hosted prevailing wage/labor compliance software system that will streamline the prevailing wage and labor compliance process and create transparency for the State of Michigan. LCPtracker has over 70 standardized reports available including workforce reports and FHWA reports as well as the ability for MDOT to create additional customized reports if desired. LCPtracker is currently implemented at MDOT and has been utilized with numerous projects already over the past two years. The majority of MDOT regional offices and a great number of contractors have already utilized LCPtracker for labor compliance needs which greatly reduces implementation time and effort.

This project is to provide training, support and access to the LCPtracker system to assist MDOT staff statewide. This work includes training MDOT and consultant representative staff, local agency staff, prime contractors and subcontractor(s) to submit, verify, review, track and manage information, including the generation of reports using the web-hosted system. In addition, there will be on-going training, support and data management on the web-hosted system as needed for the duration of the contract.

LCPtracker will not need to be integrated into the State of Michigan computer network as it is a web based software, therefore it will not require any MDOT IT resources for operation.

- LCPtracker is a collaborative tool used by contractors and governmental agencies, including 6 state departments of transportation currently, to electronically collect, verify, communicate and manage certified payrolls and payroll reports to ensure compliance with prevailing wages and to track diversity goals for the DBE programs. For each project, MDOT's LCPtracker creates an online database of all certified payroll reports (CPR), generates audits, logs, and any correspondence and information related to the CPR for all parties involved. All Contractors have the ability to enter all of their payroll information into an online certified payroll reporting form, or via several interface options to import their payroll software data directly into LCPtracker (to save time). LCPtracker flags any errors, omissions or discrepancies in the CPR, providing immediate feedback to the Contractor of any violations. LCPtracker maintains and upgrades the software and keep up-to-date and historical prevailing wage rate decisions during the life of the contract. LCPtracker is highly configurable and can notify all parties involved of any violations. There are several options available to the administrator of each project for receiving reports of violations.

For each project, LCPtracker ensures that information provided matches information gathered at onsite interviews, that job classifications are listed correctly, apprentice stages are correct, last four digits of social security numbers match names, addresses and other information provided about each worker and any other

discrepancies the Labor Compliance Officer may find. Users of LCPtracker can be notified of potential problems during data entry. If the contractor makes errors on their certified payroll, the database can be configured so that notices show up and corrections may be required before the certified payroll may be submitted.

Annually or upon completion of each project, MDOT may elect to receive full back-up of CPR and eDocument data in digital format acceptable to MDOT to meet records retention requirements.

LCPtracker is provided as an annual subscription for the database each year. The subscription, as described, will be furnished in its entirety to the Department.

A project is defined as a single construction contract between a prime contractor and MDOT. A project may consist of one or more separate project/job numbers but is considered as one project for this contract. LCPtracker may be used for unlimited amounts of projects up to the designated annual construction level chosen by MDOT.

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Specific Services Included:

- Federal, State and Local prevailing wage/labor compliance rules included
- Contractors use eSignature technology
- Over 60 automatic validations of prevailing wage compliance regulations
- System contains a prevailing wage database in which appropriate wage decisions are applied to each project
- System checks incoming payrolls against this database for potential errors
- Over 70 standard reports including:
- Certified Payroll Reports, Project Summary reports
- Late Report, Local Hire Reports, Workforce Summary Reports
- Apprentice Reports, including Apprentice to Journeymen Ratios, Management List Reports
- FHWA Reports, Holiday Report, and many more.
- Robust, secure and scalable architecture hosted by Microsoft Azure
- Electronic documents module which allows the administrator to collect, monitor and catalog any electronic documents
- Fringe benefit statements, apprentice certifications, SF1444, etc.
- Interfaces with many, industry leading accounting systems such as QuickBooks, Construction Partner, ADP, Viewpoint, etc.
- Spread sheet or PDF upload compatible
- Administrators may accept/reject payrolls and track responses to and from the contractors
- Federal databases can collect SSNs and addresses of employees, but do not have to display them on the CPRs
- Ad-hoc reporting capabilities
- LCPtracker's training program for administrators and contractors alike includes, web-hosted sessions, online weekly classes, user manuals, and numerous eTraining videos and support documents.

- Multi-tiered security and access rights for staff
- 24/7 availability of system with a guaranteed 99.95% up time
- All upgrades and maintenance performed routinely

2. Project Deliverables

LCPtracker has 14 years of development time and 12 years of serving clients with unparalleled functionality and efficient implementations. LCPtracker provides a commercially available, off-the-shelf (COTS) web-based, SaaS (software as a Solution) for monitoring and enforcement of the Davis-Bacon & Related Acts. The LCPtracker solution is ideal for all Michigan DOT projects as outlined in the requirements of this RFP. LCPtracker takes care of all of the hosting and maintenance of the service. LCPtracker's flexible architecture would allow for supporting all tasks outlined in this SOW via a single database, thus eliminating the need for configuration and integration. LCPtracker has hundreds of government and private sector clients nationally, many of whom are working on federal, Davis-Bacon projects as well as state or locally funded projects. The LCPtracker solution is approved for use by the federal US Department of Labor, Department of Energy and, of course, by numerous state Departments of Transportation. Arizona DOT, Nevada DOT, New Mexico DOT, Texas DOT, North Dakota DOT and Michigan DOT are all customers of LCPtracker, Inc.

LCPtracker provides Deliverables/Services and staff, and otherwise all things necessary for or incidental to the performance of work, as set forth below:

- System services:
    a. Host and manage technology infrastructure for Prevailing Wage and Labor Compliance system. Standard features shall include:
        i. Web-hosted prevailing wage/labor compliance software
        ii. E-signature technology for contractors certified payroll reports
        iii. Prevailing wage database in which appropriate wage decisions are applied to each project. System checks incoming payrolls against this database for potential errors. Contractor shall have the ability to review, edit and accept CPR prior to submission to MDOT.
        iv. Over 70 standard reports including, but not limited to certified payroll reports (CPR), Summary CPR, Late Report, Penalty/Restitution Calculation, Workforce Summary Reports based on zip code, and other features, Apprentice Reports etc.
        v. Customized reporting including, but not limited to reports related to diversity goals in accordance with the State of Michigan Disadvantaged Business Enterprise (DBE).
        vi. Robust, secure and scalable architecture capable of handling millions of records.
        vii. Electronic documents module which allows the administrator to collect, monitor and catalog any electronic documents, such as fringe benefit statements, apprentice certifications, etc.

viii. Site visit interview form and report. Site visits may be done at job site using a wireless PDA device. The site visit report then cross references to CPR submitted for the week and discrepancies are highlighted.

ix. Letters/templates – standard letters to send to contractors via email, or printing and mailing. Basic company and address data is populated to the template.

x. Interface with contractor accounting systems including, but not limited to QuickBooks, Construction Partner, ADP, etc.

xi. Administrator ability to accept/reject payrolls and send and track Notices and Responses to and from the contractors.

xii. Collect SSN's and addresses of employees, but only display the zip code on the CPR's.

xiii. Training to include on site/web-hosted sessions, online weekly classes, user manuals, and e-Training videos and support documents.

xiv. Multi-tiered security and access rights for staff.

xv. 24/7 availability of the system with a documented 99.95% reliability rate.

b. Provide 24/7 unlimited access and accounts for up to 600+ projects

c. Access to all system upgrades and enhancements

Ability to update prevailing wage rate decisions and keep historical copies of prevailing wage rate decisions to ensure the proper wage decision is used in each contract

Process Analysis

A significant part of the value LCPtracker's team can bring to MDOT is the experience we have amassed through hundreds of successful implementations. Our years of experience working with Departments of Transportation, and specifically Michigan Department of Transportation has provided us with an in depth understanding of MDOTs needs and requirements in a labor compliance software solution.

Initial Configuration

Typically during the initial implementation of LCPtracker, there would be an initial system review to determine MDOT's requirements and needs. Following the Initial System Review, the LCPtracker implementation team would configure the system to support current requirements and any revised processes. Prevailing wages will be loaded into the system and interfaces will be setup. **Due to the fact that MDOT is currently utilizing LCPtracker for a number of projects around the state and has already fully implemented the software, the implementation stage has already been completed with MDOT.** Regardless, the LCPtracker system is highly configurable and can easily accommodate any changing needs that MDOT has moving forward.

Training

LCPtracker's Training Program for Administrators and Contractors is both flexible and comprehensive. A series of onsite, classroom training sessions for administrators can be conducted by expert LCPtracker trainers prior to go-live of system sufficient to ensure proficiency with LCPtracker's' processes and capabilities, data entry, system checks, forms generation, report generation and technical troubleshooting. Ongoing, web-based training classes, eTraining videos and documents, as well as, phone and email support will also be available for administrators throughout the life of the contract.

Contractors will also receive a series of training sessions prior to beginning work on projects. These classes may be either onsite or web-based. Weekly sessions will be held to assist new users to the system, or for existing users who may need a review. Contractors will also have access to eTraining videos and documents, as well as, email and phone support for the life of the project.

This phase of implementation also includes setup of projects and contractors in the database. **All of the above training items described have already been implemented for MDOT's LCPtracker database and is currently considered "Live."** Follow-up meetings will be conducted with MDOT administrators as questions arise about the day-to-day use of the database and work processes. LCPtracker project managers will continue to hold weekly conference calls with MDOT staff as needed.

Key Deliverables

Along with the items listed above, the LCPtracker system will provide the required, two key modules: the Davis-Bacon/prevailing wage module and the Document module. These modules work together to provide a web-based program to capture, check, and report on Certified Payroll Reports as well as other related data and reporting. The Documents element is an additional function which enhances the posting and collection of documentation required by the MDOT Program. All of these modules are complimented by LCPtracker's world-class Training and Support team and resources.

i) Davis-Bacon/Prevailing Wage Module

Our prevailing wage module allows for the storage and maintenance of all Davis Bacon wage decisions and/or prevailing wage decisions required for all MDOT projects. The software has the ability to handle multi-funded projects and the system automatically makes sure all contractors and subcontractors are paying the higher of the two.

3 i) Document Module

4 LCPtracker's "eDocuments" allows the administrator, to create standard document submittals that are electronically uploaded by contractors. Any type of files or documents can be tracked in the labor compliance database, and many of them are integrated with workflows within the other modules. This allows for a much "greener" environment as the need for paper documentation is eliminated.

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6 i) Training and Technical Assistance/Support

1. Training

LCPtracker staff shall conduct training sessions for all MDOT regional staff, its Contractors, and Subcontractors as needed in a web-based format. Onsite training is also available. MDOT staff, Contractors, and Subcontractors shall have access to all training materials such as user manuals, online training videos, quick reference sheets, and other tutorials.

LCPtracker's training program for administrators and contractors is both flexible and comprehensive. It contains a variety of training tools available to users to allow them to increase their proficiency in utilizing the system. There is no additional cost associated with using these training methods; they are included in the start-up fee. These tools include:

- Instructor-led training
- Self-led video training
- Self-led training document review
- Administrator & contractor instruction manuals

Instructor-led training may consist of both onsite and web-based training classes whereby the instructor will walk the administrative users and the contractors through the LCPtracker database. Content covered is geared to ensure that all users learn to navigate the system and to be proficient with basic functionality. Web classes are routinely offered three times per week for contractors and bi-weekly for administrators.

Self-led video training consists of a series of eTraining videos that a user may view at his leisure. Once a user receives a user id and password from LCPtracker, he may login to view one of several training videos posted on our eTraining link. Many of these are short in duration and cover specific topics such as, editing an existing CPR, setting up an eSignature password, etc. There are also full-length training sessions, which detail all of the content in the instructor-led training.

2. Project Approach

LCPtracker is available immediately to begin work on all projects for MDOT. We have over 12 years of experience and our project management staff are well-equipped to handle the most complex implementations and projects. **Due to the fact that LCPtracker is already fully implemented at MDOT, the software is already set up and available for immediate use.** LCPtracker implementation staff has implemented nearly 200 customers nationwide including 6 state departments of transportation. Again, we have already fully implemented LCPtracker at MDOT so MDOT administrators (Subject Matter experts) as well as hundreds of contractors already have experience using LCPtracker on MDOT projects.

Upon contract award, LCPtracker would propose additional training for MDOT users and contractor users that have not already utilized LCPtracker on a previous MDOT project. These web-based or onsite training classes may be scheduled and attended based on MDOT's preference and we are able to follow the SUITE format if applicable

3. Project Results/Completion Criteria

The relationship between MDOT and LCPtracker would be ongoing and include multiple projects annually. Therefore project results and completion criteria are ideally reviewed frequently at timeframes agreed upon by MDOT and LCPtracker. Typical implementation of LCPtracker would follow a defined implementation schedule with defined action items and deliverables. ***Due to the fact that MDOT has already implemented LCPtracker and used the software on multiple projects around the state since 2014, the majority of implementation items are complete***. Please see details on completion of these tasks below;

IMPLEMENTATION MILESTONES

New Client Implementation Plan		Task Assigned To	Completed
I. Initial Project Review and Introductions			
A.	**Introductory Conference Call with Client and LCPtracker to review new project details and go through the standard implementation steps.** **Items to review in brief:** • **Discuss Roles & Responsibilities –**Define who will be the key Admins 7 ***These people should attend all start-up & training sessions • **Funding Type** • **Prevailing Wage Requirements** • **Discuss Any Goals Required** (ex: Minority, Gender, Disadvantaged Goals) • **Discuss any Local, Residential or Community Areas** to Monitor	MDOT Administrator (Adam Strong) and LCPtracker Project Manager (Christina Nagel)	Completed
B.	**<u>Prevailing Wages should be sent to LCPtracker as soon as possible</u> in PDF, Word or Excel file format.** (maximum of 8 hrs. of work time from LCPtracker's Wage Entry Team)	Sent by MDOT Administrator, Adam Strong	Completed
C.	**Logo** to display in database sent to LCPtracker	Sent by MDOT Administrator, Adam Strong	Completed
II. First/Main Training Session – By Webinar – 2-3 hours Main Focus is Admin's Administrator Database			
A.	Review of Software Login, Layout and Training/Assistance Material (includes: training documents, videos and free webinar classes)	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed

B.	Overview of Main System Functions (includes: Project Set Up, Subcontractor Set Up, Review of Certified Payrolls once Submitted, eDocuments, Most-Often Used Reports)	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
C.	In-Depth Discussion of **the eDocument** Purpose and Function Explain Difference in **eDocument "Types" and "Templates"**	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
D.	Introduction of **all Database Configuration Settings:** These include: Validation, Department, and Background Application Settings	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
E.	Intensive Review & Completion of **Department Settings** (done with LCPtracker PM)	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
F.	Intensive Review & Completion of **Validation Settings** (done with LCPtracker PM)	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
G.	Intensive Review & Completion of **Background Application Settings** (can only be set up by the LCPtracker Project Manager)	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
F.	Discuss the Following Tasks (or "Homework") **Needed to be Completed by Admins**	MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed
III. Tasks for Client Administrators Prior To "Go Live" Session			
A.	Review completed Prevailing wage rates entered for accuracy	Client	Completed
B.	Research any Labor Laws or Contract Requirements Questioned During Training No 1 or 2	Client	Completed
C.	Schedule and Notify All Known Subcontractors of Required Use of Software and Date of Training	Client	Ongoing

D.	Create the eDocument list –What documents need to be uploaded into system and what will the requirements be when each doc needs to be submitted. (List/Table is created in the Set Up Tab >>> Add/Edit eDocument Types).	Client	Ongoing
E.	Post Any eDocument Templates that Subs can access and download for use (Templates are posted in the Set Up Tab >>> Add/Edit eDocument Templates)	Client	Ongoing, may need updates
F.	Set Up Prime Contractor Database & Assign to Project	Client	Ongoing for all projects
G.	Set Up Initial Subcontractor Databases & Assign to Project	Client	Completed
"Go Live" Training **These will be 2 separate webinars unless onsite training is contracted separately.** **IV. Administrator Final Review & Training** **V. Contractor Training** –Initial Subcontractors and Admins Administrators			
IV. Administrator Final Training & Review Admins Administrators (in some cases Project Owners, Project Managers, and Government Agency Representatives attend to review software basics and what it does)		MDOT Admin (Adam Strong), LCPtracker PM (Christina Nagel)	Completed but may need updated training/review upon award
A.	Final Review of Navigating System – Introduction of More Advanced Features		Completed

Critical Success Factors

- Proper mix of expert resources-
  - LCPtracker has a robust team of experts with years of experience developing, implementing and supporting government agency customers. The resources proposed for Michigan DOT have already been involved in the implementation of LCPtracker at MDOT since 2014. They also have experience implementing and supporting numerous other state Departments of Transportation.
- Strong Collaboration-
  - The team proposed to Michigan DOT in this RFP believe strongly in frequent communication with MDOT subject matter experts to ensure success. We propose regularly scheduled conference calls/meetings to ensure a successful expansion of the implementation of LCPtracker statewide.
- Easily Accessible Support Team
- Additional Training Resources.
- Strong Alignment with the State of Michigan's strategic plan and requirements set forth in this RFP

D. Project Schedule

1. Purpose

- The project schedule is the roadmap for how the project will be executed. Schedules are an important part of any project as they provide the project team, sponsor and stakeholders a picture of the project's status at any given time.

2. High Level Milestones

Milestone	Due Date
1. Completion of additional MDOT system administrator	12/31/15
2. Completion of additional "train the trainer" session	12/31/15
3. Optional contractor training session	12/31/15

3. Detailed Schedule

- A detailed schedule will be developed, maintained and tracked in the enterprise Project Portfolio Management (PPM) tool. Note that this electronic schedule constitutes the project work breakdown structure (WBS).

8

E. Human Resource Management Plan

1. Purpose

The purpose of the human resource management plan is to promote project success by ensuring the appropriate resources with the necessary skills are acquired and that resources are properly trained if any gaps in skills are identified. Team building strategies are clearly defined in this plan and team activities are effectively managed.

2. Project Team Functional Roles

LCPtracker is a web based software that has been fully implemented at MDOT already so the planning through implementation process has already been completed. Additional training to expand use is all that may be required. The planning through implementation has already been fully completed, therefore, the following chart is not applicable.

The following table shows key roles throughout the project lifecycle.

Function (Role)	Initiation & Planning	Requirements Definition	Functional Design	System Design	Construction	Testing	Implementation
Sponsor	Complete	Complete	Complete	Complete	Complete	Complete	Complete
Project Manager	Complete	Complete	Complete	Complete	Complete	Complete	Complete
Business Analyst	Complete	Complete	Complete	Complete	Complete	Complete	Complete

Technical Lead	Complete	Complete	Complete	Complete	Complete	Complete	Complete
Security Liaison	Complete	Complete	Complete	Complete	Complete	Complete	Complete
Enterprise Arch.	Complete	Complete	Complete	Complete	Complete	Complete	Complete

Key:

R = Responsible for completing the work (There must be an “R” for each column)

A = Accountable for ensuring task completion/sign off

C = Consulted before any decisions are made

I = Informed of when an action/decision has been made

3. Project Team and Cost Estimates

All project team human resources (including licensed and unlicensed users, as well as virtual resources) are entered in the enterprise PPM tool. This information is required for analyzing demand and capacity, running various “what if” scenarios and developing the budget estimate.

F. Project Budget Estimate

1. Purpose

Budget estimating is an imperative process. This is the initial budget estimate and it will be revised when requirements are approved. In an effort to provide a reliable estimate, the project manager searched the project repository for similar projects upon which to base this initial estimate. The following tables are consistent with budget data entered in the enterprise PPM tool.

2. Detailed Budget

Detailed baseline and actual budget information is entered, updated, monitored and reported through the enterprise PPM tool.

G. Communication Management Plan

1. Purpose

The purpose of the communication management plan is to set the communications framework for this project. It will serve as a guide for communications throughout the life of the project and will be updated as communication needs change. This plan identifies and defines the roles of persons

involved in this project. It also includes a communications matrix, which maps the communication requirements of this project.

Note: The project manager maintains a separate project contact list.

Communication Matrix

Type	Description / Purpose	Responsibility	Audience	Method	Frequency
Sponsor Status Meeting or Steering Committee	To discuss issues, change requests, issues, risks and overall status for the project that need to be known by Sponsors	Project Manager	Leadership Team	Group Meeting Email 4-Up Report	TBD
Project Management Status Report	To relay ongoing project status, list open issues, risks, milestones and accomplishments since last status	Project Manager	Project Sponsors Business Owner Stakeholders	PPM Tool Status Report is accessed online or is distributed by the PM via email	TBD

Type	Description / Purpose	Responsibility	Audience	Method	Frequency
Stage Exit Meeting	To discuss successful completion of the SUITE SEM Stages and to receive approval to proceed to the next stage	Project Manager	See Role and Responsibility List Project Manager Project Sponsors PMO Representative DTMB Sponsor(s)	Group Meeting	End of each SUITE SEM Stage
Project Team Status Meeting	To discuss issues, change requests, issues, risks and overall project status	Project Manager	Project Team Members	Group Meeting Email	Weekly
Project Technical Team Meeting	To discuss technical issues and activities for the project.	Technical Lead	Developers Project Manager (as needed) Other Resources (as needed)	Group Meeting Email	As needed
Agile Scrum	1. What I did yesterday 2. What I am working on today 3. What are my road blocks	Scrum Master	Project Team Members (technical and sponsors)	Brief stand-up meeting	Multiple times a week

H. Change Management Plan

1. Purpose

The purpose of the change management plan is to describe the process involved with identifying, escalating and managing project changes. A project change is defined as something that is outside the documented and approved project scope or is a change to project requirements, project schedule or project cost (including resource effort). A project change requires approval for additional resources, funding or modifications to the project schedule. The change management process defines how to handle project changes that present either a negative or positive impact on deliverables, schedule, budget and/or resources. The enterprise PPM tool is the repository for all project changes.

2. Change Management Roles and Responsibilities

Project Sponsor:

The project sponsor does not directly participate in change management activities, but serves as a point of escalation as required. The project sponsor has sole decision making authority to approve changes to the total project budget.

Project Manager:

The project manager is responsible for bringing change requests to the Change Control Board (CCB) for its review and decision making. Upon approval of a change request, the project manager is responsible for overseeing the change and making appropriate modifications to appropriate project documents.

Change Control Board:

The CCB meets on a regular basis to review, approve or reject proposed project changes. The project manager may convene a special session for the purpose of reviewing a specific change request(s) as required. The makeup and formality of the CCB will depend on the size and complexity of the project.

Project Team Members:

Project team members are empowered to initiate change requests. Members serve as subject matter experts and are responsible for analyzing, documenting and estimating impacts of change requests on schedule, budget, resources, scope and quality.

3. Change Management Governance

Objectives of the Change Management Process

- Accurately document and track all project issues, risks and change requests. Change requests often originate as unresolved issues or unmitigated risks
- Ensure review and action on change requests by the CCB
- Communicate decisions/resolutions to the appropriate stakeholders

Criteria for Review at CCB meetings

If any of the following events occur, then the item should be brought forward for discussion at the next regularly scheduled or special CCB meeting:

- Changes to the approved project charter or project plan
- Changes or additions to milestones in the project schedule
- Changes to contract deliverables
- Changes to approved requirements or functional designs
- Increases to costs, including resource effort hours

- **Process Description**

Project changes are proposed in the form of a change request that has been entered in the enterprise PPM tool. Change requests are started by a Change Request Initiator who provides as much information as possible to document and initiate the request. The change request contains information such as brief description, impact, alternatives, detailed description, final recommendation and other pertinent information. The project manager assigns a ***Change Request Person Responsible*** as the "owner" of the change request, who is responsible for gathering project impacts with regard to project costs and the project schedule.

The ***Change Request Person Responsible*** researches the requirements and impact of the change. This information is reviewed by the project manager and subject matter experts to assess the change request feasibility and to identify potential issues. This information is communicated and discussed at the CCB meeting in which a decision is made to approve or reject the change. Upon CCB approval, the project manager incorporates the change(s) into the existing schedule for tracking and management. The project manager documents the status of the change request and maintains a log of all decisions. Note that the Enterprise PPM tool supports the change request process.

- **Steps and Actions**

Step	Action	Responsibility / Agent
1.	Identify and document change requests	Change Request Initiator
2.	Assign ***Change Request Person Responsible***	Project Manager
3.	Collect and document project impacts, including changes to costs and schedule	***Change Request Person Responsible***
4.	Validate change requests in the Enterprise PPM tool	Project Manager
5.	Review change request details for feasibility	Project Manager
6.	Facilitate CCB review / make decision	Project Manager/CCB Members
7.	Communicate decision and closure	Project Manager
8.	Update appropriate schedules and documents	Project Manager
9.	Update status and close change request	Project Manager

4. Capturing and Monitoring Project Changes

The project manager and CCB members will strive to limit project changes, always keeping in mind that quality and relevance of deliverables are key elements of success. As indicated above, the enterprise PPM tool is the repository for all project changes.

Note that the DTMB Enterprise Change Control Process must be followed for all changes to the any application production environment. Details of this process are outside the scope of this document. Please refer to DTMB Technical Standard 1370.00.01.

5. Communicating Project Changes

CCB meeting minutes, including decisions related to change requests, are circulated to project sponsors and State executives. Project team members will be notified by e-mail regarding the disposition of change requests.

I. Quality Management Plan

1. Purpose

The purpose of the Quality Management Plan is to describe how quality of the project will be managed throughout the lifecycle of the project. It also includes the processes and procedures for ensuring quality planning, assurance and control processes are all conducted. All stakeholders should be familiar with how project quality will be planned, assured, and controlled.

The Quality Management Plan will establish the activities, processes and procedures for ensuring a quality product is delivered upon the conclusion of the project.

The purpose of this plan is to:

- Ensure quality is planned

- Define how quality will be managed
- Define quality assurance activities
- Define quality control activities
- Define acceptable quality standards

2. Acceptance Criteria

The SUITE Systems Engineering Methodology (SEM) provides “stage exits” or points in time during the project when the customer and stakeholders (as documented in the Roles and Responsibilities List) will review the deliverables in detail and accept or reject the work (or accept with noted revisions). Every effort will be made to identify all stakeholders and plan for their participation in the acceptance process. Each stage of the SEM is planned, documented and reviewed by all applicable stakeholders. Each deliverable will be reviewed and approved, if required, before proceeding to the next stage. Stage exits will be conducted at the end of each SEM stage.

3. Quality Assurance Activities

SEM processes will be used to monitor and control quality on this project. The SEM provides for seven stages, each with required documentation, reviews and approvals. The stages will be executed and monitored during the project.

The quality of the project outcome depends upon the quality of these plans, documents and knowledge transfer phases. Their quality is ensured by walkthrough reviews done by knowledgeable and invested stakeholders. A formal change control process will be followed for modifications required to documents that have been reviewed and approved. PMM and SEM documents will be stored in the Enterprise Solution Tool (i.e., SharePoint).

The project will use verification, validation and structured walkthrough techniques to promote quality in deliverables.

Verification

The objective of verification is to make sure that a deliverable is correctly derived from the inputs to the stage that creates it, is internally consistent, and conforms to standards. The verification of a specification deliverable identifies errors in that deliverable before they are passed on to the next stage of development. The resulting benefit is that errors are caught early in the development process where they can be addressed with a minimum of effort, rather than during testing where correcting errors becomes more costly. Verification is the process of checking that a deliverable is correctly derived from the inputs and is in the correct format, while testing makes sure that the specification was properly implemented.

The purpose of these activities is to:

- Evaluate a deliverable against appropriate project standards
- Identify and correct defects as early in the process as possible
- Reduce the number of Remedy Tickets and Change Controls (CCs) as the work effort progresses
- Reduce time and costs that result from rework

Validation

Validation uses techniques similar to verification (e.g., testing, analysis, simulation) and covers hardware and software. Validation can be done by analyzing a model of the implementation, by creating and testing a prototype (performing a usability test to validate if user interface requirements are met) or by conducting a peer or expert review (as in validating the design for maintainability).

Structured Walkthroughs

Deliverables are also monitored and controlled for quality through a process known as a Structured Walkthrough. The Structured Walkthrough process is used to identify and correct errors early in the development process by evaluating a deliverable according to SUITE guidelines and project standards. A Structured Walkthrough can be formal (meeting with a facilitator to guide the process) or informal (document reviewers email their comments to a scribe who will compile the results). This process is intended to reduce the number of problems and warranty issues, as well as reduce the time and costs resulting from rework. The purpose of the Structured Walkthrough feedback form is to document peer review findings which include the following:

- Action Items
- Errors
- Issues/Risks
- Suggestions/Omissions

Deliverables are reviewed for quality in terms of the following criteria (as applicable):

- Clarity
- Contractual concerns
- Functional content and accuracy
- Performance impact
- Project standards/format
- Scope
- Technical content
- Value/benefit to the client

The following table illustrates the criteria used in determining the type of Structured Walkthrough and the intended audience:

Structured Walkthrough Guidelines

Work Product	Review Type	Suggested Reviewers	Relevant Documents
Business Requirements	Always formal regardless of size/hours	Assigned Developer Business Lead Lead Developer Project Manager	Business Requirement Document Relevant Supporting Documentation
Technical Requirements	Always Formal regardless of size/hours	Assigned Developer Business Lead Lead Developer Project Manager	Business Requirement Document Relevant Supporting Documentation
Functional Design (FDSN)	Always Formal regardless of size/hours	Assigned Developer Business Lead Lead Developer Project Manager	FDSN Relevant Supporting Documentation
Technical Design (TDSN)	Formal if Construction/Unit Test tasks total > 40 hours, otherwise Informal	Architect Assigned Developer DBA Lead Developer Project Manager	TDSN Relevant Supporting Documentation
Source Code, Unit Test Plan, Unit Test Scenarios and Test Results	Formal if Construction/Unit Test tasks total > 40 hours, otherwise Informal	Architect Assigned Developer DBA Lead Developer Project Manager	Source Code and Unit Test Plan, Unit Test Scenarios and Unit Test Results
System Test Plan and Test Results	Formal if Test Condition/Script Writing tasks total > 60 hours, otherwise Informal	Architect Assigned Developer DBA Lead Developer Project Manager	System Test Plan, System Test Scenarios and System Test Results

If a document or deliverable is not listed here, then the project manager will make a determination on how to conduct the review. All listed work products must be reviewed.

It should be noted that structured walkthroughs occur more frequently when Agile methods are used, and that multiple work products may be in active development at the same time (e.g., Functional Design and Technical Design). Refer to the DTMB Agile Process Guide for more details.

4. Project Monitoring and Control

Monitoring and controlling project quality will be done via:

- The structured walkthrough review and approval process performed for every deliverable of the project as documented in the project schedule
- Weekly review of tasks, risks, schedule and issues with the project team
- Escalation process will be followed (documented in the Project Roles and Responsibility Document) when project milestones will be missed
- Escalation of risks where needed using the project governance model

5. Project Team Quality Responsibilities

Quality is a shared responsibility of all project stakeholders. Quality is not just a review at the completion of a deliverable. Quality is built into the project from the beginning by support from stakeholders as each phase of the project is executed. Appropriate stakeholders will participate in the creation and/or review of all deliverables.

6. SUITE Processes and Product Quality Assurance (PPQA) Reviews

The DTMB PPQA team provides objective project quality reviews to ensure compliance with SUITE processes, methodologies, and CMMI best practices. The PPQA teams attempts to review at least one project per customer agency per year.

J. Risk Management Plan

1. Purpose

The purpose of this Risk Management Plan is to specify the processes used to identify and manage risk. The Risk Management Plan addresses both internal and external project risks associated with the project, and is drafted prior to completion of the project planning phase. Both the Risk Management Plan and the risk log will be regularly reviewed throughout the project to monitor existing risks and to identify new ones.

The project manager is responsible for facilitating sessions with project stakeholders to identify risks. A risk owner is assigned to each risk, with the responsibility of developing, documenting and executing risk action plans. The project manager is responsible for monitoring the status of all project risks and escalating as appropriate.

The enterprise PPM tool supports the risk management process, including the risk log.

2. Risk Identification Techniques

Project risks can be identified by using one or more of the following techniques:

Technique	Description
Interviews	Interview relevant project stakeholders to identify their concerns, which may provide insight into real project risks.
Risk brainstorming workshops	Conduct risk brainstorming workshops with relevant project stakeholders to identify risks, including key risk influencers, risk levels, and possible impacts.
SWOT analysis	Conduct a strengths, weaknesses, opportunities, and threats (SWOT) analysis to gain a holistic view of the project with respect to risk. Threats are project risks Opportunities represent lost potential benefits if not pursued Weaknesses, if not properly mitigated, can negatively impact a project Strengths should be leveraged to help the project mitigate the identified project threats
Process reviews	Identify process-related risks by reviewing the various project management processes, tools, and techniques described in the Quality Management Plan.
Previous project reviews	Identify risks from previous projects of similar size and complexity, using available project data and lessons learned.

3. Risk Assumptions

Risks are events or conditions that may occur, and whose occurrence, if it does take place, has a positive or negative effect on the project. Exposure to the consequences of uncertainty constitutes a risk. Although by definition risk management may include risks that will have a positive impact on the project, the focus is typically on risks that may negatively impact the project.

Difference between risks and issues: If something is definitely going to happen or has happened, then it is an issue. If it is something that might happen, whether that is very likely or very unlikely, then it is a risk.

The table below lists and describes the standard risk types that are used to categorize project risks.

Risk Type	Risk Type Description
External	Any risk related to environmental factors largely outside the control of the project (such as cultural, legal or regulatory).
Financial	Any risk related to the budget or cost structure of the project (such as increase or decrease in the project-related budget).
Functional	Any risk related to the overall function of the product (such as requirements or design) being developed by the project.

Risk Type	Risk Type Description
Quality	Any risk related to the quality requirements of the project.
Organization	Any risk related to internal, client, organizational or business changes (such as executive leadership role changes).
Performance	Any risk associated with the performance of the application (such as response time, stress testing and development environments).
Project management	Any risk related to the management of the project (such as communications, status reporting and issues management).
Resource	Any risk related to project resources (such as the addition or removal of resources).
Schedule	Any risk related to the Project Work Plan and related tasks (such as extensions or reductions of the project timeline).
Scope	Any risk related to project scope (such as process, module and development objects).
Technical	Any risk related to software or hardware, including infrastructure related to the project.
General	Any risk that cannot be categorized into one of the above categories.

4. Timeframes

The Risk Management Plan will be followed throughout the course of the project. Risks will be reviewed in project meetings (refer to Communication Plan in section G) as needed.

5. Risk Ranking / Scoring Techniques

The following tables represent the risk impact/probability matrix used to internally score the risks for the purpose of prioritization. The resulting product from multiplying risk probability and impact determines the severity rating (score) of the risk. The higher the risk score the more important it is that the risk is managed.

Impact	Probability				
	1-Low	2-Low/Medium	3-Medium	4-Medium/High	5-High
5-High	Low (5)	Medium (10)	High (15)	High (20)	High (25)
4-Medium/High	Low (4)	Medium (8)	Medium (12)	High (16)	High (20)
3-Medium	Low (3)	Medium (6)	Medium (9)	Medium (12)	High (15)
2-Low/Medium	Low (2)	Low (4)	Medium (6)	Medium (8)	Medium (10)
1-Low	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)

Score	Severity
1-5	Low
6-12	Medium
13-25	High

The risk response matrix below should be used to consider the appropriate action required for a risk in relation to its impact / likelihood. Guidance on the review periods for each level of risk are the minimum level of review required, but certain risks might warrant more regular reviews.

Impact				
High	3	Implement Further Actions to Reduce Risk; Continue Existing Controls; Generate Contingency Plan; Review at least every 2 weeks	Urgently Take Further Remedial Action to Reduce Risk; Contingency plan on standby; Review at least every week	Take Immediate Further Remedial Action to Reduce Risk; Contingency plan on standby; Review Continuously
	2	Tolerate; Continue existing Control Measures; Possible Contingency Plan; Review at least 2 weeks	Implement Further Actions to Reduce Risk; Continue Existing Controls; Generate Contingency Plan; Review at least every 2 weeks	Urgently Take Further Remedial Action to Reduce Risk; Contingency plan on standby; Review at least every week
Low	1	Tolerate; No action: Continue Control if Required; Review at least monthly	Tolerate; Continue existing Control Measures; Possible Contingency Plan; Review at least 2 weeks	Implement Further Actions to Reduce Risk; Continue Existing Controls; Generate Contingency Plan; Review at least every 2 weeks
		1	2	3
		Low	Probability	High

Severity Rating	Assessment of Severity/Risk Rating Description	Ranking
• High	• Significant impact on project baselines	• 3
• Medium	• Controllable impact on cost, schedule and performance	• 2
• Low	• Minor impact on cost, schedule and performance	• 1

6. Risk Thresholds

A risk response plan must be developed for all risks that are scored as “high.” Key stakeholders and the project manager will determine which, if any, risks that scored as “medium” require a risk response plan.

7. Risk Response Approach and Risk Action Plan

A risk response approach is identified for each risk. A risk action plan is developed as appropriate to support the risk response approach.

Risk Response Approach

Risk Transference

Transferring a risk does not eliminate the risk. Transferring gives another party responsibility for the risk management.

Risk Mitigation

Action should be taken as early as possible to reduce the probability of a risk’s occurrence and its impact to the project. For risk mitigation to occur, the project assesses mitigation costs, which must be appropriate given the probability of the risk and its consequences. Mitigation alternatives may include implementing procedures that will reduce the problem, such as utilizing less complex processes, conducting more specific or regressive testing or ensuring appropriate parties review work (such as using peer reviews). Mitigation may also involve adding resources or time to the project plan.

Risk Acceptance

Acceptance indicates that the project team has decided not to change any plans to mitigate the risk. When accepting risk, the project team will develop a risk action plan in order to reduce the consequences should the risk event occur.

Risk Action Plan

The risk action plan includes the agreed-upon specific actions that will be taken to implement the chosen response strategy, budget and times for responses, contingency or fallback plans, and the level of residual risk expected to remain after the strategy is implemented.

A decision must be made at the time of a risk triggering event to determine the appropriate response. The decision will be on a case-by-case basis, based on the nature and timing of the event.

8. Risk Tracking Process

Once risks and their associated response plans have been vetted (i.e. ,identified, assessed and reviewed) by key stakeholders and managers, they are entered into the risk log so that they can be effectively managed, responded to and reported on.

The project manager will monitor for new risks and changes to identified risks, in an effort to proactively mitigate risks. Existing project risks may be closed for the following reasons: the event that could have triggered the risk no longer exists; the mitigation plan to address the risk has been completed successfully; or the risk event has already been triggered, therefore the risk has now become an issue.

K. Issue Management Plan

1. Purpose

The purpose of this Issue Management Plan is to specify the processes used to identify and manage project issues. The Issue Management Plan addresses both internal and external issues on the project. The enterprise PPM tool is used to enter, track and report issue activity. Both the Issue Management Plan and the issue log will be reviewed regularly throughout the project to monitor existing issues and to identify new ones.

2. Issue Log

The issue log is used throughout a project's lifecycle to capture any issues brought forward, communicate the issues to the project team and stakeholders, establish categories and priorities of all issues, assign responsibility to each issue, and to ensure that each issue is resolved with minimal impact to the project's performance. Like most other project documentation, the issue log will be reviewed by the project team regularly to ensure that issues are being resolved. The document should be updated and communicated to all appropriate project stakeholders as updates are made.

3. Relationships among Issues, Risks and Change Requests

Issues are events that are occurring ***now*** or have already occurred. An issue is not an event or item that ***may*** occur at a time in the future. If something is definitely going to happen or it has already happened, then it is an issue. If it is something that might happen - whether it is very likely or very unlikely - then it is a risk. An issue can turn into a risk and a risk may result from an issue. An issue can be associated to a risk. Prompt issue resolution can minimize project changes.

L. Approval Information

By signing this document you agree to this as the formal Project Management Plan.

Approval Signatures

Role	Name/Title	Signature	Date
DTMB Project Sponsor			

Role	Name/Title	Signature	Date
Agency Project Sponsor			
Project Manager			
Michigan Cyber Security Rep.			
Enterprise Architecture Rep.			

- Schedule B, Attachment 3 - Data Security Requirements

As MDOT embarks on this statewide, prevailing wage compliance solution, it is imperative that whichever vendor they choose has invested heavily in its system security. Because of the sheer number and size of LCPtracker clients (several statewide systems), we have done just that. MDOT can be assured that the LCPtracker system will provide secure online communication and data collection/transfer, with SSN encryption and safeguards. The data security of LCPtracker has been established in several layers. These layers include:

- Transmission Encryption Using SSL
- Firewalls
- Critical Data Is Encrypted
- Secure Login Procedures
- Limits On Login Attempts
- A Minimum Password Complexity Requirement

The data security of LCPtracker is established in several layers. These layers include hosting the system in a FedRAMP compliant cloud service Microsoft Azure,transmission encryption using SSL – similar to on-line banking, firewalls, cririca data encryption, secure login procedures, limits on login attempts and minimum password complexity requirement. Permissions and Passwords authentication is handled by the application and an even more stringent password requirement may be requested by the administrator user (MDOT) if needed. LCPtracker is available 24 hours a day, 7 days a week and service availability is at 99.9 over the last 12 months.

LCPtracker has daily vulnerability/intrusion testing performed by third party. Third party vulnerability results available upon request. Our LCPtracker site has been tested for external vulnerabilities and is certified as a McAfee SECURE site which means;

> "Sites which are McAfee SECURE are tested daily to pass all external vulnerability audit recommendations of the Department of Homeland Security's National Infrastructure Protection Center (NIPC), the SANS/FBI Top 20 Internet Security Vulnerabilities list as well as the vulnerability audit requirements of Visa's CISP and AIS, MasterCard's SDP, American Express' DSS and Discover Card's DISC security standards. McAfee SECURE sites are also certified to be in compliance with the network perimeter security criteria mandated in such regulations as: the Health Insurance Portability & Accountability Act (HIPAA), the Gramm-Leach-Bliley Act (GLBA), the Sarbanes-Oxley Act (SOA) and the Government Information Security Reform Act (GISRA), as well as Canada's Personal Information Protection and Electronic Documents Act."

LCPtracker has standard contractual language regarding confidentiality of client information, as well as, privacy/confidentiality language in LCPtracker employee handbooks. Also ISMS policies have been put place that address this which includes our Acceptable Use of Assets Policy as well as Information Disposal Policy among others.

Administrators will have the ability to determine how many employees have access to the database, and at what level of access depending on their roles and responsibilities. Each user will have their own

unique login and password. LCPtracker conducts background checks on all employees. The staff at LCPtracker that may have access to client data include development staff and select senior support staff. Support staff typically only have read only access.

Configurable Password Rules:

9 - Minimum password length defined by client
10 - Must contain at least one lower-case letter and one upper-case letter.
11 - Must contain a number
12 - Must contain a special character
13 - Must contain a non-numeric first and/or last character
14 - Expires after X days (defined by client)
15 - Lockout after 5 attempts

Users are locked out of the database after 5 consecutive invalid attempts. The full administrator must then reset the password for the user. Each client has a separate database for security of login. In addition, LCPtracker has created a password complexity feature request process. This means that customers who may require more stringent password complexity rules can notify LCPtracker of their requirements and LCPtracker can set those rules as requirements for their database. Once the rules are defined by the customer, their database will be set up so that all administrators and contractor users of their database must comply with the password rule requirements defined by the client.
Users and administrators are authenticated inside of the LCPtracker application as part of the login process, login credentials are encrypted. All sessions between the browser and the service are encrypted. Encryption type is AES256. Inactive users are automatically timed out after 20 minutes.

Physical security- Online Services Security and Compliance (OSSC) manages the physical security of all of Microsoft's data centers, which is critical to keeping the facilities operational, as well as, to protecting customer data. Established, precise procedures in security design and operations are utilized for each facility. Microsoft ensures the establishment of outer and inner perimeters with increasing controls through each perimeter layer.

The security system applies the combined use of technology solutions including cameras, biometrics, card readers, and alarms with traditional security measures such as locks and keys. Operational controls are incorporated to facilitate automated monitoring and early notification if a breach or problem occurs, and enables accountability through the provision of auditable documentation of the data center's physical security program. The following list provides additional examples of how Microsoft applies controls to physical security:

- Restricting access to data center personnel – Microsoft provides security requirements upon which data center employees and contractors are reviewed. In addition to contractual stipulations about site staff, a further layer of security within the data center is applied to personnel that operate the facility. Access is restricted by applying a least privilege policy, so that only essential personnel are authorized to manage customers' applications and services.
- Addressing high business impact data requirements – Microsoft has developed more stringent minimum requirements for assets categorized as being highly sensitive than for those of low or moderate sensitivity within the data centers used to provide online services. Standard security protocols regarding identification, access tokens, and logging and surveillance of site entry

clearly state what type of authentication is needed. In the case of access to highly sensitive assets, multifactor authentication is required.

- Centralizing physical asset access management – As Microsoft continues to expand the number of data centers used to provide online services, a tool was developed to manage access control to physical assets, which also provides auditable records through the centralization of workflow for the process of requesting, approving, and provisioning access to data centers. This tool operates using the principle of providing the least access needed and incorporates workflow for gaining approvals from multiple authorization parties. It is configurable to site conditions and enables more efficient access to history details for reporting and compliance with audits.

- ## Schedule B, Attachment 4 - Data Backup Requirements

SQL Azure runs back-ups periodically and runs consistency checks to recover from a hardware failure. This is a built-in internal operation that supports the overall health of the service and provides for automatic recovery.

Microsoft Azure is considered the top web-hosted service in the industry. This service provides inherent advantages: there is multiple redundant backup and disaster recovery built into the base service. LCPtracker may choose to move its primary choice of data center as other locations become available in search of optimal performance. Every client database is configured separately for scalability and security. Data is replicated to 2 other locations, one of which is guaranteed to be at least 100 miles away to provide failover and disaster recovery. Databases are backed up (full back-ups) at 11pm PST Monday through Friday to storage accounts within a separate subscription in the data center that are themselves replicated to 2 other locations. Note that this means primary LCPtracker service is in three locations and backup of LCPtracker is in three different locations. Any of these six locations is capable of supporting the LCPtracker service.

Other data such as CPR PDF files and eDocuments are full backups on the first Monday of every month and incremental backups for all other days. Daily backups are retained for one month. Monthly backups are retained for one year.

Databases are backed up (full back-ups) at 11pm PST Monday through Friday to storage accounts within a separate subscription in the data center that are themselves replicated to 2 other locations. Note that this means primary LCPtracker service is in three locations and backup of LCPtracker is in three different locations. Any of these six locations is capable of supporting the LCPtracker service. All data is stored in three separate Microsoft data center locations. LCPtracker has custom code utilities to restore data from offsite locations. Database restores can be done within minutes.

- Schedule B, Attachment 5 - Business Continuity and Disaster Recovery Plan

The Azure service that LCPtracker utilizes is a multiply redundant server environment.

The primary level of recovery is not having a failure in the first place. The system is fully redundant so that failure of any one component will not cause entire system failure. LCPtracker has automatic notification of failures so corrective action can begin immediately.

The Basic LCPtracker Failure Discovery Decision Tree:

1) Determine the nature and source of the failure
   - Co-location failure – go to item 3);
   - LCPtracker Failure – go to item 2)
2) Reboot/restart
3) If not resolved, estimate time to resolve
   - If 4 hours or less, wait or recover as appropriate;
   - If greater than 4 hours, start action to switch alternative Azure Disaster Recovery Subscription and Servers
   - Re-evaluate time to resolve every 60 minutes, switch to alternative site backup if primary system will require over 60 minutes recovery time, and switch over is ready to initiate. NOTE: Switch to Azure Disaster Recovery Servers means returning to previous night's data this is to be avoided if at all possible. Note: Azure switch to offsite is automatic.
4) After recovery on-site, repair system to design configuration
   - Report nature of failure and action to management;
5) After switch to alternative-site
   - Repair primary-site capabilities;
   - Transfer data entered to offsite during off-site operation at scheduled time in the evening;
   - Switch to on-site operation at scheduled time in the evening

A random sample of backup data is restored and tested once per week. The disaster recovery plan is tested once a year.

- Schedule C – Pricing/Cost Table

• Table 1: Summary of the Project Cost Items from Section 1.104 Deliverables			
• One-Time Project Cost Summary			
Item	**Project Cost(s)**	**Cost ($)**	**Comments**
A.	**Base Software Package** One-time cost for the subscription to the vendor's proposed software package.	$0.00	MDOT has already paid a ONE TIME startup fee during pilot implementation in 2014.
B.	**Testing and Warranty Period** Give breakdown in Table 2	$0.00	Configuration already complete.
C.	**Training and Documentation** Give breakdown in Table 3	$2,000	Training and Documentation are services included with the software subscription. There is no additional cost for this unless MDOT elects to use the proposed 1 ONSITE administrator training and 1 train the trainer ONSITE meeting vs. the web based FREE option
• On-Going and Future Project Costs			
Item	**Project Cost(s)**	**Cost ($)**	**Comments**
D	**Software Subscription** Includes solution software and any required third party software Give breakdown in Table 4	$154,440 (for all 3 years, $51,480 each of the additional 2 optional years with the 22% discount.)	For unlimited amounts of projects, unlimited number of administrators and contractors/users for up to $2 billion in construction annually ** Should MDOT decide $2 billion in annual construction is not needed, dollars not used may be credited to the next year's annual license fee. See details in Table 4.
E	**Maintenance and Support** Give breakdown in Table 4	$0.00	Database maintenance and support for MDOT and all users of MDOT database are included at no extra charge.
F	**Operation Services** Give breakdown in Table 5	$0.00	Operational services are all included with LCPtracker at no extra charge.

G	**Application Hosting, if applicable** Give breakdown in Table 6	n/a $0.00	
	Total Project Cost	**$156,440**	***For 3 years of services at $2 billion each year in construction plus one full day of onsite training (item C)**

- Table 2: Configuration, Testing, Implementation, and Warranty

Category	**Resources Required** **(Contractor to identify each IT classification)**	**Total # of hours** **(Contractor to identify # of hours per resource)**	**Hourly Rate** **(List rate for each resource)**	**Total cost ($)** **(Transfer category totals to Table 1)**	**Comments**
Implementation	Complete.	Complete (60+ hours spent by LCP PM)	**Complete**	**Provide individual implementation costs by category below and then transfer the combined total to Table 1)**	Complete, Implemented in 2014
Configuration	Complete	Complete (20+ hours completed by LCP wage data entry staff)	Complete	$0.00	Complete, Already implemented
Customizations (Provide a line item below for each customization listed in the Requirements tables. Add more customization rows if needed)	N/A	N/A	N/A	$0.00	Database configured/customized per MDOT specifications
Testing: (i.e. Unit, System, Integration, Performance (load and stress), Parallel Testing, User Acceptance Testing (UAT), and other)	N/A. Complete-Implemented			$0.00	MDOT database already fully implemented
Interfaces/Integration	N/A	N/A	N/A	$0.00	
Go-Live	Complete	Complete	Complete	$0.00	Currently LIVE

- Table 2: Configuration, Testing, Implementation, and Warranty

Combined Total Implementation Costs (configuration, testing and interfaces/integration)	LCPtracker Implemented			$0.00	LCPtracker Implemented

* The warranty period may not close if defects with a severity level of critical or high are unresolved.

- Table 3: Training, Documentation and Knowledge Transfer Breakdown

No.	Category	Resources Required (Contractor to identify IT classification)	Total # of hours (# of hours per resource)	Total cost ($) (Transfer total from this table to Table 1)	Comments (Explain how these costs were identified)
	Training				
A	**Required Training**				
	End User: Train-the-Trainer			$0.00	
	Onsite			$0.00	
	Webinar			$0.00	
	System Admin Training			$0.00	
	Onsite			$0.00	
	Webinar			$0.00	
B	**Optional Training**				
	Additional End User Train-the-Trainer			$0.00	*LCPtracker sponsors several administrator and contractor training classes every month at no charge.
	Onsite			$1,000	Optional
	Webinar			$0.00	Included Free
	Additional System Admin Training			$0.00	
	Onsite			$1,000	Optional
	Webinar			$0.00	Included Free
	Construction Contractor Training			$0.00	Included Free
	Project Manager Training			$0.00	Included Free

- Table 3: Training, Documentation and Knowledge Transfer Breakdown

No.	Category	Resources Required (Contractor to identify IT classification)	Total # of hours (# of hours per resource)	Total cost ($) (Transfer total from this table to Table 1)	Comments (Explain how these costs were identified)
	Training				
	Documentation				
B	**End User Documentation**			$0.00	LCPtracker has numerous user guides and training documentation already developed and available for all users at no extra charge.
	End User Online Help			$0.00	See above
	System Administration Documentation			$0.00	See above
	Technical Documentation			$0.00	See above
	Total Cost			$2,000	Optional

Note: The State anticipates that all MDOT employees (approximately 2,500 people) may use prevailing wages. In addition, MDOT has approximately 2,000 external partners using the current prevailing wage solution, and that number is anticipated to increase with the new solution. Of the external users, it is unlikely that more than 200 people would use the system concurrently

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- Table 4: Software Licensing, Maintenance and Support

No.	Cost Categories	Software Cost ($)	Comments
A.	**Software Licensing**		The annual license fee provided will accommodate up to $2 billion in active construction projects. Standard Bulk Pricing Scale Below;
	First Year (begins after 90-day warranty period)	$51,480	
	Second Year	$51,480	
	Third Year	$51,480	

- Table 4: Software Licensing, Maintenance and Support

	Fourth Year	$51,480	Up to $400 Million: $30,420 ($39,000-22%) Up to $500 Million: $35,880 ($46,000-22%) Up to $750 Million: $40,560 ($52,000-22%) Up to $2 Billion: $51,480 ($66,000-22%) Up to $3 Billion: $63,180 ($81,000-20%) **Should MDOT decide $2 billion in annual construction is not needed, dollars not used may be credited to the next year's annual license fee. For example, should MDOT alert LCPtracker that they only need to use up to $750 million, but have already paid the invoice of $51,480 (for up to 2 billion), we would be able to apply the difference of $10,920 (51,480-40,560) to the next years invoice.
	Fifth Year	$51,480	
	Total Software Licensing **LCPtracker has provided MDOT a 22% discount across any bulk level selected annually.**	**$154,440 (Total for all 3 years)** **$102,960 for 2 additional optional years.**	
	Software Maintenance and Support – to include help desk, release management and technical support		Software maintenance and support is included with the annual license fee for LCPtracker.
	First Year	$0.00	
	Second Year	$0.00	
	Third Year	$0.00	
	Fourth Year	$0.00	
	Fifth year	$0.00	
	Approved Maintenance Plan SEM 301	$0.00	
	Total Software Maintenance/Support	**$0.00**	
	Combined Total	**$154,440**	

- Table 5: Operation Services

No.		Cost ($)	Comments
A.	Disaster recovery plan	$0.00	These are all services that are included with LCPtracker's annual license fee documented in Table 4.
	Storage for prevailing wage IDs (if necessary)	$0.00	
	Storage for signed documents	$0.00	
	Approved service level agreement between the contractor and the State of Michigan	$0.00	
	System management/operation year one	$0.00	
	System management/operation year two	$0.00	
	System management/operation year three	$0.00	
	System management/operation year four	$0.00	
	System management/operation year five	$0.00	
	Total Cost	**$0.00**	

- Table 6: Vendor Application Hosting (if applicable)

No.	Vendor application hosting	Cost ($)	Comments
A.	Vendor application hosting costs (list separately):	$0.00	
	First Year	$0.00	
	Second Year	$0.00	
	Third Year	$0.00	
	Fourth Year	$0.00	
	Fifth Year	$0.00	

- Table 6: Vendor Application Hosting (if applicable)

	Total Cost of Application Hosting	**$0.00**	

- Table 7: Supplemental Services Rate Card

No.	Staffing Category	Key Staff	# of Hours	Firm Fixed Hourly Rate	Extended Price
A	Technical subject matter expert	Jesse Aguirre or equivalent technical manager	300	$200	

Note: The Supplemental Services Rate Card is not included in the Project Cost Summary (Table 1). The rates quoted in table 7 will be used for calculating time and material costs for future change requests, if needed.

- Table 8: Volume Discount Structure

NOTE: THE VOLUME DISCOUNT STRUCTURE IS NOT INCLUDED IN THE PROJECT COST SUMMARY (TABLE 1). THE RATES QUOTED IN TABLE 8 WILL BE USED FOR CALCULATING DISCOUNTED LICENSING COSTS AS ADDITIONAL USERS OR AGENCIES ARE ADDED. VENDOR'S SHOULD PROPOSE BY INSERTING A TABLE THAT PRESENTS A VOLUME DISCOUNT STRUCTURE THAT FITS WITH THE VENDOR'S LICENSING MODEL

NUMBER OF ADDITIONAL AGENCIES	ADDITIONAL DISCOUNT(IF ANY)
1-3	Same % discount as applied to the MDOT pricing in this solicitation
4-6	Additional 5% discount